



**L.A. Care**  
HEALTH PLAN

For All of L.A.

# BOARD OF GOVERNORS MEETING

April 6, 2023 • 1:00 PM

L.A. Care Health Plan

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



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

## Statement

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

## Overview

Committed to the promotion of accessible, affordable and high quality health care, L.A. Care Health Plan (Local Initiative Health Authority of Los Angeles County) is an independent local public agency created by the State of California to provide health coverage to low-income Los Angeles County residents. Serving more than 2.8 million members in four product lines, L.A. Care is the nation's largest publicly operated health plan.

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

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

## Programs

- **Medi-Cal** – In addition to offering a direct Medi-Cal line of business, L.A. Care works with three subcontracted health plans to provide coverage to Medi-Cal members. These partners are Anthem Blue Cross, Blue Shield of California Promise Health Plan and Kaiser Permanente. Medi-Cal beneficiaries represent a vast majority of L.A. Care members.
- **L.A. Care Covered™** – As a state selected Qualified Health Plan, L.A. Care provides the opportunity for all members of a family to receive health coverage under one health plan in the Covered California state exchange.



- **L.A. Care Cal MediConnect Plan** – L.A. Care Cal MediConnect Plan provides coordinated care for Los Angeles County seniors and people with disabilities who are eligible for Medicare and Medi-Cal.
- **PASC-SEIU Homecare Workers Health Care Plan** – L.A. Care provides health coverage to Los Angeles County’s In-Home Supportive Services (IHSS) workers, who enable our most vulnerable community members to remain safely in their homes by providing services such as meal preparation and personal care services.

<b>L.A. Care Membership by Product Line – As of February 2023</b>	
Medi-Cal	<b>2,678,030</b>
L.A. Care Covered	<b>127,051</b>
D-SNP	<b>17,801</b>
PASC-SEIU	<b>49,481</b>
Total membership	<b>2,872,363</b>
<b>L.A. Care Providers – As of April 2022</b>	
Physicians	<b>5,709</b>
Specialists	<b>13,534</b>
Both	<b>364</b>
Hospitals, clinics and other health care professionals	<b>14,276</b>
<b>Financial Performance (FY 2021-2022 budget)</b>	
Revenue	<b>\$8.6B</b>
Fund Equity	<b>\$1,143,510</b>
Net Operating Surplus	<b>(\$90,772)</b>
Administrative cost ratio	<b>5.2%</b>
<b>Staffing highlights</b>	
Full-time employees (Actual as of September 2021)	<b>1,911</b>
Projected full-time employees (FY 2021-2022 budget)	<b>1,945</b>





**AGENDA**  
**BOARD OF GOVERNORS MEETING**  
**L.A. Care Health Plan**  
**Thursday, April 6, 2023, 1:00 P.M.**

**DRAFT**

L.A. Care Health Plan, 1055 W. 7<sup>th</sup> Street, Conference Rooms 1017-18, 10<sup>th</sup> Floor  
Los Angeles, CA 90017

**Members of the Board of Governors, staff and the public can attend the meeting in person at the address listed above. Public comment can be made live and in person at the meeting. A form will be available at the meeting to submit public comment.**

**To listen to the meeting via videoconference please register by using the link below:**  
<https://lacare.webex.com/lacare/j.php?MTID=m178268dc6251d55d7c01aee32a7cd5d7>

**To listen to the meeting via teleconference please dial: +1-213-306-3065**  
**English Meeting Access Number: 2486 274 4480 Password: lacare**  
**Spanish Meeting Access Number: 2483 915 1252 Password: lacare**

**Teleconference Sites**

**Hilda Perez**  
L.A. Care Health Plan Community Resource  
Center  
3200 E Imperial Hwy, Lynwood, CA 90262

**Supervisor Hilda L. Solis**  
500 West Temple Street, Room 856  
Los Angeles, CA 90012

**Nina Vaccaro**  
445 S. Figueroa Street, Suite 2100  
Los Angeles, CA 90071

For those not attending the meeting in person, public comments on Agenda items can be submitted in writing by e-mail to BoardServices@lacare.org, or by sending a text or voicemail to (213) 628-6420.

Attendees who log on to lacare.webex using the URL above will be able to use “chat” during the meeting for public comment. You must be logged into WebEx to use the “chat” feature. The log in information is at the top of the meeting Agenda. The chat function will be available during the meeting so public comments can be made live and direct.

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

You can send your public comments by voicemail, email or text. If we receive your comments by 1:00 P.M., April 6, 2023, it will be provided to the members of the Board of Governors in writing at the beginning of the meeting. The chat message, text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must include the name of the item to which your comment relates.

Once the meeting has started, public comment submitted in writing must be received before the agenda item is called by the Chair. If your public comment is not related to any of the agenda item topics, it will be read in the general public comment agenda item.

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

The purpose of public comment is an opportunity for members of the public to inform the governing body about their views. The Board of Governors appreciates hearing the input as it considers the business on the Agenda. All public comments submitted will be read for up to 3 minutes during the meeting. These are extraordinary circumstances, and the process for public comment is evolving and may change at future meetings. We thank you for your patience.

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

Al Ballesteros, MBA, *Chair*

1. Approve today's Agenda *Chair*
2. Public Comment (*Please read instructions above.*) *Chair*
3. Approve Consent Agenda Items *Chair*
  - March 2, 2023 Board of Governors Meeting Minutes
  - Resources Connection, LLC dba Resources Global Professionals (**BOG 100**)
  - Customer Motivators Contract Amendment (**FIN 100**)
  - Center for Caregiver Advancement Contract Amendment (**FIN 101**)
4. Chairperson's Report *Chair*
5. Chief Executive Officer Report John Baackes  
*Chief Executive Officer*
  - Monthly Grants & Sponsorship Reports
6. Chief Medical Officer Report Sameer Amin, MD  
*Chief Medical Officer*

### Advisory Committee Reports

7. Executive Community Advisory Committee Hilda Perez / Layla Gonzalez  
*Consumer member and Advocate member*
8. Children's Health Consultant Advisory Committee Tara Ficek, MPH  
*Chairperson, CHCAC*

### Committee Reports

9. Executive Committee *Chair*
  - Government Affairs Update Cherie Compartore  
*Senior Director, Government Affairs*
10. Finance & Budget Committee Stephanie Booth, MD  
*Committee Chair*
  - Chief Financial Officer Report Afzal Shah  
*Chief Financial Officer*
    - Financial Report – January 2023 (**FIN 102**)

- Monthly Investment Transactions Reports – January 2023

11. Compliance & Quality Committee

Stephanie Booth, MD  
*Committee Chair*

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

*Chair*

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

*Chair*

13. CONTRACT RATES

Pursuant to Welfare and Institutions Code Section 14087.38(m)

- Plan Partner Rates
- Provider Rates
- DHCS Rates

14. REPORT INVOLVING TRADE SECRET

Pursuant to Welfare and Institutions Code Section 14087.38(n)

Discussion Concerning new Service, Program, Marketing Strategy, Business Plan or Technology  
Estimated date of public disclosure: *April 2025*

15. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

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

- L.A. Care Health Plan's Notice of Contract Dispute under Contract No. 04-36069  
Department of Health Care Services (Case No. Unavailable)

16. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

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

17. REPORT INVOLVING TRADE SECRET

Pursuant to Welfare and Institutions Code Section 14087.38(n)

Discussion Concerning new Service, Program, Marketing Strategy, Business Plan or Technology  
Estimated date of public disclosure: *April 2025*

18. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

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

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

**RECONVENE IN OPEN SESSION**

*Chair*

**Adjournment**

*Chair*

**The next meeting is scheduled on May 4, 2023 at 1 PM and may be conducted as a teleconference meeting.**

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

**THE PUBLIC MAY SUBMIT COMMENTS TO THE BOARD OF GOVERNORS BEFORE DISCUSSION OF EACH ITEM LISTED ON THE AGENDA BY SUBMITTING THE COMMENT IN WRITING BY TEXT MESSAGE TO 213 628 6420, OR IN WRITING BY EMAIL TO [BoardServices@lacare.org](mailto:BoardServices@lacare.org). Please follow additional instructions on the first page of this Agenda.**

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

**NOTE: THE BOARD OF GOVERNORS CURRENTLY MEETS ON THE FIRST THURSDAY OF MOST MONTHS AT 1:00 P.M.**

**AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION 72 HOURS BEFORE THE MEETING:**

1. At L.A. CARE'S Website: <http://www.lacare.org/about-us/public-meetings/board-meetings>
2. L.A. Care's Offices at 1055 W. 7<sup>th</sup> Street, Los Angeles, CA 90017 through the Reception Area in the Building Lobby, or
3. by email request to [BoardServices@lacare.org](mailto:BoardServices@lacare.org)

Any documents distributed to a majority of the Board Members regarding any agenda item for an open session after the agenda and meeting materials have been posted will be available for public inspection by email request to [BoardServices@lacare.org](mailto:BoardServices@lacare.org)

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

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



## Schedule of Meetings April 2023

Monday	Tuesday	Wednesday	Thursday	Friday
3	4	5	6 <i>Board of Governors Meeting</i> 1 pm <i>(for approx. 6 hours)</i>	7
10	11	12 <i>ECAC Meeting</i> 10 AM <i>(for approx. 2 hours)</i>	13	14
17 <i>RCAC 2</i> 10 AM <i>(for approx. 1-1/2 hours)</i>  <i>RCAC 5</i> 2 PM <i>(for approx. 1-1/2 hours)</i>	18 <i>RCAC 3</i> 10 AM <i>(for approx. 1-1/2 hours)</i>	19 <i>RCAC 6</i> 10 AM <i>(for approx. 1-1/2 hours)</i>	20 <i>Compliance &amp; Quality</i> 2 PM <i>(for approx. 2 hours)</i>  <i>RCAC 10</i> 2 PM <i>(for approx. 1-1/2 hours)</i>	21 <i>RCAC 1</i> 10 AM <i>(for approx. 1-1/2 hours)</i>
24	25	26 <i>Finance &amp; Budget Committee Meeting</i> 1 PM <i>(for approx. 1 hour)</i> <i>Executive Committee Meeting</i> 2 PM <i>(for approx. 2 hours)</i>	27	28





	MEETING DAY, TIME & LOCATION	MEETING DATES	BOARD MEMBERS / STAFF CONTACT
<b>BOARD OF GOVERNORS</b>	<p><b>1<sup>st</sup> Thursday</b> 1:00 PM <i>(for approximately 3 hours)</i> L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p> <p><i>*Offsite meeting – location TBD</i> <i>**All Day Retreat – location TBD</i> <i>***Placeholder meeting</i></p>	<p>April 6 May 4 June 1* July 27 <i>No meeting in August</i> September 7** October 5*** November 2 December 7</p>	<p>Alvaro Ballesteros, MBA, <i>Chairperson</i> Ilan Shapiro, MD, <i>Vice Chairperson</i> Stephanie Booth, MD, <i>Treasurer</i> John G. Raffoul, <i>Secretary</i> Hector De La Torre Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. Hilda Perez G. Michael Roybal, MD, MPH Supervisor Hilda L. Solis Nina Vaccaro, MPH VACANT</p> <p><b>Staff Contact:</b> John Baackes <i>Chief Executive Officer, x4102</i> Linda Merkens <i>Senior Manager, Board Services, x4050</i></p>
<b>BOARD COMMITTEES</b>			
<b>EXECUTIVE COMMITTEE</b>	<p><b>4<sup>th</sup> Wednesday of the month</b> 2:00 PM <i>(for approximately 2 hours)</i> L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p> <p><i>*2<sup>nd</sup> Wednesday due to Thanksgiving holiday</i></p>	<p>April 26 May 24 June 28 <i>No meeting in July</i> August 23 September 27 October 25 November 15* <i>No meeting in December</i></p>	<p>Alvaro Ballesteros, MBA, <i>Chairperson</i> Ilan Shapiro, MD, <i>Vice Chairperson</i> Stephanie Booth, MD, <i>Treasurer</i> John G. Raffoul, <i>Secretary</i> Hilda Perez <i>Compliance &amp; Quality Committee Chair</i></p> <p><b>Staff Contact:</b> Linda Merkens <i>Senior Manager, Board Services, x4050</i> Malou Balones <i>Board Specialist III, Board Services x4183</i></p>

**BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES  
AND REGIONAL COMMUNITY ADVISORY COMMITTEES  
2023 MEETING SCHEDULE / MEMBER LISTING**

	<b>MEETING DAY, TIME &amp; LOCATION</b>	<b>MEETING DATES</b>	<b>BOARD MEMBERS / STAFF CONTACT</b>
<b>COMPLIANCE &amp; QUALITY COMMITTEE</b>	<p><b>3<sup>rd</sup> Thursday of the month</b> 2:00 PM <i>(for approximately 2 hours)</i> L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p>	<p>April 20 May 18 June 15 <i>No meeting in July</i> August 17 September 21 October 19 November 16 <i>No meeting in December</i></p>	<p>Stephanie Booth, MD, <i>Chairperson</i> Alvaro Ballesteros, MBA Hilda Perez G. Michael Roybal, MD, MPH</p> <p><b>Staff Contact:</b> Victor Rodriguez <i>Board Specialist II, Board Services x 5214</i></p>
<b>FINANCE &amp; BUDGET COMMITTEE</b>	<p><b>4<sup>th</sup> Wednesday of the month</b> 1:00 PM <i>(for approximately 1 hour)</i> L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p> <p><i>*2<sup>nd</sup> Wednesday due to Thanksgiving holiday</i></p>	<p>April 26 May 24 June 28 <i>No meeting in July</i> August 23 September 27 October 25 November 15* <i>No meeting in December</i></p>	<p>Stephanie Booth, MD, <i>Treasurer</i> Al Ballesteros, MBA Hilda Perez G. Michael Roybal, MD, MPH Nina Vaccaro</p> <p><b>Staff Contact:</b> Malou Balones <i>Board Specialist III, Board Services x4183</i></p>
<b>GOVERNANCE COMMITTEE</b>	<p>L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p> <p><b>MEETS AS NEEDED</b></p>		<p>Hilda Perez, <i>Chairperson</i> Stephanie Booth, MD Layla Gonzalez Nina Vaccaro, MPH</p> <p><b>Staff Contact:</b> Malou Balones <i>Board Specialist III, Board Services/x 4183</i></p>
<b>SERVICE AGREEMENT COMMITTEE</b>	<p>L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p> <p><b>MEETS AS NEEDED</b></p>		<p>Layla Gonzalez, <i>Chairperson</i> George W. Greene Hilda Perez</p> <p><b>Staff Contact</b> Malou Balones <i>Board Specialist III, Board Services/x 4183</i></p>

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**BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES  
AND REGIONAL COMMUNITY ADVISORY COMMITTEES  
2023 MEETING SCHEDULE / MEMBER LISTING**

	<b>MEETING DAY, TIME &amp; LOCATION</b>	<b>MEETING DATES</b>	<b>BOARD MEMBERS / STAFF CONTACT</b>
<b>AUDIT COMMITTEE</b>	L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250  <b>MEETS AS NEEDED</b>		Hector De La Torre Layla Gonzalez George Greene  <u><b>Staff Contact</b></u> Malou Balones <i>Board Specialist III, Board Services, x 4183</i>

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<p align="center"><b>L.A. CARE COMMUNITY HEALTH PLAN</b></p>	<p><b>Meets Annually or as needed</b> L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p>		<p>Alvaro Ballesteros, MBA, <i>Chairperson</i> Ilan Shapiro, MD, <i>Vice Chairperson</i> Stephanie Booth, MD, <i>Treasurer</i> John G. Raffoul, <i>Secretary</i> Hector De La Torre Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. Hilda Perez G. Michael Roybal, MD, MPH Supervisor Hilda Solis Nina Vaccaro, MPH VACANT</p> <p><b>Staff Contact:</b> John Baackes, <i>Chief Executive Officer, x4102</i> Linda Merkens, <i>Senior Manager, Board Services, x4050</i></p>
<p align="center"><b>L.A. CARE JOINT POWERS AUTHORITY</b></p>	<p>L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p> <p><i>*Offsite meeting – location TBD</i></p> <p><i>**All Day Retreat – location TBD</i></p> <p><i>***Placeholder meetings</i></p>	<p>April 6 May 4 June 1* July 27 <i>No meeting in August</i> September 7** October 5*** November 2 December 7</p>	<p>Alvaro Ballesteros, MBA, <i>Chairperson</i> Ilan Shapiro, MD, <i>Vice Chairperson</i> Stephanie Booth, MD, <i>Treasurer</i> John G. Raffoul, <i>Secretary</i> Hector De La Torre Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. Hilda Perez G. Michael Roybal, MD, MPH Supervisor Hilda Solis Nina Vaccaro, MPH VACANT</p> <p><b>Staff Contact:</b> John Baackes, <i>Chief Executive Officer, x4102</i> Linda Merkens, <i>Senior Manager, Board Services, x4050</i></p>

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<b>PUBLIC ADVISORY COMMITTEES</b>			
<p><b>CHILDREN'S HEALTH CONSULTANT ADVISORY COMMITTEE GENERAL MEETING</b></p>	<p><b>3<sup>rd</sup> Tuesday of every other month</b> 8:30 AM <i>(for approximately 2 hours)</i></p> <p>L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p>	<p>May 16 <i>No meeting in July</i> August 15 September 19 November 21</p>	<p><b>Tara Ficek, MPH, Chairperson</b></p> <p><b>Staff Contact:</b> Victor Rodriguez <i>Board Specialist II, Board Services/x 5214</i></p>
<p><b>EXECUTIVE COMMUNITY ADVISORY COMMITTEE</b></p>	<p><b>2<sup>nd</sup> Wednesday of the month</b> 10:00 AM <i>(for approximately 3 hours)</i></p> <p>L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p>	<p>April 12 May 10 June 14 <i>No meeting in July</i> August 9 September 13 October 11 November 8 December 13</p>	<p><b>Fatima Vasquez, Chairperson</b></p> <p><b>Staff Contact:</b> Idalia Chitica, <i>Community Outreach &amp; Education, Ext. 4420</i></p>
<p><b>TECHNICAL ADVISORY COMMITTEE</b></p>	<p><b>Meets Quarterly 2<sup>nd</sup> Thursday of meeting month</b> 2:00 PM <i>(for approximately 2 hours)</i></p> <p>L.A. Care Health Plan 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017 (213) 694-1250</p>	<p>May 11 August 10 November 9</p>	<p><b>Staff Contact:</b> Victor Rodriguez <i>Board Specialist II, Board Services/x 5214</i></p>

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<b>REGIONAL COMMUNITY ADVISORY COMMITTEES</b>			
<p align="center"><b>REGION 1 ANTELOPE VALLEY</b></p>	<p><b>3<sup>rd</sup> Friday of every other month</b> 10:00 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Family Resource Center 2072 E. Palmdale Blvd. Palmdale, CA 93550 (213) 438-5580</p>	<p>April 21 June 16 August 18 October 20 December 15</p>	<p><b>Russel Mahler, Chairperson</b></p> <p><b>Staff Contact:</b> Kristina Chung, Field Specialist Cell Phone (213) 905-8502 <i>Community Outreach &amp; Education</i></p>
<p align="center"><b>REGION 2 SAN FERNANDO VALLEY</b></p>	<p><b>3<sup>rd</sup> Monday of every other month</b> 10:00 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Family Resource Center 10807 San Fernando Rd. Pacoima, CA 91331 (844) 858-9942</p>	<p>April 17 June 26 * August 21 October 16 December 18</p> <p><i>*Dates have changed due to holidays or L.A. Care Special events</i></p>	<p><b>Estela Lara, Chairperson</b></p> <p><b>Staff Contact:</b> Martin Vicente, Field Specialist Cell Phone (213) 503-6199 <i>Community Outreach &amp; Education</i></p>
<p align="center"><b>REGION 3 ALHAMBRA, PASADENA AND FOOTHILL</b></p>	<p><b>3<sup>rd</sup> Tuesday of every other month</b> 10:00 AM <i>(for approximately 2-1/2 hours)</i> Robinson Park Recreation Center 1081 N. Fair Oaks Ave. Pasadena, CA 91103 (626) 744-7330</p>	<p>April 18 June 20 August 15 October 17 December 19</p>	<p><b>Cynthia Conteas-Wood, Chairperson</b></p> <p><b>Staff Contact:</b> Frank Meza, Field Specialist Cell phone (323) 541-7900 <i>Community Outreach &amp; Education</i></p>
<p align="center"><b>REGION 4 HOLLYWOOD-WILSHIRE, CENTRAL L.A. AND GLENDALE</b></p>	<p><b>3<sup>rd</sup> Wednesday of every other month</b> 9:30 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Metro LA 1233 S. Western Ave. Los Angeles, CA 90006 (213) 428-1457</p>	<p>May 18 July 20 September 21 November 16</p>	<p><b>Sylvia Poz, Chairperson</b></p> <p><b>Staff Contact:</b> Kristina Chung, Field Specialist Cell Phone (213) 905-8502 <i>Community Outreach &amp; Education</i></p>

**FOR INFORMATION ON THE CURRENT MONTH'S MEETINGS, CHECK CALENDAR OF EVENTS AT WWW.LACARE.ORG. MEETINGS MAY BE CANCELLED OR RESCHEDULED AT THE LAST MOMENT. TO CHECK ON A PARTICULAR MEETING, PLEASE CALL (213) 694-1250 OR SEND EMAIL TO BOARDSERVICES@LACARE.ORG.**

**BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES  
AND REGIONAL COMMUNITY ADVISORY COMMITTEES  
2023 MEETING SCHEDULE / MEMBER LISTING**

<p align="center"><b>REGION 5 CULVER CITY, VENICE, SANTA MONICA, MALIBU, WESTCHESTER</b></p>	<p align="center"><b>3<sup>rd</sup> Monday of every other month</b> 2:00 PM <i>(for approximately 2-1/2 hours)</i> Veterans Memorial Bldg Multipurpose Room 4117 Overland Avenue Culver City, CA 90230 (310) 253-6625</p>	<p align="center">April 17 June 26 * August 21 October 16 December 18</p>	<p align="center"><i>Maria Sanchez, Chairperson</i></p> <p><b>Staff Contact:</b> Cindy Pozos, Field Specialist Cell phone (213) 545-4649 <i>Community Outreach &amp; Education</i></p>
<p align="center"><b>REGION 6 COMPTON, INGLEWOOD, WATTS, GARDENA, HAWTHORNE</b></p>	<p align="center"><b>3<sup>rd</sup> Thursday of every other month</b> 10:00 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Inglewood 2864 W. Imperial Highway Inglewood, CA 90303 (310) 330-3130</p>	<p align="center">April 19 June 21 August 16 October 18 December 20</p>	<p align="center"><i>Andria McFerson, Chairperson</i></p> <p><b>Staff Contact:</b> Frank Meza, Field Specialist Cell phone (323) 541-7900 <i>Community Outreach &amp; Education</i></p>
<p align="center"><b>REGION 7 HUNTINGTON PARK, BELLFLOWER, NORWALK, CUDAHY</b></p>	<p align="center"><b>3<sup>rd</sup> Thursday of every other month</b> 10:00 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Norwalk 11721 Rosecrans Ave. Norwalk, CA 90650 (562) 651-6060</p>	<p align="center">May 16 July 18 September 19 November 21</p>	<p align="center"><i>Fatima Vasquez, Chairperson</i></p> <p><b>Staff Contact:</b> Martin Vicente, Field Specialist Cell Phone (213) 503-6199 <i>Community Outreach &amp; Education</i></p>
<p align="center"><b>REGION 8 CARSON, TORRANCE, SAN PEDRO, WILMINGTON</b></p>	<p align="center"><b>3<sup>rd</sup> Friday of every other month</b> 10:30 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Wilmington 911 N. Avalon Ave. Wilmington, CA 90744 (213) 428-1490</p>	<p align="center">May 19 July 21 September 15 November 17</p>	<p align="center"><i>Ana Romo – Chairperson</i></p> <p><b>Staff Contact:</b> Hilda Herrera, Field Specialist Cell phone (213) 605-4197 <i>Community Outreach &amp; Education</i></p>

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**BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES  
AND REGIONAL COMMUNITY ADVISORY COMMITTEES  
2023 MEETING SCHEDULE / MEMBER LISTING**

<p align="center"><b>REGION 9 LONG BEACH</b></p>	<p><b>3<sup>rd</sup> Monday of every other month</b> 10:00 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Long Beach 5599 Atlantic Ave. Long Beach, CA 90805 (213) 905-8502</p>	<p>May 15 July 17 September 18 November 20</p>	<p><b>Tonya Byrd, Chairperson</b></p> <p><b>Staff Contact:</b> Kristina Chung, Field Specialist Cell Phone (213) 905-8502 <i>Community Outreach &amp; Education</i></p>
<p align="center"><b>REGION 10 EAST LOS ANGELES, WHITTIER AND HIGHLAND PARK</b></p>	<p><b>3<sup>rd</sup> Thursday of every other month</b> 2:00 PM <i>(for approximately 2-1/2 hours)</i> L.A. Care East L.A. Family Resource Center 4801 Whittier Blvd Los Angeles, CA 90022 (213) 438-5570</p>	<p>April 20 June 15 August 17 October 19 December 21</p>	<p><b>Damara Hernández de Cordero, Chairperson</b></p> <p><b>Staff Contact:</b> Hilda Herrera, Field Specialist Cell phone (213) 605-4197 <i>Community Outreach &amp; Education</i></p>
<p align="center"><b>REGION 11 POMONA AND EL MONTE</b></p>	<p><b>3<sup>rd</sup> Thursday of every other Month</b> 10:00 AM <i>(for approximately 2-1/2 hours)</i> Pomona Community Resource Center 696 W. Holt Street Pomona, CA 91768 (909) 620-1661</p>	<p>May 17 July 19 September 20 November 15</p>	<p><b>Maria Angel Refugio, Chairperson</b></p> <p><b>Staff Contact:</b> Frank Meza, Field Specialist Cell phone (323) 541-7900 <i>Community Outreach &amp; Education</i></p>

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**Board of Governors**  
**Regular Meeting Minutes #315**  
**March 2, 2023**



**L.A. Care**  
 HEALTH PLAN

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

**Members**

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

George W. Greene, Esq.  
 Honorable Hilda Solis  
 Hilda Perez  
 G. Michael Roybal, MD, MPH  
 Nina Vaccaro, MPH

**Management**

John Baackes, *Chief Executive Officer*  
 Sameer Amin, MD, *Chief Medical Officer*  
 Terry Brown, *Chief of Human Resources*  
 Linda Greenfeld, *Chief Product Officer*  
 Augustavia Haydel, Esq., *General Counsel*  
 Tom MacDougall, *Chief Technology & Information Officer*  
 Thomas Mapp, *Chief Compliance Officer*  
 Marie Montgomery, *Chief Financial Officer*  
 Noah Paley, *Chief of Staff*  
 Acacia Reed, *Chief Operating Officer*

*All via teleconference*

*\*Absent*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>WELCOME</b>	<p>Ilan Shapiro, MD, <i>Vice-Chairperson</i>, at 1:04 p.m. called to order the regular and special meetings of L.A. Care Health Plan Board of Governors and the L.A. Care Health Plan Joint Powers Authority Board of Directors. The meetings were held simultaneously.</p> <p>Chairperson Ballesteros announced that those attending the meeting in person who wish to submit a public comment should use the form provided. For those with access to the internet, the materials for today’s meeting are available on the L.A. Care website.</p> <p>He welcomed everyone and thanked those who have submitted public comment by voice mail, text or email. He informed participants that for those using the video software during the meetings; the “chat” function will be available to provide live and direct public comment to everyone participating in the virtual meeting. The Chat feature will be open throughout the meeting for public comment.</p> <p>Board Members have received in writing the voice messages and written public comments sent before the meeting. All comments sent before and during the meeting were read for up to three minutes. All are welcome to provide input.</p>	
<b>APPROVAL OF MEETING AGENDA</b>	The agendas were approved as presented.	<b>Unanimously approved by roll call. 9 AYES (Booth, De La Torre, Ghaly,</b>

**DRAFT**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
		Gonzalez, Perez, Roybal, Shapiro, Solis, and Vaccaro)
<b>APPROVAL OF FINDINGS UNDER THE RALPH M. BROWN ACT</b>	Augustavia Haydel, Esq., <i>General Counsel</i> , noted that with the end of the public health emergency in California, this motion is no longer needed and there is no other action required.  <i>The public health emergency ended on February 28, 2023, therefore this motion was withdrawn.</i>	
<b>PUBLIC COMMENTS</b>	<p><b>Submitted on March 1 at 4:12 PM by Carolyn Rogers Navarro</b>  <i>General comment 3-2 2023 And once again what is going on with this lawsuit involving LA Care withholding public records related to LA Cares scorecard? So you been fined the biggest fine EVER by the DMHC, sanctioned with monetary fines by Calif heath office and your being sued by an employee for for racism! What the &lt;expletive&gt; is wrong with you people?</i>  <a href="https://centerforhealthjournalism.org/2022/04/15/lawsuit-seeks-records-penalized-la-county-health-plan-0?amp">https://centerforhealthjournalism.org/2022/04/15/lawsuit-seeks-records-penalized-la-county-health-plan-0?amp</a></p> <p><b>Submitted on February 28, 2023 at 7:00 PM by Sender Not Self Identified</b>  <i>Public comment , board meeting. Mar 2 2023 The state and county of Los Angeles are negligent enabling patient neglect and board members and county “leaders” should be sued for the abuses against patients rights. They have sat on their fat asses doing nothing when patients are in pain and are dying! Even the state admits it and does nothing significant about it!</i>  <i>Add : public comment March 2 2023 , sanctions against LA “care”, maybe they need to put you all in jail!</i>  <a href="https://www.dhcs.ca.gov/services/Documents/MCQMD/Sanctions/SanctionLtrLACare220304.pdf">https://www.dhcs.ca.gov/services/Documents/MCQMD/Sanctions/SanctionLtrLACare220304.pdf</a></p>	
<b>APPROVE CONSENT AGENDA ITEMS</b>	<p>Board Member Booth stated that she joined the February 2, 2023 Board of Governors Meeting Minutes during Mr. Baackes’ CEO report, earlier than indicated on the meeting minutes.</p> <ul style="list-style-type: none"> <li>• February 2, 2023 Board of Governors Meeting Minutes</li> <li>• Quarterly Investment Report  <b><u>Motion FIN 100.0323*</u></b>  <b>To accept the Quarterly Investment Report for the quarter ending December 31, 2022, as submitted.</b></li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>• MetaSoftTech Solutions, LLC Contract Amendment <b><u>Motion FIN 101.0323*</u></b> To authorize staff to amend the contract with MetaSoftTech Solutions, LLC not to exceed a total of \$3 million, (total contract not to exceed \$3 million), for IT staff augmentation services through June 30, 2023.</li>   <li>• OptumInsight Contract Amendment <b><u>Motion FIN 102.0323*</u></b> To authorize staff to create amendment #2 of SOW #4 to increase the contract amount from \$7,500,000 to \$14,957,500 (incremental increase of \$7,457,500) and extend the term through December 31, 2026. This amendment will allow OptumInsight, Inc. continue to support L.A. Care Data Mining services.</li>   <li>• PaySpan Contract Amendment <b><u>Motion FIN 102.0323*</u></b> To authorize staff to create amendment #2 of SOW #4 to increase the contract amount from \$7,500,000 to \$14,957,500 (incremental increase of \$7,457,500) and extend the term through December 31, 2026. This amendment will allow OptumInsight, Inc. continue to support L.A. Care Data Mining services.</li>   <li>• InfoCrossing, Inc. Contract Amendment <b><u>Motion FIN 104.0323*</u></b> To authorize staff to amend the InfoCrossing Inc. contract to add funding in the amount of \$715,000. The adjusted contract total would not exceed \$3.5 million. The funds would cover anticipated costs from December 01, 2022 through December 31, 2023, and allow InfoCrossing Inc. to continue their services with L.A. Care.</li>   <li>• Ratify elected Technical Advisory Committee Chairperson and Vice Chairperson <b><u>Motion TAC 100.0323*</u></b> To ratify the election of Sameer Amin, MD, as Chairperson and Hector Flores as Vice Chairperson of the Technical Advisory Committee (TAC) for 2023, a one year term.</li> </ul>	<p>Unanimously approved by roll call. 9 AYES (Booth, De La Torre, Ghaly, Gonzalez, Perez, Roybal, Shapiro, Solis, and Vaccaro)</p>
<p><b>CHAIRPERSON'S REPORT</b></p>	<p><b>Submitted via text on February 28 at 7:00 PM by Carolyn Rogers Navarro:</b> <i>Public comment, chairperson report March 2 2013 Carolyn Rogers Navarro</i> <a href="https://www.dmhc.ca.gov/AbouttheDMHC/Newsroom/March4,2022.aspx">https://www.dmhc.ca.gov/AbouttheDMHC/Newsroom/March4,2022.aspx</a> <i>LA Care thinks this \$55 million is no big deal. It's suggested board member and the public read about what was done to patients being delayed and denied care!</i> <a href="https://wps0.dmhc.ca.gov/enfactions/docs/4116/1646418458591.pdf">https://wps0.dmhc.ca.gov/enfactions/docs/4116/1646418458591.pdf</a></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><i>How are enrollees safe! I've observed most board members enough and I don't believe they mostly care if enrollees are safe or care about how they are treated!</i></p> <p><a href="https://wpsso.dmhc.ca.gov/enfactions/docs/4116/1646418458591.pdf">https://wpsso.dmhc.ca.gov/enfactions/docs/4116/1646418458591.pdf</a>  <a href="https://wpsso.dmhc.ca.gov/enfactions/docs/4116/1646418458591.pdf">https://wpsso.dmhc.ca.gov/enfactions/docs/4116/1646418458591.pdf</a>  <a href="https://www.dmhc.ca.gov/AbouttheDMHC/Newsroom/March4,2022.aspx">https://www.dmhc.ca.gov/AbouttheDMHC/Newsroom/March4,2022.aspx</a></p> <p>Vice Chairperson Shapiro stated that we are moving forward in interesting times. We know that the California public health emergency has ended and the federal public health emergency will end on May 11. This does not mean that COVID 19 and other infections have disappeared. It is important that we have seen that awareness of social determinants of health have been raised in the past few years. He is extremely proud to be part of this organization that is moving forward, not just on the infectious diseases but also in determining the root causes for health disparities.</p>	
<p><b>CHIEF EXECUTIVE OFFICER REPORT</b></p>	<p><b>Submitted via text on February 28 at 7:00 pm by Carolyn Rogers Navarro</b></p> <p><i>Now I see a lawsuit against LA "care" for ignoring racist , inappropriate comments made in the work environment, (KFI , Black Former LA Care worker ) comments about race and personal appearance, even someone's hair! Why do you people act like you can get away with acting like it's the 1950s?! Why on earth hasn't the state shut you down, people are DEAD! My daughter is DEAD! You are supposed to be advocating and protecting the community?! You can't comment but I sure as hell can!</i></p> <p><a href="https://theavtimes.com/2023/01/09/former-la-care-worker-ties-resignation-to-disparate-treatment-comments/">https://theavtimes.com/2023/01/09/former-la-care-worker-ties-resignation-to-disparate-treatment-comments/</a></p> <p>John Baackes, <i>Chief Executive Officer</i>, reported:</p> <ul style="list-style-type: none"> <li>• California Department of Health Care Services (DHCS) began an onsite audit on Monday. The audit encompasses the operations of L.A. Care, with focused attention on areas under the enforcement actions that were announced last year. Staff is heavily involved in this audit, which is expected to last two weeks. Sameer Amin, <i>Chief Medical Officer</i>, is involved in the audit and is not expected to attend this meeting. An exit conference for the audit is scheduled on March 10, 2023, at which the Auditors will present preliminary findings. L.A. Care will receive a draft report and can comment. A final report is expected in about six months.</li> <li>• The redetermination of eligibility process for Medi-Cal will resume after the end of the public health emergency. L.A. Care's enrollment has continued to grow. L.A. Care has 2.9</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>million members, with 2.7 million Medi-Cal enrollees. In April, California will send redetermination packets to Medi-Cal beneficiaries with annual enrollment dates in the month of June. If the beneficiary cannot complete the eligibility redetermination process satisfactorily, benefits will terminate on July 1. L.A. Care enrollment is expected to increase until July, 2023. It is estimated that 13% of L.A. Care’s current enrollment will be determined ineligible over the next year. As previously mentioned, it is expected that there will be three main categories which will be determined to be ineligible:</p> <ul style="list-style-type: none"> <li>○ some beneficiaries may have moved from Los Angeles County</li> <li>○ some may have increased income above the eligibility limit</li> <li>○ some may fail to respond to the redetermination process.</li> </ul> <p>For the second group, those who do not have health insurance will be able to continue with L.A. Care by enrolling in L.A. Care Covered. For most of these people, if the income level were below 250% of the federal poverty level, there would be no monthly health care premium cost, only the co-payments and deductible for their coverage tier selected.</p> <p>L.A. Care is focused on the third category, which includes people who may not realize their coverage has ended until they pick up a medication or make a health care appointment. If they then reengage with Medi-Cal, it is possible that they would be reinstated after a gap in coverage of up to 90 days or longer. L.A. Care hopes to avoid the gap in coverage. At the last meeting, a detailed presentation included the measures L.A. Care is taking to communicate with members. A main point to remember is that redetermination will continue for 12 months, and L.A. Care will continue to communicate the importance of this process. There is a glimmer of hope in that Los Angeles County and California officials have a means to renew eligibility automatically using data from other public social benefit agencies. Los Angeles County Department of Public Social Services (DPSS) estimates that up to 50% of current Medi-Cal beneficiaries could have their eligibility automatically renewed through this mechanism. State officials estimate the rate will more likely be in the 20-30% range.</p> <p>L.A. Care is proactively approaching eligibility redetermination by asking Medi-Cal members who call L.A. Care to update their residency and contact information. If there is a change in the information, the DPSS is also notified of the change, as DPSS is responsible for mailing the redetermination packages to beneficiaries. L.A. Care works cooperatively with DPSS because it has always been a problem that beneficiaries are not aware when a redetermination packet has been sent to an old address.</p> <p>L.A. Care included in its budget a potential loss of 13% of the Medi-Cal membership. L.A. Care wants to be sure that the actual loss of membership is not that large. It is believed that</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>there are many beneficiaries who are eligible but they are not aware of the upcoming redetermination process. The suspension of eligibility redetermination has been in place for nearly three years.</p> <ul style="list-style-type: none"> <li>• The California Safety Net Coalition (SNC) is a statewide effort started by L.A. Care. The coalition includes the California Medical Association, California Hospital Association, California Primary Care Association, SEIU, and Planned Parenthood. All of the local initiative health plans represented by Local Health Plans of California are participating, as well as some of the commercial health plans. The participation is very important as the goal is to have a ballot initiative in November 2024, to reestablish what is known as the managed care organization (MCO) tax. The MCO tax existed until a year ago, when it was allowed to expire in California due to excessive revenue. California’s Governor has proposed reestablishing the tax. The difference between the Governor’s proposal and the SNC proposal is the MCO taxes the health plans, and most heavily, the Medi-Cal managed care plans. The amount paid in MCO tax is repaid to Medi-Cal managed care plans in the rates. The amount of the MCO tax is used to draw an equivalent amount from the federal government. Under the old MCO tax and in the current proposal from the Governor, the matching funds from the federal government will likely be placed in the general fund. The SNC is proposing that the matching funds are used to supplement reimbursement to Medi-Cal providers. The Governor’s administration is aware of the SNC proposal. The best outcome would be if the tax were used by California for two years. When the ballot initiative is passed, the funds could be redirected for supplemental rates and could not be adjusted by administrations in the future. There has not been any opposition experienced yet. It is expected that there will be discussion of how the funds will be distributed among hospitals, federally qualified health centers (FQHCs) and physicians in the community. A motivation for this is that nearly 60% of L.A. Care members are cared for by community-based physicians, who are not employees of the Los Angeles County Department of Health Services (DHS) or FQHCs. Those community physicians do not receive supplemental funding and L.A. Care is most concerned about those physicians moving to other practices, leaving the communities without health care providers.</li> <li>• L.A. Care has appointed Alexander Li, MD, to the position of Chief Health Equity Officer. Dr. Li has been L.A. Care’s Deputy Chief Medical Officer for the last five years. The Chief Health Equity Officer is a position required by California’s Advancing and Improving Medi-Cal Initiative (CalAIM). L.A. Care’s Chief Health Equity Officer will focus on mitigation of health disparities. Dr. Li has been asked to submit a plan within 90 days, and will be working across the community with organizations that are addressing these issues. It is</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>recognized that this is not an issue that L.A. Care could solve by itself. L.A. Care would like to collaborate with other organizations to make a positive difference in this area.</p> <ul style="list-style-type: none"> <li>Mr. Baackes announced that this would be the last Board Meeting with Marie Montgomery, <i>Chief Financial Officer</i>. After seven years with L.A. Care, Ms. Montgomery is retiring at the end of March. He cannot express enough gratitude for the contributions she has made during those seven years. One notable accomplishment that is probably not known outside L.A. Care is her leadership in implementing a new accounting system that brings L.A. Care into the 21<sup>st</sup> century and significantly improves workflow. It is a much more efficient way to track financial performance. The new system is almost completely in place. It was a huge achievement. Ms. Montgomery was instrumental in ensuring that the Elevating the Safety Net funding, which comes through a very complicated process, was properly tracked and is available to support the initiative. L.A. Care has done a very good job with that funding and has extended the program for another five years. Another important accomplishment by Ms. Montgomery is the successful implementation of premium payments for L.A. Care Covered. This program was the first time L.A. Care members made partial payments for their health care premium. It was a huge achievement to overcome a barrier that has prevented other public health plans from joining Covered California. L.A. Care is the only public plan participating in Covered California. L.A. Care Covered enables Medi-Cal members who earn their way out of Medi-Cal to continue coverage with L.A. Care, preserving continuity of care relationships with their health care providers. Ms. Montgomery has been an inspiration to her staff. She is a respected and beloved leader. Mr. Baackes thanked Ms. Montgomery for being part of the team and noted that it has been wonderful having her at L.A. Care.</li> </ul> <p>Ms. Montgomery thanked Mr. Baackes and stated that highlighting those accomplishments is very meaningful for her. She noted that she has worked alongside many good people in Finance, Information Technology and other departments. All of the projects required a lot of teamwork. At L.A. Care, the staff takes on many projects and accomplishes many things along the way, of which we are very proud. She noted that Mr. Baackes is the mastermind behind Elevating the Safety Net, she supported it and kept track of the funds. This is the kind of project that has made her role as CFO so rewarding. The mission of L.A. Care and all the good work being done that is sometimes forgotten when changing focus on other matters. All the Community Investment funds including Elevating the Safety Net and Community Resource Centers have helped many people and these are programs that other health plans do not do. It has been rewarding to be the CFO of an organization that is so member-focused and mission focused and has a constituent board. In her career, other boards do not operate that way. It is clear that Board Members are committed to the mission and the members, and supporting the good work staff is trying to do. Retirement is</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>bittersweet and it is hard to leave this organization. At the end of her career, to retire from an organization such as this one, she would not have imagined that it would play out so well, including implementing an accounting system. She is really happy with that. Looking at her own career, she can say that she saved the best for last. It has been a great role for her and very rewarding.</p> <p>Later in this meeting, Ms. Montgomery will provide the forecast update. L.A. Care is in good financial shape and going forward it will get even better as we get the margin back where it belongs. Afzal Shah, <i>Deputy Chief Financial Officer</i>, is extremely talented, the finance team is strong and he will make it stronger. There are great things in store for the organization going forward. She thanked everyone for the acknowledgement.</p> <p>Mr. Baackes announced that there will be a retirement celebration for Ms. Montgomery on March 30, and invitations will be sent to Board members.</p> <p>Board Member Solis congratulated Ms. Montgomery. She thanked Mr. Baackes for the update, especially on the audit that is taking place, and she looks forward to hearing what exit information is provided. Concerning eligibility redetermination and the DPSS, she asked about the outreach to individual populations. Mr. Baackes noted that DPSS has informed L.A. Care that their testing shows that beneficiaries could have their eligibility automatically renewed allowing members to be enrolled without submitting paperwork. Submitting paperwork can inhibit re-enrollment. Beginning in April, when the first renewal packets are mailed, L.A. Care will conduct a variety of notifications to members. The use of text messages is not allowed, and L.A. Care will include providers in the notifications and will provide information to be posted at the provider locations. The health care providers are motivated to make sure that people do not lose coverage, particularly those that are undergoing treatment.</p> <p>L.A. Care will also use the Community Resource Centers (CRCs) for outreach. There will be 14 CRCs open by June 2023, and all will have trained staff to assist with completion of the redetermination packet. L.A. Care will use all the social media outlets to raise awareness. L.A. Care will also work with street medicine providers because it is important to reach the members and these street medicine providers are in contact with members who may not have a home and can provide current information to help DPSS re-enroll them using the automatic renewal process.</p> <p>Board Member Solis is interested in the methods using street medicine providers for the unhoused, because there are many people on the street now who are not a part of the DPSS system. She asked what might happen for people on skid row; which is part of her supervisorial district. Mr. Baackes responded that L.A. Care contracts with street medicine providers and will train them on how to instruct patients, so they can make sure their coverage continues. These</p>	



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	<p>providers are the front line on the street. Board Chairperson, Al Ballesteros, is the CEO of a clinic on San Pedro Street, where there are a tremendous number of people who are experiencing homelessness. The clinic will also be helping to educate members through the redetermination process so they remain eligible for Medi-Cal benefits. Board Member Solis suggested connecting with Los Angeles Homeless Services Authority's (LAHSA) and other Los Angeles County staff that work with homelessness in other parts of the County could be useful. Mr. Baackes agreed, and he noted that L.A. Care works with LAHSA through the CalAIM program, and the connection can be made to have more outreach.</p> <p>Board Member Solis asked for an update on the benefits that will be included in CalAIM in supporting the unhoused. Mr. Baackes stated that CalAIM is a package of benefits and services that can be funded with Medi-Cal. One aspect of CalAIM is Enhanced Care Management (ECM), which is a program for people with multiple chronic conditions whose access to health care is impacted by social barriers. Through Medi-Cal, L.A. Care can now integrate social services into care planning through contracted community based organizations. L.A. Care has contracts with 59 organizations. Health plans can provide up to 14 community supports, and L.A. Care has agreed to implement all 14 over two years. Four services were added in January 2022, four more in July, and two more in January 2023. More will be added in July 2023 and January 2024. Of these benefits, the most widely used today is medically tailored meals for beneficiaries whose conditions would be improved by a proper diet. L.A. Care has several providers contracted for these services, including Project Angel Food. Another benefit is recuperative care, which used to be funded by L.A. Care's unassigned reserves but can now be funded using Medi-Cal. This is an important service for people that need care after being in the hospital but are without a home. During the time the beneficiary is in a recuperative setting, L.A. Care works to arrange permanent supportive housing for the member. L.A. Care also provides Housing Navigation Services benefits, which helps identify housing for members with vouchers. He noted there are more benefits, and he offered to provide more information at a future meeting. Supervisor Solis commended L.A. Care for taking on all 14 benefits.</p> <p>Board Member Ghaly stated that she is hearing concerns from community clinics and health centers about their ability to staff up for the redetermination effort. These health care provider sites are interested in making sure that patients retain their health care coverage. Some have asked if L.A. Care would provide support perhaps through grant funding or otherwise, to help with staffing such as enrollment counselors. Mr. Baackes thanked her for this question. For the FQHCs in particular, L.A. Care has worked with them on providing data but has not had conversations around staffing, but L.A. Care is open to considering support. Board Member Ghaly and Mr. Baackes agreed to discuss this at a later time. Mr. Baackes indicated that L.A. Care is also concerned that DPSS is adequately staffed, because ultimately that is where the</p>	

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	<p>processing occurs. L.A. Care’s role is to provide help and information on how to complete the documentation. L.A. Care cannot actually do the processing. Member Ghaly responded that she is hearing concerns about DPSS’ capacity to take on the redetermination process, and questions about what layers of communication are happening in partnership, as well, and DPSS would like to be at that table. Mr. Baackes stated that DPSS has a good relationship with L.A. Care and there is open communication. Starting last year L.A. Care began to provide updated member information to DPSS.</p> <p>Board Member Perez, on behalf of members, wished Ms. Montgomery the best on her retirement. She is honored to be one of the few consumer members to know the Chief Financial Officer. She thanked Ms. Montgomery for her guidance. When Board Member Perez asked to be a member of the Finance &amp; Budget Committee she had a lot to learn, and she still has many questions. Ms. Montgomery was so kind to spend time with Board Member Perez to explain basic information, and she really appreciated it. Board Member Perez thanked Board Member Solis for being on the Board again. When Board Member Solis was last on the Board the common word Board Member Perez heard was, “partnership”. Board Member Solis attended every event she could at the CRCs. She thanked Board Member Solis for thinking about the homeless population and always bringing that up to the Board. Board Member Perez thanked her for caring and raising awareness, especially for the redetermination and many of those individuals cannot provide an address to receive mail. Board Member Perez is a health promoter, and she reaches out to the members. Board Member Perez is thinking about those members that need assistance with the redetermination. This is important.</p> <p>Mr. Baackes said there are 2.9 million members, with possible 3 million by July, and 2.7 million Medi-Cal members. Being a health promoter, Board Member Perez has the honor of participating in different events at the CRCs. This is the way that L.A. Care is present throughout Los Angeles County. L.A. Care reaches out to members this way. If members do not come to L.A. Care, L.A. Care goes to their communities.</p> <p>Board Member Perez stated that being in the trenches and listening to people up front, there are many of our members and many members of the community that still need assistance in person. They need someone to sit with them and fill out the forms or paperwork. There are different ways to do this by phone, by mail, online, using an app, reaching out to the DPSS eligibility worker, but it comes to her attention that this support is offered at the CRCs. She was at the Inglewood CRC for the RCAC meeting, the receptionists did not know about this, and it was not listed on the calendar. She asked Francisco Oaxaca, <i>Chief of Communications and Community Relations</i>, to provide an update. Board Member Perez understands that Mr. Oaxaca oversees many departments, and she has heard that this needs to be ready by July. L.A. Care needs to be ready to help people. Board Member Perez remembers that Mr. Baackes once asked her how</p>	

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	<p>L.A. Care could invite members to visit the CRCs. L.A. Care is doing a lot, but we need to reach out, for example during the food pantries or vaccine clinics, besides providing those services and working on food security, we need to reach out to let people know the CRCs is there and what services are available. She displayed the calendar that is distributed by the Lynwood CRC. People are invited to come. They do not know what is at the CRC. They just come to get food or diapers, but they are not aware of the classes that are offered or the services available to help them with eligibility redetermination.</p> <p>Mr. Baackes noted that the eligibility redetermination services will be available at all times and an appointment is not needed. Mr. Oaxaca responded that L.A. Care is in the process of contracting with 10 different community partner agencies that currently provide Medi-Cal enrollment services throughout Los Angeles County. Several are also contracted with the County under the Children’s Health Outreach Initiative to provide these services, so these are established providers in the community. Each CRC will have at least one partner on site for a certain number of days each week. Some CRCs will have two different partners taking turns, to increase capacity. The target is to have these services available by April. Anyone entering the CRC can get in person enrollment assistance for Medi-Cal in the appropriate languages for the visitors to the CRC. L.A. Care has produced and will release shortly, animated videos with information about the redetermination process that will appear on the video screens at all the CRCs. Along with that, there is printed materials that will go up at the CRCs shortly, in anticipation of the redetermination process starting in April. L.A. Care is developing a redetermination ambassador training program for promotoras, so they can help reach out to people at L.A. Care events with information about services available at the CRCs. He offered the CRCs as a resource to the community clinics, to refer their patients who may need personal assistance with enrollment or eligibility redetermination. L.A. Care expects that individuals who look for that assistance may be those with complications, may have experienced roadblock with access to the online system, or may have never gone through the process and need assistance.</p> <p>Board Member Perez asked about social media outreach. Mr. Oaxaca reported that L.A. Care would be very active with posting information on social media for eligibility redetermination. L.A. Care will use social media to provide education, raise awareness and let the community know the CRCs are available. These services are not just for L.A. Care members. Anyone who needs assistance will be helped with redetermination and will be able to enroll in L.A. Care Covered or another health product if they are no longer eligible for Medi-Cal. Mr. Oaxaca noted that there would be information on the L.A. Care website for members and providers about Medi-Cal eligibility redetermination.</p>	

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	Vice Chairperson Shapiro stated that everyone here wants to make sure that anyone that is eligible for Medi-Cal is able to complete the redetermination process. There are willing partners in the community to help in any way possible to help distribute the information.	
<ul style="list-style-type: none"> <li>Annual and Monthly Grants and Sponsorships Reports</li> </ul>	<p><i>Mr. Baackes referred Board Members to the written reports included in the meeting materials.</i></p>	
<b>ADVISORY COMMITTEE REPORTS</b>		
<p><b>Executive Community Advisory Committee (ECAC)</b></p>	<p><b>Submitted via email by, March 2, 2023 at 1:49pm by Andria McFerson RCAC 6 Chair:</b>  <i>How can the Health Promoters and the RCAC member contribute to outreach for redetermination and homeless members helping with information and overall to help LA Care with peer to peer contact and support letting the public know about resources like we used to do for many years.</i>  <i>Thanks again, Andria McFerson, Health Promoter L.A. Care, ECAC /RCAC 6</i></p> <p>Mr. Baackes responded that ECAC members are part of the DHCS Coverage Ambassadors program and will receive information about the redetermination process directly from DHCS. L.A. Care also expects that Regional Community Advisory Committee (RCAC) members will be a good source of verbal updates in their communities.</p> <p><b>Submitted via chat on March 2, 2023, at 1:58 PM, from Demetria Saffore to everyone:</b>  <i>Why are the public comments being ignored and not addressed?</i></p> <p><b>Submitted via chat on March 2, 2023, at 1:56 PM, from Gladis Alvarez to everyone:</b>  <i>Be in touch or make a partnership with Regional Centers would be helpful to reach person with Disabilities.</i></p> <p>Board Member Gonzalez thanked everyone listening to the Board meeting today and to the RCAC and ECAC members and public that were able to attend in person today. We appreciate your attendance and welcome your comments, suggestions and questions. ECAC met on February 8. The meeting minutes can be obtained by contacting Community Outreach &amp; Engagement staff.</p> <ul style="list-style-type: none"> <li>As part of the CEO update Phinney Ahn, <i>Executive Director, Medi-Cal</i>, reported on Medi-Cal redeterminations. Normal renewal processing will resume in April for individuals with the</li> </ul>	

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	<p>annual renewal month of June. It will be a gradual process and disenrollment will not happen immediately. The first two months (April and May) renewal packets will be distributed and the auto renewal process will begin. Then redetermination packet processing will be underway by June. Disenrollment for ineligible applicants could begin on July 1.</p> <ul style="list-style-type: none"> <li>• Dr. Amin reported that the federal public health emergency would end on May 11. The state emergency ended February 28, and will affect Medi-Cal redetermination and potentially other issues like the cost share for individuals for in-home COVID-19 testing. L.A. Care is preparing to help members navigate through the transition.</li> <li>• Auleria Eakins, <i>Manager, Community Outreach &amp; Engagement</i>, provided an update that included the following highlights: <ul style="list-style-type: none"> <li>○ Long Beach CRC is now open. Information on the Grand opening event will be provided to members when available.</li> <li>○ She announced that in February, the RCACs began business meetings.</li> <li>○ In honor of Black History month, CO&amp;E and Health Promoters collaborated with the California Black Health Network, the California Healthcare Foundation, Evitarus research and Voice Media Ventures to present “Listening to Black Californians: How the Health Care System Affects their pursuit of Good Health.” Members had an opportunity to join the dialogue and hear from Rhonda Smith, Executive Director of California Black Health Network, and Katherine Haynes, Senior Program Officer of the California Health Care Foundation, as they speak about their organizations efforts to address policy and health equity gaps affecting black communities.</li> <li>○ The Disability Awareness Month webinar will be on March 30, 2023.</li> </ul> </li> <li>• Prity Thanki provided a Government Affairs update. She reported that Governor Newsom has released a January proposal for the 2023-24 California state budget. To address a projected budget deficit of \$22.5 billion in 2023-24, the Governor proposes to delay funding for new programs, and in some cases, his proposal ties new program implementation to future revenue. The Governor’s proposal avoids major cuts, retains significant budget reserves, and maintains investments from previous budgets, including Medi-Cal expansion to all income-eligible adults regardless of immigration status effective January 2024; grant adjustments for CalWORKs and SSI/SSP, and many housing and homelessness investments. The proposed budget continues funding to support increased county workload in restarting the process for eligibility redeterminations for beneficiaries. The proposed budget also includes funding to maintain efforts to address homelessness.</li> <li>• Linda Merkens reported on the 2023 Board of Governors Election Process, which is the same process that was conducted during the elections in 2016. Last November, ECAC members reviewed the proposed election process. Staff distributed the written rules to the</li> </ul>	

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	<p>RCAC members in December and January, and RCAC members provided feedback. ECAC members received the RCAC member feedback and approved the election process. Applications can be submitted until nominations are closed on April 12, and voting will take place sometime in June 2023.</p> <p>Board Member Gonzalez had the pleasure of attending RCAC meetings in Lancaster and Pacoima. It was great to see all the members; they were eager to get together and share their reports. Unfortunately, it has been three years of not hearing their comments, and she heard reports of a lack of specialty doctors in these areas, it is very difficult and takes too long to get durable medical equipment, and the wait times on the member services telephone line are too long. Many people complained they had to wait over an hour on the phone to speak to an L.A. Care staff person regarding a complaint. Board Member Gonzalez will raise these issues at the ECAC meeting and ECAC members will be able to add any other comments.</p> <p>Board Member Perez thanked Board Member Gonzalez for following up with member issues. She referenced the public comment from Ms. Alvarez, a RCAC member from Pomona, suggesting a partnership with Los Angeles County Regional Centers. She thanked Ms. Alvarez for her comment, and added that she really likes when members participate and express themselves, so it is not just she or Board Member Gonzalez speaking. As was heard in Board Member Gonzalez’ report, this is the time for RCAC members or for anyone that would like to be in our position. Language is not a barrier and the application period is open until April 12 to be a candidate. Candidates who wish to do so will have an opportunity to introduce themselves to RCAC members at their meetings. It is exciting, it is a lot of learning and it is time-consuming. A Board Member reads a lot, as a voting member one wants to be sure to align with what the members express and bring that to the table. This is an invitation for members to become a candidate. Board Member Perez is in her second term as the consumer member representative, Board Member Gonzalez is the consumer advocate member. If one has questions, please reach out to the Community Outreach &amp; Engagement (CO&amp;E) or to Board Services staff regarding the election.</p> <p>Board Member Perez commented, for those members that do not know where the CRC is located in their community, please log on to the L.A. Care website:  <a href="https://www.lacare.org/healthy-living/community-engagement/community-resource-centers">https://www.lacare.org/healthy-living/community-engagement/community-resource-centers</a>  Translation is available on the website in 10 different languages. She encouraged members to visit the CRC and get a calendar. Contact information for each CRC is listed on the website. L.A. Care’s social media platforms also include information about events. She invited L.A. Care members, RCAC members and Board members to visit a CRC. It is very different to listen to the reports here than engaging and participating with the community, where you will hear directly from them and see the environment and talk to the CRC staff. You can hear if the</p>	

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	<p>policies and programs that the Board members talk about actually work and what can be adjusted. Board Member Perez asked for a presentation from Mr. Oaxaca about the opening of the new CRCs. She would like the presentation to include information such as: what is taken into consideration when choosing a the location, demographics or categories observed in the area, the number of members per line of business, the predominant languages and ethnicities in those areas, members with chronic diseases or disabilities, and languages spoken by staff members, such as Khmer or Pacific Islander populations in Long Beach. For example, Board Member Perez spoke with the manager at the Lynwood FRC, and learned it is really difficult to reach out to the English-speaking members. She noted that the FRC managers meet regularly to talk about outreach. Events and classes that are offered at the FRCs are intended to provide members with information on health topics, and these are a way to reach out to members. She asked that the report include ways that L.A. Care is engaging certain populations and concerns of members. She asked if financial demographic studies are taken into consideration when choosing a location.</p> <p>Board Member De La Torre commented that the only California Budget from the Governor that matters is the May Revision. Everyone is anxious about what will be proposed this May. In every month in the current fiscal year, the state income is below projections. Therefore, there will be less money in June than was projected. The January Budget proposal from the Governor is not very realistic. When the revised budget proposal is released around May 10, we will have about six weeks to push for all of the things needed for the safety net.</p> <p>Board Member Perez asked about the status of the Equity Council. Mr. Baackes responded that all the Equity Councils established in 2020 remain in place, and reports will be made to Dr. Li as the new Chief Health Equity Officer. Dr. Li reports directly to Mr. Baackes and is a member of the CEO Cabinet at L.A. Care. Reports on the activities can be brought to the Board. The difference in the position previously held by James Kyle, MD, is that Dr. Li will focus on mitigating health disparities, so it is more of an outward facing position vs. an internal facing position. The plan developed by Dr. Li will be shared with the Board of Governors and among the RCACs and ECAC.</p>	
<b>Technical Advisory Committee</b>	<p><b>Submitted via email on March 2 2023 at 1:49 pm by Andria McFerson</b>  <i>How can the Health Promoters and the RCAC member contribute to outreach for redetermination and homeless members helping with information and overall to help LA Care with peer to peer contact and support letting the public know about resources like we used to do for many years.</i>  <i>Thanks again, Andria McFerson, Health Promoter LA Care ECAC /RCAC 6</i></p>	

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	Vice Chairperson Shapiro reported that the Technical Advisory Committee (TAC) met on February 9 and a report will be presented at the next Board meeting.	
<b>BOARD COMMITTEE REPORTS</b>		
<b>Executive Committee</b>	Vice Chairperson Shapiro reported that the Executive Committee met on February 22 ( <i>approved meeting minutes can be obtained by contacting Board Services and will be available on the website</i> ).	
<ul style="list-style-type: none"> <li>• Government Affairs Update</li> </ul>	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>,</p> <ul style="list-style-type: none"> <li>• The California State Budget deficit is likely to be \$10 billion more than the \$22.5 billion deficit projected by the Governor in January. Adding to the confusion is that the federal government in the emergency declaration in January delayed the IRS deadline for people in flood zones. California just delayed the deadline for state tax filing. This means that state revenue will also be delayed for those taxpayers. The State Budget will be decided months earlier, in June, without knowing what the total deficit will be.</li> <li>• It is hoped the Governor will honor his commitment in the prior year’s budget, to extend Medi-Cal eligibility to residents without satisfactory immigration status ages 26 to 54 years. That would provide coverage for the remainder of residents without satisfactory immigration status, and would be effective January 1, 2024.</li> <li>• There are many competing interests in the budget planning, and the process is likely to be very chaotic with the decrease in state revenue.</li> <li>• San Jose’s Assemblymember Ash Kalra has again introduced a single-payer bill for health care, as a “spot” bill. This is the first year of the two-year legislative cycle, so it is not expected that this bill will proceed until 2024.</li> <li>• Assemblymember Joaquin Arambula, who represents the Fresno area, introduced a bill that would direct the state to request permission from the federal government to allow immigrants living in California without authorization to use Covered California as a means of purchasing health coverage with no subsidies. Other states have gotten similar provisions approved by the federal government. If this were approved, the next step would be to secure state funding to offset the premium cost. It will be challenging to manage this in the current budget.</li> <li>• There are many repeat bills that were brought forward from the prior legislative session. Over 2,600 bills have been introduced, with 40% introduced as “spot” bills. A “spot” bill is introduced with a general subject matter and the actual detail of the bill is not yet in print. This is the largest number of bills introduced in California for the last 10 years. L.A. Care is tracking 200 bills and an updated legislative matrix will be provided soon.</li> <li>• At the federal level, earlier today Senators Bernie Sanders and Bill Cassidy wrote a joint letter asking health leaders in the Congress to identify the root problems and solutions to</li> </ul>	



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	<p>improve health workforce access throughout the United States. This is an open letter asking for advice from all interested stakeholders. There is no real plan yet.</p> <p>Board Member Solis noted that the Board of Supervisors has approved a five-signature letter to California’s Governor and the Legislature, asking for flexibility on mental health funding, Proposition 68. She asked if L.A. Care’s Board of Governors could review this, as it would free up money to do the programs in CalAIM, in addressing assistance for individuals suffering from mental health conditions, as many of those that are unhoused have acute mental illness. The funding flexibility would allow building facilities, and more importantly, to have a more nimble process to get funding to appropriate providers and provide services in the community, which aligns with L.A. Care’s mission. She invited L.A. Care’s Board to consider joining the letter. Mr. Baackes noted that it could be brought to the next Executive Committee meeting.</p>	
<b>Finance &amp; Budget Committee</b>	<p>Board Member Booth reported that the Finance &amp; Budget Committee met on February 22 (<i>approved meeting minutes can be obtained by contacting Board Services and are available on the website</i>). The Committee reviewed and approved motions at that meeting that were approved earlier today on the Consent Agenda.</p>	
Chief Financial Officer Report	<p>Ms. Montgomery presented Financial Reports for December 2022 and the forecast update (<i>a copy of the presentation can be requested by contacting Board Services</i>).</p> <p><u>Membership</u> December 2022 membership was 2.76 million, favorable to the budget for the month and year to date (YTD).</p> <p><u>Consolidated Financial Performance</u> There was \$34 million net surplus for December 2022; \$28 million favorable to the budget, driven primarily by the Housing and Homelessness Incentive Program (HHIP) revenue of \$29 million, which was earned based on L.A. Care’s submission of the investment plan which was not included in the budget. The funding will be used over future periods. Administrative expense is slightly unfavorable and non-operating revenue favorable due to investment income and the timing of grant spending.</p> <p>YTD there is \$39 million net surplus; \$23 million favorable to the budget. There are higher fee for service (FFS) incurred claims, offset by higher membership and revenue for institutional members. Overall, there is some net unfavorability in this category. Administrative expense YTD is favorable by \$8 million and non-operating revenue due to investment income. The bulk of L.A. Care’s assets are short term, which are yielding higher returns at this time.</p> <p><u>Operating Margin by Segment</u> Overall Medical Care Ratio (MCR) was 94.0% vs budget of 94.2%.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><u>Reported vs Paid Claim Trend</u> There is increased stability in the reported vs. paid claims trend in recent months. L.A. Care’s year-end reserve position is holding up with three months of experience.</p> <p><u>Key Financial Ratio</u></p> <ul style="list-style-type: none"> <li>• The MCR was 94.0%.</li> <li>• The administrative ratio was 5.0%, lower than the budget of 5.4%.</li> <li>• Working Capital and Tangible Net Equity are ahead of benchmarks.</li> <li>• Cash to claims is below the benchmark. The State recently initiated the IHHS reconciliation process.</li> </ul> <p><u>Tangible Net Equity (TNE) vs. Days of Cash On Hand</u> December 2022 Fund Balance was \$1.13 billion, which represents 544% of TNE. The target of 600% was based on the average of 8 other Local Initiatives and County Organized Health Systems. L.A. Care currently has enough cash to cover operating expenses for the next 50 days.</p> <p>Afzal Shah, <i>Deputy Chief Financial Officer</i>, noted that the 3+9 Budget forecast includes revised assumptions for Medi-Cal, now estimated at 76,500 new members for January, February and March. DSNP is estimated at 3.9% increase for the year, and a small decrease is expected to continue for PASC membership. For L.A. Care Covered (LACC), the estimate is about the same at 125,000 members. This forecast does not assume growth in LACC membership resulting from the redetermination process for Medi-Cal. An adjustment will be made as needed in a future forecast.</p> <p>The forecast assumes Medi-Cal disenrollment of 13% beginning in July 2023. The result for this forecast is 190,000 additional members that was in the Budget.</p> <p>Board Member Booth noted that Mr. Shah said there was information in the estimates for January and February, so should the new forecast be for 5 months + 7 months remaining in the fiscal year. Mr. Shah noted that this forecast is built on financial results through December with 9 months remaining in the fiscal year. There is information for January 2023 that helps inform the forecast, but the financial report for January is not included in this report.</p> <p>Mr. Shah continued his report. After the Budget was approved last September, L.A. Care received the 2023 calendar year rates from the Department of Health Care Services (DHCS), and has incorporated those rates in this forecast. There are assumptions for the unsatisfactory immigration status (UIS) members, since L.A. Care has not received the number of members in this category. This is important because rates for the satisfactory immigration status (SIS) and UIS members will be blended for the first six months and then will be paid separately starting in</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>July 2023. DSNP is in line with the Budget. FFS incurred costs have been estimated based on experience. There is some uncertainty in this forecast.</p> <p>L.A. Care is down streaming the DHCS rates to plan partners, with similar risk adjustment and using blended rates for UIS and SIS members for now. The biggest impact to the LACC line is the rate adjustment factor (RAF) has been decreased, which has increased the medical cost ratio (MCR) for this line of business. L.A. Care is meeting with multiple providers to see how the RAF could be increased. Interest income is assumed using current higher short-term rates.</p> <p>The results of the assumptions show revenue higher than budgeted. The MCR will be 92.6%, versus 94% in the budget.</p> <p>There is an improvement in the margin, primarily driven by rates. There are also many new programs, new populations, and risk adjustment changes. A big risk is the potential change in UIS and SIS rates after the blended rate period ends.</p> <p>The forecast projects administrative expense at 4.7% of revenue, higher than budgeted. There were added costs for salaries and benefits due to additional full time equivalent (FTE) positions, increased purchased services driven primarily by information technology investments, and an increase in broker commissions for LACC.</p> <p>L.A. Care's interim margin is \$300 million (2.6% of revenue) versus the budgeted amount of \$80 million (.8% of revenue). This new margin includes HHIP funds. The margin excluding HHIP is 2% for all lines of business, which is consistent with the margin assumed by DHCS. In prior years, the margins have been much lower. The forecast shows L.A. Care in a better financial position than last year.</p> <p>Board Member Ghaly noted that the new forecasted margin would contribute to the Tangible Net Equity (TNE). She asked what the target is for TNE. Ms. Montgomery responded that the TNE is targeted at 600% of the requirement.</p> <p>Board Member Ghaly asked if the forecast would put the TNE over that target. Mr. Shah responded that the TNE has not been recalculated for the latest forecast. He pointed out that the number of days' cash on hand is also an important metric. Currently L.A. Care is at 50 days' cash on hand, and since the state budget will have a higher deficit, it is important to ensure there is sufficient days' cash on hand. He would like to see the days' cash on hand at 60, or two months. Most other similar health plans are at a much higher level of days' cash on hand.</p> <p>Ms. Montgomery noted that in the new contract DHCS is considering a requirement for a deposit guaranty. Staff has looked into the cost of a surety bond or similar vehicle, and it is very expensive. The most viable path is to set aside those funds. Local Initiative plans are</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>advocating against this with DHCS, noting that those funds remain with the health plan while commercial health plans set a lower TNE target and send dividend funds to the parent company. L.A. Care uses some of the funds to support grants. Ms. Montgomery clarified that DHCS is considering a requirement of two months cash on hand. Since health plans receive funds monthly in arrears, there is already one month in reserve. It is not clear how the other costs would be guaranteed.</p> <p>Mr. Shah continued with his report. The budget projected an \$80 million net surplus. The 3+9 projects \$298 million, including \$71 million in reserve for Housing and Homelessness Incentive Program (HHIP). The surplus nets to \$227 million, which is a positive variance of \$147 over the budget.</p> <p>Board Member Ghaly noted that the challenge of the CalAIM program is demonstrated on the Enhanced Care Management (ECM) and Community Supports (CS) lines, where the revenue is worse and the costs are somewhat better, which translates to less service for members. Patients are experiencing more difficulty in getting the services that are promised under CalAIM. She asked about messaging with DHCS, because there is a huge disconnect between the promises in CalAIM, the funding it is bringing in (which is less), and the services going out the door (which are less). It works out to a small negative on the balance sheet, but it is a huge negative for patients. Mr. Baackes responded that L.A. Care uses two trade associations to communicate, because it is a concern that is felt industry-wide. Local Health Plans of California and the California Association of Health Plans are carrying the same message to DHCS. He is not sure that the impact of the message is fully appreciated by DHCS. It is a problem that the funding does not match the expenses incurred with the vendors, particularly for ECM. CS costs are similar. Mr. Baackes is not clear on how funding for the CalAIM connects with the current deficit budget. He agrees with Board Member Ghaly. The California Safety Net Initiative is aimed at base rates, not the supplemental programs added under CalAIM. There are rumors that CalAIM implementation will slow down to allow funding to catch up. All Local Initiative plans are in the same position. Mr. Baackes also pointed out that the amount of reporting required under CalAIM is a burden for health plans and is a particularly heavy burden for the community-based organizations that must report data to the health plans. He spoke at a Los Angeles County Medical Association conference recently about physician burnout, and he attributes burnout for physicians in Medi-Cal to the low reimbursement and the regulatory requirements that cascade down from health plans to the individual physicians. L.A. Care is advocating for higher compensation and regulatory relief on the reporting.</p> <p>Mr. Shah noted that for ECM there is a risk corridor for 2023, which provides some protection if the costs rise above a certain level. Ms. Montgomery noted costs are inadequate on the CS line in the transition from Whole Person Care (WPC) funding.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Mr. Baackes asked Board Member Ghaly to comment on the comparison in funding between WPC and ECM. Board Member Ghaly responded that ECM is worse in every way. WPC and the Health Homes (HH) programs had greater flexibility, better rates. ECM and CS have onerous administrative burdens for providers. It is difficult to access services. In CalAIM, patients receive fewer services and providers are able to fund fewer services. Staff is tied up with administrative activities that are not believed to be necessary or high value additions, and the finances are worse. Mr. Baackes noted that WPC and HH were demonstration programs, and lessons learned from these demonstration programs should be applied to permanent programs. There have not been any reports on the WPC and HH programs yet. This means that CalAIM was designed without that information, which he thinks would have influenced a different outcome.</p> <p>Mr. Shah continued with his report. The overall December YTD Medical Cost Ratio (MCR) is 92.6%. The Medi-Cal MCR is 93.5%.</p> <p>Mr. Shah reviewed financial opportunities and risks:</p> <p><u>Opportunities</u></p> <ul style="list-style-type: none"> <li>• LACC RAF improvement through provider &amp; member engagement</li> <li>• LACC membership from Medi-Cal disenrollments</li> <li>• CBAS utilization lower than expected due to return to in-center care</li> <li>• Continued shared risk to dual risk conversion</li> </ul> <p><u>Risks</u></p> <ul style="list-style-type: none"> <li>• Continued uncertainty with the impact of COVID-19</li> <li>• COVID-19 Testing costs including potential retroactive SB510 ruling</li> <li>• Higher costs for ECM &amp; Major Organ Transplant cost</li> <li>• Higher medical cost trends than assumed in the forecast</li> <li>• Retroactive rate actions including final UIS/SIS blend</li> <li>• IHSS and other CCI reconciliations</li> </ul> <p>Board Member Solis asked for information on investments in infrastructure to improve patient processes. Ms. Montgomery responded that there are a number of technology improvements underway, one is a project to improve collection of provider data, which will increase efficiency in claims processing. Acacia Reed, <i>Chief Operating Officer</i>, described the implementation of Syntranet, which is a major investment in the health services programs to improve care management and utilization management functions.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Mr. Baackes noted that in addition to investment in technology, L.A. Care is also investing in human resources. There has been a significant increase in staffing, because in the enforcement action last year it was noted that the utilization management and customer service center were understaffed. It has been difficult to recruit nurses in last 2022, and L.A. Care changed its policies to allow nurses to work remotely, including from out of state as long as the nurse held a California license. L.A. Care held a job fair last Saturday, and 260 people looking for employment attended. The investments in technology and the increased staffing will help improve services for L.A. Care members.</p> <p>Board Member Solis asked about services directed to assist clinics with Medi-Cal redeterminations. Mr. Baackes responded that L.A. Care would first look to the Community Health Investment Fund, (CHIF) which has \$10 million in funding that has not been assigned. He noted that there is a great concern about hospital solvency, and a hospital in Madera County closed on New Year's Eve. There is currently a hospital system in Los Angeles County that has filed for bankruptcy protection. L.A. Care is holding in reserve its ability to rescue a hospital that may be on the verge of closing. Los Angeles County cannot lose any safety net hospitals. That is a bigger funding demand than helping with the redetermination process, which could be done through the CHIF. L.A. Care is carefully watching out for the safety net hospitals. CSNI would not produce funding until 2025. Between now and then, L.A. Care may need to use its reserves for the safety net providers in the most jeopardy. This is a very important point, and a discussion could be held on this at a future meeting.</p> <p>Board Member Greene thanked Mr. Baackes for recognizing that there are hospitals in dire financial straits right now. He works with the California Hospital Association and with member hospitals across Los Angeles County to monitor facilities that are considering actions related to financial hardship. He would be happy to have an offline conversation about the status of Los Angeles County facilities. Mr. Baackes noted that since the pandemic started, L.A. Care made no-interest advance payments to hospitals totaling \$105 million and another \$35 million to other providers.</p> <p>Board Member Booth thanked Ms. Montgomery for the education she provided, she learned a lot.</p> <p><b><u>Motion FIN 105.0323</u></b>  <b>To accept the Financial Reports for December 2022 as submitted.</b></p>	<p><b>Unanimously approved by roll call. 10 AYES (Booth, De La Torre, Ghaly, Gonzalez, Greene, Perez, Roybal, Shapiro, Solis, and Vaccaro)</b></p>
<ul style="list-style-type: none"> <li>Monthly Investments Transactions Report</li> </ul>	<p>Ms. Montgomery referred to the investment transactions reports included in the meeting materials. <i>(A copy of the report can be obtained by contacting Board Services).</i> This report is provided to comply with the California Government Code and is presented as an informational item. L.A. Care's total investment market value as of December 30, 2022 was \$1.7 billion.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>• \$1.51 billion managed by Payden &amp; Rygel and New England Asset Management (NEAM)</li> <li>• \$74 million in Local Agency Investment Fund</li> <li>• \$156 million in Los Angeles County Pooled Investment Fund</li> </ul>	
<ul style="list-style-type: none"> <li>• Quarterly Internal Policy Reports</li> </ul>	<p>Ms. Montgomery referred to the expenditure reports pursuant to internal policies that are included in the meeting materials. The reports relate to business travel and non-travel related expenses and authorization and approval policies and purchases over \$250,000, and sole source purchases over \$250,000.</p>	
<p><b>Compliance &amp; Quality Committee</b></p>	<p>Committee Chairperson Booth reported that the Compliance &amp; Quality Committee met on February 16.</p> <ul style="list-style-type: none"> <li>• Board Member Booth was re-elected Chairperson of the committee.</li> <li>• Mr. Mapp and the Compliance Department presented information from the February 2023 Chief Compliance Officer report: <ul style="list-style-type: none"> <li>- Dual Eligible Special Needs Plan (D-SNP) update included information about the member transition from Cal Medi-Connect to DSNP. L.A. Care is working to ensure that members can keep their current providers for continuity of care.</li> <li>- Customer Solution Center staff gave a report on: <ul style="list-style-type: none"> <li>o Enrollment: L.A. Care has managed a 92% retention rate from Medicare Advantage Medicare-Medicaid Plan (MMP) to Dual Eligible Special Needs Plan (D-SNP) as of January 2023</li> <li>o The Call Center reported that the top five reasons why members call L.A. Care is to inquire on over the counter medication benefits, interpreter services requests, pharmacy, ID Card requests, and other benefits.</li> <li>o L.A. Care received 403 continuity of care requests, maintains a log of the requests and validates that the Participating Provider Group (PPG) addresses and completes all requests. L.A. Care reaches out to PPGs around the 30-day turnaround time on any open items to ensure timely completion.</li> </ul> </li> <li>- Issues inventory report is continuing to be updated. Issues that are remediated in 2022 will be part of the Internal Audit follow up review process, with 88 issues being tracked from 2022 to 2023. Two need further follow up, 30 are in process of remediation, 51 have been remediated, and five new issues were added.</li> <li>- Special Investigations Unit provided an update.</li> </ul> </li> <li>• Dr. Amin gave a Chief Medical Officer report. He reported the following: <ul style="list-style-type: none"> <li>- The public health emergency in California ended on February 28 and noted it will affect Medi-Cal redeterminations (as mentioned previously). L.A. Care is expecting an influx of calls from members impacted by the transition.</li> </ul> </li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>– He announced an organizational change. Case Management, Utilization Management, and Managed Long Term Services and Supports will now be under the Health Services department. A leadership team is being formed for those teams to ensure that L.A. Care is doing right by its members.</p> <p>Earlier today, Board Member Booth heard that people are feeling they are not acknowledged. She thanked each member of the public who is here today for attending the meeting. For those of who are commenting, she thanked them for sharing their views.</p> <p>She assured visitors that every single person on this Board of Governors feels very strongly that patient safety and access to quality health care services is the highest priority. The Board also knows that members have different experiences and she wants members to know that Board Members hear you. One almost never hears an immediate and direct response to a comment, but please know each comment is heard and informs us about the important issues on which the Board deliberates. If there is a question that requires an answer, please contact Board Services staff, so an L.A. Care staff member can speak with you regarding your particular concern.</p>	
<p><b>PUBLIC COMMENT on Closed Session Items</b></p>	<p><b>Submitted via text on March 2 at 1:22pm by sender not self-identified</b>  <i>Public comment, I don't believe you read all public comments liars! Maybe you should be sued for lying , look at all these people suing LA Care , I can't wait to visit the courthouse and look you up! People suing LA Care, activist group to view public records, racially discriminated against former employee, state (sanctions) it was just stated no public comment from me until I confronted you!</i></p> <p><b>Submitted via chat on March 2, 2023 at 1:49 PM by Gladis Alvarez</b>  <i>Gracias LA Care por Abogar por las personas mas necesitadas dentro de nuestra comunidades. Seria grandioso si pudieran incluir programas para apoyar en la transition a las personas adultas con discapacidades para que Les sea mas eficaz accesar a sus servicios medicos en un Ambiente plenamente inclusivo para Ellos. ya que los recursos afuera para estar personas cuando ya son adultos estan limitados y no accesibles o apropiadamente adaptados a las necesitadas unicas de cada individuo.</i></p> <p><b>English interpretation of the above public comment:</b>  <i>Thank you L.A. Care for advocating for people with needs among our communities. It would be great if you could also include programs to support the transition of adult persons with disabilities, so it would be more efficient for them to access medical services in an environment that would be highly inclusive, due to the fact that resources and access for adult individuals are really limited and are not adequately adapted to the unique necessities of every individual.</i></p>	



AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><b>Submitted on March 2 2023 at 3:09 pm by Andria McFerson</b>  <i>Today we were just told that Tuesday, February 28, 2023 the Public Health Emergency ended and with it the exemptions to the Brown Act Requirements also ended</i>  <i>With this new information, L.A. Care Leadership and the ECAC Chair have agreed to cancel the March ECAC meeting to help L.A. Care staff and ECAC members prepare for the transition to in-person meetings which will begin April 2023.</i>  <i>I wanted to know is LA Care staff is bringing back all laws according to the Brown Act and hopefully Robert Rules of Order during the meetings for the Stakeholders', committee members and members of the public to participate in the ECAC, RCAC &amp; BOG meetings. Will only one chair still make all decisions about the meeting times, date, speakers and overall agenda items? As a chair I have asked for items to be on the agenda that the staff sent out to the chairs to approve and I was told the chair that mediated the meeting can make that decision on her own. Will we have that right back?</i>  <i>So does that include comments being asked for after the presentations are explained so that the public could respond effectively on how all announcements and motions and presentations effect them and their community? Please let us know because we could practice much more advocacy while talking about BOG motions and file motions with the ECAC if we had more input from the public and what affects them?</i>  <i>Thank You, Andria McFerson, ECAC/RCAC 6 CHAIR</i></p> <p>Mr. Baackes noted that L.A. Care would be addressing Ms. McFerson’s concerns. An informal meeting is being planned with ECAC members to review meeting process as we emerge from the Brown Act exemptions under the public health emergency. The place for public comments in the Board of Governors meetings will be prior to Board consideration of the Agenda items so the Board Members hear the public comments before an item is deliberated.</p> <p><b>Submitted via email on March 2 2023 at 3:14 pm by Andria McFerson</b>  <i>Hello Chair,</i>  <i>Can we please hear the public comments in the chat box? There are people making comments in the chat box in English and Spanish and they are not being read.</i></p>	
<p><b>ADJOURN TO CLOSED SESSION</b></p>	<p>The Joint Powers Authority Board of Directors meeting adjourned at 3:26 pm.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the following items to be discussed in closed session. The L.A. Care Board of Governors adjourned to closed session at 3:27 pm. No report is anticipated from the closed session.</p> <p>CONTRACT RATES  Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>• Plan Partner Rates</li> <li>• Provider Rates</li> <li>• DHCS Rates</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: <i>March 2025</i></p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable) L.A. Care Health Plan v. United States, (U.S. Court of Federal Claims Case No. 17-1542); (U.S. Court of Appeals for the Federal Circuit Case No. 20-2254)</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act HRRP Garland, LLC v. Local Initiative Health Authority for Los Angeles County L.A.S.C. Case No. 21STCV47250</p> <p>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</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• THC- Orange County, LLC DBA Kindred Hospital – Los Angeles, et al. v. L.A. Care, L.A.S.C. 22STCV19872</li> <li>• KND Development 52, LLC d/b/a Kindred Hosp. Baldwin Park, et al. v. L.A. Care, AHLA Case No. unavailable</li> <li>• KND Development 52, LLC d/b/a Kindred Hosp. Baldwin Park, et al. v. L.A. Care, L.A.S.C. 23STCV01166</li> </ul> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680</li> <li>• Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF</li> </ul>	
<b>RECONVENE IN OPEN SESSION</b>	The Board reconvened in open session at 4:43 p.m. There was no report from closed session.	
<b>ADJOURNMENT</b>	The meeting adjourned at 4:43 p.m.	

Messages submitted in the “chat” during the meeting:

March 2, 2023 2:00 PM from Demetria Saffore to everyone: *I see that you all are just going to sweep public comments under the rug.*

March 2, 2023 2:16 PM from Demetria Saffore to everyone: *Are you all not going to address the public comments?*

March 2, 2023 2:17 PM from Demetria Saffore to everyone: *I totally understand the you all have to deal with each agenda items but public comments are on the agenda so I don't understand why they're being ignored.*

March 2, 2023 3:18 PM from Andria McFerson to everyone: *??????*

March 2, 2023 3:19 PM from Gladis Alvarez to everyone: *I know translation was I little different!*

Public Comment submitted after public comment had ended:

**Submitted on March 2 2023 at 4:50 pm by Andria McFerson**

*Enjoy the rest of your weekend and stay warm.*

*Is it okay if LA Care asked any Orgs we communicate with to give information to the public (signs and posts maybe) on important resources to find healthy alternatives to the hail and rain outside? Or can we work with a mobile unit that gives some sort of coat drive with sweaters and shoes?*

*Could this positively help more Orgs made to assist the unhoused during this long stretch of cold weather we've had in LA?*

*I gave hot water and tea bags and warm food to my homeless friends. I received those materials from another public facility that a man couldn't walk to because it was too cold and wet outside and they didn't have shoes. They were so grateful.*

*Also a disabled women-of-child needed shoes when it was hailing and instead of throwing old bags sweaters and shoes in the trash my neighbors and I give them to shelters and many other people directly that needed warm water and food.*

*Our prior meetings had presentations then public comments and then motions were voted on in that order. So will we allow that section of The Brown Act back into practice, I'm only asking of course because I may be wrong, does the original Brown Act require that meeting agendas provide an opportunity for members of the public to comment and address the body about any item listed on the agenda before the body's consideration of that item?*

*Per.. (Section 54954.3).*

*Thanks,*

*Enjoy your weekend, - Andria McFerson*

Respectfully submitted by:

Linda Merkens, *Senior Manager, Board Services*

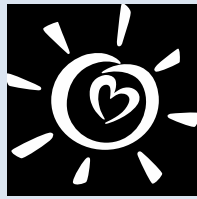
Malou Balones, *Board Specialist III*

Victor Rodriguez, *Board Specialist II*

APPROVED BY:

\_\_\_\_\_  
John G. Raffoul, *Board Secretary*

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



**L.A. Care**  
HEALTH PLAN®

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

**Date:** April 6, 2023

**Motion No.** BOG 100.0423

**Committee:**

**Chairperson:** Al Ballesteros, MBA

**Issue:** Due to no internal audit staff at this time, Compliance Department is requesting continued external support on a variety of compliance and internal audit activities by Resources Connection, LLC dba Resources Global Professionals (RGP).

**New Contract**  **Amendment**  **Sole Source**  **RFP/RFQ was conducted in** (n/a)

**Background:** L.A. Care staff requests approval to amend a contract with Resources Connection, LLC dba Resources Global Professionals (RGP) through December 31, 2023 in the amount of \$700,000 (this will bring Scope of Work (SOW) Amendment 5 to SOW 1 from \$1,805,000 to 2,505,000).

RGP has been providing the Compliance Department with consulting services to support internal audit activities including Information Technology (IT) security audits, as well as providing certain interim leadership within L.A. Care's internal audit team. RGP will continue to work on building the audit plan, assessments and project manage audit and compliance projects, along with supporting documentation for recommendations and corrective action plans. We have used this vendor since 2021 and are pleased with their work.

No request for proposal was conducted for this vendor because it was time sensitive and this vendor had the expertise that the Compliance Department needed to ramp up quickly on our Internal Audit function.

**Member Impact:** L.A. Care members will not be impacted by this contract amendment directly but it will ensure that we are meeting compliance standards in the various business units which ultimately do serve our members.

**Budget Impact:** The cost was anticipated and included in the approved budget for the Compliance Department in this Fiscal Year 2022-23. We will budget the balance in future fiscal years.

**Motion:** **To authorize staff to amend a contract in the amount of \$700,000 with Resources Connection, LLC dba Resources Global Professionals (RGP) to provide Internal Audit services through December 31, 2023.**



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

**Date:** April 6, 2023

**Motion No.** FIN 100.0423

**Committee:** Finance & Budget

**Chairperson:** Stephanie Booth, MD

**Issue:** Amend a contract with Customer Motivators to provide member incentive fulfillment services.

New Contract  Amendment  Sole Source  RFP/RFQ was conducted in 2020.

**Background:** L.A. Care staff requests approval to amend a contract with Customer Motivators (Vendor) to be extended from July 1, 2023 to June 30, 2026, increasing funding by \$1,999,999 to the new total \$2,999,999. Vendor will provide us with company-specific branded award notifications, gift cards, L.A. Care and member support services, and a secure member facing gift card selection Portal. L.A. Care requires these services because the vendor provides additional member satisfaction with prompt fulfillment and additional value to members by providing a reward without signing up or enrolling. We have used this vendor since July 1, 2021 and are pleased with their work. Other departments, including Health Education, Cultural and Linguistics, Quality Improvement- Initiatives, and Medi-Cal Product Management use this vendor for Pre/Post-partum visit, Follow-up After Hospitalization visit incentive programs, and a COVID-19 incentive among others.

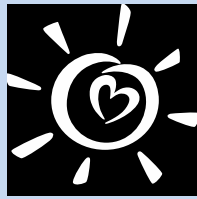
We conducted a competitive request for proposal process in September 2020. Four vendors responded to the request, and we selected Customer Motivators because of their lower price point compared to other vendors, their ability to mail out awards to members, having a self-operating call center with multiple languages offered, and their extensive experience working with Medicaid and Medicare plans. The next request for proposal will be conducted in 2025.

The current contract was effective July 1, 2021 and expires June 30, 2023. Currently, L.A. Care spends approximately \$500,000 annually for these services with Customer Motivators. We anticipate a higher annual cost due to increased volume. Amending the contract and continuing to utilize the aforementioned services with Customer Motivators will continue to save L.A. Care money. This is due to Customer Motivator's business model of charging 85 cents on the dollar for each member reward, and not having additional overhead costs or administrative fees. Customer Motivators was significantly less costly than other vendors who submitted during the RFP. Working with Customer Motivators has decreased the number of member grievances filed, the administrative burden on L.A. Care staff, and awarded more members.

**Member Impact:** L.A. Care members will benefit through improved health status, receiving gift cards to selected merchants for undergoing incentivized health behaviors, and a positive experience with the incentive program to increase their likelihood of completing incentivized behaviors in the future.

**Budget Impact:** The cost was anticipated and included in the approved budget for Quality Improvement- Incentives in the current fiscal year. We will budget the balance in future fiscal years.

**Motion:** **To authorize staff to amend an existing contract with Customer Motivators to provide member incentive fulfillment services for the period of July 1, 2023 to June 30, 2026, in the amount of \$1,999,999 for a new total of \$2,999,999 over a 5-year period.**



**L.A. Care**  
HEALTH PLAN®

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

**Date:** April 6, 2023

**Motion No.** FIN 101.0423

**Committee:** Finance & Budget

**Chairperson:** Stephanie Booth, MD

**Issue:** Renew a contract with the Center for Caregiver Advancement (CCA) to provide education and training on key skills and core competencies to In-Home Supportive Services (IHSS) providers who care for L.A. Care dual eligible members.

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

**Background:** L.A. Care staff requests approval to renew a contract with CCA from May 14, 2023 through May 13, 2026 in the amount of \$11,640,388. Since 2017, L.A. Care has partnered with CCA to offer an intensive 10-week training to IHSS workers who care for our members. The training provides caregivers with a wide range of practical skills that helps them provide better care and trains them to become a valued and recognized member of the care team, serving as another set of eyes and ears for medical providers.

CCA provides education and training to IHSS program providers on the skills and core competencies necessary to their role, such as Activities of Daily Living, personal care, CPR, infection control, nutrition, home safety, medication management, roles and responsibilities of caregivers, and other topics. The 10-week training module is offered in English, Spanish, Mandarin, Cantonese, Armenian, and Korean. Since 2017, L.A. Care has funded 5,600 caregivers to participate in the training. Under the requested contract renewal, CCA will enroll another 3,150 participants over the next three years.

No request for proposals was conducted for this vendor because we have spent years with CCA refining the program and we have experienced a measurable improvement in outcomes. We would like to build upon this progress and our relationship to continue and expand this success.

Investing in these caregiver training services with CCA will reduce health care utilization costs because evaluation has found a decrease in Emergency Room and inpatient visits among members with trained caregivers. However, the cost savings is modest because of the relatively low number of members whose caregivers participate in the program.

**Member Impact:** Evaluation results have been positive. Looking at all members with continuous enrollment (12 months prior to graduation and 12 months post-graduation) with caregivers who participated in the program, we found a 9.5% decrease in Emergency Room visits and a decrease of .75 inpatient visit every month after graduation. The program also benefits the IHSS workers, who are also L.A. Care members through our PASC-SEIU product. Prior evaluations have found that 95% of participants report greater confidence in participating on the care team, 68% of participants report feeling less depressed, stressed, and/or lonely, and improved caregiver retention by 5-12%.

Anecdotally, participants report feeling less isolated, more supported, and take great pride in their accomplishment upon graduation. As our member population ages, more caregivers will be needed and this training improves the quality of the caregiving provided. L.A. Care has received positive

**Board of Governors**

**MOTION SUMMARY**

recognition for this program among participants and in the community.

**Budget Impact:** Funding for the FY 2022-23 period is included in the FY 2022-23 budget and the remaining balance will be included in future years.

**Motion:** To authorize a contract renewal in the amount of \$11,640,388 with Center for Caregiver Advancement (CCA) to provide education and training for In-Home Supportive Services (IHSS) providers for dual-eligible beneficiaries for the period of May 14, 2023 through May 13, 2026.



March 27, 2023

TO: Board of Governors

FROM: John Baackes, *Chief Executive Officer*

**SUBJECT: CEO Report – April 2023**

As we move into the spring season, L.A. Care continues to ready ourselves for the resumption of Medi-Cal redeterminations, preparing to ensure all members have the information and guidance they need. We are actively outreaching through multiple channels, including our Community Resource Centers, to make sure our members retain coverage and are informed about the range of coverage options L.A. Care provides.

In addition, the work of the California Safety Net Coalition continues and I am proud of the progress we have made thus far. We are meeting regularly to discuss our strategy around advocating for an increase in the base rate for Medi-Cal reimbursement in California, and are preparing to ramp up our efforts this spring. The Coalition is a testament to the importance of collaboration and the progress that can be made when different entities and parts of the health care system work together towards a common goal. Our coalition of health plans, hospitals, clinics, and doctors all recognize the direct impact rates have on care and we are working together to push for change. The future of our state’s safety net and all who rely on it is at stake.

I have written in more detail about this important issue elsewhere, including in a recent piece, which is included as an attachment to this report.

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

	Since Last CEO Report (2/22/23)	As of 3/27/23
<b>Provider Recruitment Program</b> Physicians hired under PRP <sup>1</sup>	1	152
<b>Provider Loan Repayment Program</b> Active grants for medical school loan repayment <sup>2</sup>	11	138
<b>Medical School Scholarships</b> Grants for medical school scholarships <sup>3</sup>	—	40
<b>Elevating Community Health</b> Home care worker graduates from CCA’s IHSS training program	—	5,601

Notes:

1. The number of physicians fluctuates as physicians are hired and/or leave clinics.
2. The number of active grants for loan repayment may decrease due to physicians completing their service commitment, paying off debt, or leaving prior to completing their service commitment.
3. The count includes scholarships that have been awarded and announced, not prospective scholar seats.



Below please find organizational updates for March:

**L.A. Care Awards \$1.5 Million to Increase Number of Dental Professionals in Under-Resourced Communities Across Los Angeles County**

L.A. Care has awarded a total of \$1.5 million in its latest round of Oral Health Initiative grants. The grant funding will be used to increase the number of dental professionals, enhance and increase clinical infrastructure, and support early and long-term dental care for Medi-Cal members and other community members living in dental deserts. This is L.A. Care's 14th round of Oral Health Initiative grants. Each of the 15 awardees in this round will receive up to \$125,000 and the funding will help to serve more than 10,600 new dental patients.

**L.A. Care and Blue Shield of California Promise Health Plans Open New Community Resource Center (CRC) in Norwalk**

L.A. Care Health Plan and Blue Shield of California Promise Health Plan opened their new CRC in Norwalk, located at 11721 Rosecrans Ave. The CRC is open Monday through Friday from 9 a.m. to 5 p.m. and offers plan members and the broader community a variety of health and wellness programs, free social service supports, and private rooms for telehealth visits with medical providers. Staff are also on site to answer questions about Medi-Cal, including the redetermination process California uses annually to ensure that Medi-Cal enrollees continue to be eligible for Medicaid coverage. The CRC offers a number of free programs including cooking and fitness classes, CPR and first aid education, a food pantry, and more. The Norwalk CRC is the 11th location to open as part of L.A. Care's and Blue Shield Promise's \$146 million commitment to open 14 Community Resources Centers in Los Angeles County.

Attachments

Los Angeles' Health Care Safety Net Is in Crisis

**From:** David Silver <[DSilver@rockporthc.com](mailto:DSilver@rockporthc.com)>  
**Sent:** Thursday, March 30, 2023 9:34 AM  
**To:** John Baackes <[jbaackes@lacare.org](mailto:jbaackes@lacare.org)>  
**Subject:** LA Times article

Jim

David Kagan gave me your email address after I read the article in the LA Times. I just felt it was appropriate to reach out as our experience with LA Care has been very positive, and nothing close to what was relayed in the article. Authorizations have been seamless and payments timely. Obviously, we all wish reimbursements were higher, but our experience with Dr. Kagan and his team has been productive, and we are looking forward to deepening our partnership moving forward.

Be well

David

**David S. Silver, MD**  
Chief Executive Officer, Rockport Healthcare Services  
3580 Wilshire Boulevard, Suite 600  
Los Angeles, CA 90010  
Office: (323) 330-6500



# Los Angeles' Health Care Safety Net Is in Crisis – It's Past Time to Address the Root Causes

Monday, February 27, 2023

As CEO of the largest publicly operated health plan in the country, serving millions of Angelenos who are struggling to make ends meet, it pains me to have to warn readers that the health care safety net is facing a crisis.

Over the last three years, the COVID-19 pandemic has been tough on everyone. Hospitals, nursing homes, clinics, and physicians who serve Medi-Cal patients and the uninsured have weathered this period with valor and dedication. And yet, California ranks near the bottom in the nation for what we are able to pay our safety net providers.

As we emerge from the pandemic's shadow, evidence suggests that COVID-19 will become endemic, akin to the seasonal flu. Unfortunately, despite a need for sustained resources, Los Angeles County's health care safety net is in for an abrupt change. The many state and federal programs that provided additional funding and support during the Public Health Emergency (PHE) will expire in February and May, respectively.

With the end of the PHE and subsequent resumption of Medi-Cal renewals for all consumers, the chronic underfunding of California's Medi-Cal program will become more apparent.

Medi-Cal now covers one third of California's residents. During the PHE, California wisely extended coverage to undocumented residents, placing even more stress on the health care safety net with no change in reimbursement.

Currently, safety net providers caring for Medi-Cal patients receive only around 60% of Medicare payments. Worse still, they receive about 33% of what they would be paid to treat a commercially insured patient. Considering a majority of those covered by Medi-Cal are people of color, this creates an inequitable, two-tiered health care system that perpetuates the institutional racism our nation is only now beginning to address.

An additional issue faced by Medi-Cal is the unnecessarily complex funding methodology that is inherently uneven among various provider groups.

L.A. Care is the largest insurer in Los Angeles County, serving nearly 2.9 million Angelenos, almost 2.7 million of whom are on Medi-Cal. L.A. Care pays participating hospitals approximately half the total reimbursement they receive for serving Medi-Cal patients. The remainder of their compensation comes from federal and state supplemental programs created as Band-Aids to keep hospitals afloat.

Even with these two funding streams, hospitals face an unprecedented challenge, shouldering increasing labor costs and inflation-boosted expenses. The more Medi-Cal patients a hospital serves, the wider the gap between revenue and expenses.

For those who need care outside of a hospital, payment to providers is equally convoluted and under-resourced. Though additional funding is available to Federally Qualified Health Centers and clinics operated by the Los Angeles County Department of Health Services, even these systems face major financial challenges.

In total, 64% of L.A. Care's members are served by community-based physicians who do not have access to significant additional government-based reimbursement. While primary care physicians can get limited state funding for a small set of billing codes, specialists cannot even take advantage of those. As a consequence, access to specialty care is a massive barrier for Medi-Cal members.

Another challenge faced by the safety net is the skewed geographic distribution of physicians. This has created “medical deserts” where there is poor availability of critical medical infrastructure.

The most medically underserved areas in Los Angeles County are the eastern San Gabriel Valley, Antelope Valley, and South LA. The lack of primary care doctors serving Medi-Cal patients in these areas makes hospital emergency care the provider of first and last resort.

Further still, staffing shortages are making placement in skilled nursing facilities more difficult, marooning patients in hospital beds that are badly needed for acute care.

It is time for us to get serious about addressing the healthcare challenges facing LA County’s most vulnerable residents. We need to act as a care delivery system of collaborators instead of finger-pointing competitors.

To that end, L.A. Care has organized the California Safety Net Coalition of health plans, hospitals, clinics and doctors. Our goal is to increase the base rate of Medi-Cal reimbursement in California, which ranks 40th in the nation for its level of reimbursement—despite having one of the highest costs of living.

Through this solution-oriented approach, we are seeking the much-needed increase in reimbursement through legislation or a ballot initiative.

In January, the [Los Angeles Times](#) reported on overcrowding in the Martin Luther King, Jr. Community Hospital’s emergency room. Gwen Driscoll, the hospital’s vice president of strategic communications, succinctly stated “this can only go on so long.” I am in total agreement. It is finally time to address the root causes of this crisis, and the California Safety Net Coalition seeks to do just that.

### **About L.A. Care Health Plan**

L.A. Care Health Plan serves more than 2.8 million members in Los Angeles County, making it the largest publicly operated health plan in the country. L.A. Care offers four health coverage plans including [Medi-Cal](#), [L.A. Care Covered™](#), [L.A. Care](#)

Medicare Plus and the PASC-SEIU Homecare Workers Health Care Plan, all dedicated to being accountable and responsive to members. As a public entity, L.A. Care's mission is to provide access to quality health care for L.A. County's low-income communities, and to support the safety net required to achieve that purpose. L.A. Care prioritizes quality, access and inclusion, elevating health care for all of L.A. County.

### **Media Contact**

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**February 2023  
Grants & Sponsorships Report  
April 2023 Board of Governors Meeting**

#	Organization Name	Project Description	Grant/ Sponsorship Approval Date	Grant Category/ Sponsorship	Grant Amount*	Sponsorship Amount	FY CHIF & Sponsorships Cummulative Total
1	Be Social Productions	5K Walk + Health Fair	2/21/2023	Sponsorship	\$ -	\$ 3,000	\$ 3,000
2	California Safety Net Coalition	Improve long-term funding for safety net clinics	12/1/2022	Ad Hoc 22-23 Grant	\$ 100,000	\$ -	\$ 100,000
3	Children's Dental Health Clinic	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
4	Community Clinic Association of Los Angeles County	22nd Annual Health Care Symposium	2/7/2023	Sponsorship	\$ -	\$ 10,000	\$ 10,000
5	Community Medical Wellness Centers	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
6	Community Partners FBO Maternal Mental Health NOW	Legal and Ethical Dilemmas in Perinatal Mental Health Conference: Reproductive Justice	2/21/2023	Sponsorship	\$ -	\$ 10,000	\$ 10,000
7	Eisner Health	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
8	Faith And Community Empowerment	FACE 2023 Black Homeownership Fair	2/13/2023	Sponsorship	\$ -	\$ 5,000	\$ 5,000
9	Family Health Care Centers	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
10	Garfield Health Center	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
11	Insure the Uninsured Project	ITUP 27th Annual Confernece	1/13/2023	Sponsorship	\$ -	\$ 5,000	\$ 5,000
12	Northeast Valley Health Corporation	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000

13	<b>San Fernando Community Hospital</b>	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
14	<b>South Central Family Health Center</b>	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
15	<b>St. John's Community Health</b>	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
16	<b>T.H.E. Health and Wellness Centers</b>	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
17	<b>Valley Village</b>	Fundraising dinner	2/21/2023	Sponsorship	\$ -	\$ 2,500	\$ 2,500
18	<b>Venice Family Clinic</b>	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
19	<b>Via Care</b>	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
20	<b>Westside Family Health Center</b>	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
21	<b>White Memorial Community Health Center</b>	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
22	<b>Wilmington Community Clinic</b>	Increase dental staff and access to integrated oral, medical, and behavioral health care	2/4/2023	Oral Health XIV Grant	\$ 100,000	\$ -	\$ 100,000
<b>Total of grants and sponsorships approved in February 2023</b>					<b>\$ 1,600,000</b>	<b>\$ 35,500</b>	<b>\$ 1,635,500</b>

\* Per the Community Health Investment Fund (CHIF) grant agreements, the first half of the grant award is released upon receipt of a fully executed agreement. The second half of grant award is released upon expenditure of the first payment and completion of at least half of the entire project's objectives, as detailed in semiannual progress report submissions.





## Chief Medical Officer Report March 2023

### **Quality and Information Department**

- Dr. Felix Aguilar will join L.A. Care as our new Quality Medical Director. His main focus will be Provider Quality, Initiatives and Accreditation.
- L.A. Care signed the California State Data Sharing agreement before the January 31, 2023 deadline and will now implement the requirements.
- CMS Interoperability Implementation continues. The new policy has been submitted to the Department of Healthcare Services (DHCS) and procedures are being developed for support between CSC, IT and external stakeholders. A proposed rule has been released for Prior Authorization electronic process scheduled for 2026 and we are incorporating that into Care Catalyst work.
- The collection of Sexual Orientation and Gender Identity (SOGI) member demographic information began in February. These are requirements per NCQA Health Equity Accreditation. SOGI includes members' preferred pronouns, sex assigned at birth, gender identity and sexual orientation.

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

APL 21-009 requires providers to submit SDOH ICD-10 "Z-codes" to L.A. Care. A plan to educate providers on submitting and using SDOH data is taking place. A provider training about coding for SDOH is currently being developed.

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

- New wellness vendor Request for Proposal (RFP) underway with three vendor presentations concluded. Final scoring is in progress with the aim to complete vendor selection by February 28, 2023.
- The race and ethnicity (R/E) data remediation program to address the erroneous categorization of race and ethnicity and data integrity will now be managed as part of the member demographic data program. Project 1 - Impact analysis will be closed in February, with Project 2 kicking off in late February. Impact analysis on business functions was moved from Project 1 to Project 2, IT will confirm the completion timeline.

### **Quality Improvement-Initiatives**

- The DHCS imposed monetary sanctions (\$88,000) to L.A. Care for failure to meet the Minimum Performance Levels (MPL) for measurement Year (MY) 2021 Medi-Cal Managed Care Accountability Set (MCAS) performance measures focused on Childhood Immunization Status Combination 10 (CIS-10) and Well Child Visits in the First Thirty Days of Life (W30 6+ and W30 2+)). L.A. Care submitted a comprehensive quality strategy that includes new interventions designed to meet or exceed required 2023 milestones. L.A. Care has begun this process through the collaboration with our Plan Partners, Blue Shield Promise and Anthem Blue Cross through Strengths Weakness Opportunities and Threats analysis. L.A. Care is also developing a custom report for W30, member incentive for W30 and provider incentive for CIS-10 to name a few. Additionally, L.A. Care needs to include details on

how we intend to devote adequate resources and staff to quality improvement. L.A. Care is hiring Quality Management Nurse Specialist to support the project manager. L.A. Care is working closely with our DHCS Nurse Consultant and Quality Management Team to work through expectations for this sanction.

- Regarding DHCS Fines for MCAS measures below MPL for MY 2021, L.A. Care submitted an appeal and awaits the response, while DHCS provided a response to the “Meet and Confer” with no change to the sanction fine of \$88K. L.A. Care has also asked to review a PRA request from Local Health Plans of California (LHPC) and California Association of Health Plans (CAHP) regarding details of the program that have been request by us and multiple plans, but not provided.
- Quality Improvement (QI) Annual Audit has concluded for Beacon, Kaiser, and Blue Shield Promise Health Plans. Blue Shield is working on completing a Corrective Action Plan (CAP) for three measures that fell below the MPL in MY2021. Anthem Blue Cross audit will wrap up in Quarter 1 of 2023.

### **Provider Quality Review (PQR) for Potential Quality Issues (PQI)**

- **Aging of PQI Cases:** As of January 2023 we had 2303 cases open with 232 cases open in the untimely aging category of 214+ days and only 17 in the highest risk timing category.
- **PQR Spot Bonus Program:** A new Spot Bonus program was implemented to run from October 2022-February, 2023 and now will run thru August 2023 to assist with the 2<sup>nd</sup> backlog of 503 cases received in February 2023.
- **PQR, Appeals, and Grievances Data Discrepancies:** PQR team received an additional 503 cases from Grievances in February 2023. Cases have a PQI date ranging from January 1, 2021 to December 31, 2022. The root cause of the additional backlog was determined to be human error by selection of an incorrect delivery method in PCT when submitting the PQI referral. Delivery methods consisted of incorrect email addresses, incorrect spelling of an email address, sent to member directly or selected regular mail to L.A. Care. A remediation plan to close these additional cases in a timely manner has been implemented. Designated staff has been assigned to work the additional cases with a goal of completing at least 100 cases or more each month. The designated staff consist of one triage RN, four clinical review RN and 3-project specialist. While our goal is to keep all cases closed within the timely aging category, there is still a risk that some may fall into the untimely aging category as some of these cases have aged and retrieval of medical records may be difficult.

### **Quality Improvement (QI)-Accreditation:**

#### **National Committee for Quality Assurance (NCQA):**

- Per NCQA consultant review of Utilization Management (UM) files conducted in January, we will not-pass due to the issue with must-pass elements UM 5A, UM 7B and 7C: UM denial letters were addressed to the facility, SNF, etc. instead of the practitioner and the required appeal rights information is not in the denial letter templates. UM has accepted this finding and implemented the change to UM 5A for notifying the appropriate practitioner. All other elements are in good standing.

#### **Health Equity Accreditation (HEA):**

- In March NCQA will make a change in their policy for health plan holding a Distinction in Multicultural Healthcare and pursuing HEA. These health plans will need to undergo HEA as an initial survey vs a renewal survey (which we understood from previous discovery). This impacts the look back period for most standards. For the past year, L.A. Care has prepared as a renewal survey, and we are currently doing an assessment to see the true impact for all evidence collected in year 1 of our look back period.

### **Stars/HEDIS**

- Projected MY 2022 performance anticipated to be overall 2.5 (rounds down from 2.66). Previously projected to be 3.0 (rounds up from 2.83). Rating fell due to the implementation of outlier deletion.
- With the removal of Consumer Assessment of Healthcare Providers and Systems (CAHPS) measures from MY 2023 since Los Angeles County Dual Special Needs Plan (LAC DSNP) is a new contract and CAHPS are weight of 4 measure), the Healthcare Effectiveness Data and Information Set (HEDIS), Pharmacy and Operations domain can achieve effectively 1 Star rating lower than initially planned and still achieve a projected 3.5 Star rating.
- Root cause analysis underway for Grievance and Appeals and CTMs for MY 2023; corrective actions to identified and implemented. Cross-walk analysis to be conducted to identify if G&A and CTM have correlation to members disenrolling.
- MAPD (Medicare Advantage Prescription Drug) will not be fielded this year due to the new DSNP contract.
- The HEDIS audit season is underway and all deliverables are on target. Kickoff meetings have been held with both the NCQA auditor and Health Services Advisory Group (HSAG). All HEDIS Roadmaps were submitted by the January 31 deadline and the Medical Record project kicked off on February 1 for the HEDIS Hybrid measures. Audits have been scheduled in March with both auditors.

### **Population Health Management (PHM)**

- The PHM NCQA year one documentation for the 2023 audit is final and expected to meet the requirements. The PHM team has submitted documentation for year two NCQA documentation and no barriers to note and will meet the Accreditation February 9 deadline. The 2022 PHM Population Health Assessment and 2022 PHM Impact Evaluation are under development and on target to meet the March and April deadlines respectively.
- The PHM team will develop the 2023 PHM Program Description in Q1-Q2 2023 and will include the CalAIM requirements. CalAIM Strategy document is due October 2023.
- DHCS approved the PHM CalAIM readiness assessment at the end of 2022. L.A. Care is working to develop the Key Performance Indicators (KPIs) that will be shared with DHCS in July 2023.
- The PHM team is developing an overarching PHM Policy & Procedure and a Transitional Care Services (TCS) Policy & Procedure that will be reviewed for approval in the April Quality Oversight Committee (QOC).
- The PHM team sent out a provider communication to all direct network providers and PPGs on the new CalAIM phased transitional care service requirements on February 3, 2023.
- The highest risk gaps identified are with the current state processes for transitions of care for high risk and complex care member identified in the ADT feed and IPro, strengthening Care Management services for all members identified as high risk and complex but are not needing TCS, and strengthening delegation oversight of providers conducting basic PHM activities. Care Management has proposed updates to the Risk Stratification and Segmentation (RSS) to meet the new requirements and work is underway to develop this in IPro and work with internal and external stakeholders who will conduct TCS.

### **Initial Health Assessment (IHA) transitioning to Initial Health Appointment**

- The PHM team and IHA workgroup have reviewed APL 22-030 and are making all necessary changes to QI-047 IHA policy, lacare.org, the Universal Provider Manual, the New Member Welcome Letter and New Member Welcome phone script. The main changes include the name change and removal of the Individual Health Education Behavioral Assessment (IHEBA) Staying Healthy Assessment (SHA)

requirement. The PHM team still has a question out to DHCS clarifying the specifics of outreach requirements for compliance of a complete IHA.

- All Network Providers (PPG and Direct Network) have access to monthly IHA due reports on the provider portal for use in ensuring all new enrollees have a complete initial health visit within 120 days. The codes are being revised in the IHA due reports and dashboard and a new provider communication will be approved through Podio by Quarter 2, 2023.

### **Facility Site Review (FSR)**

- For the timeframe, January 2, 2022 to December 31, 2022, a total of 615 virtual/on site periodic, initials and annual audits have been conducted.
- Total PHE backlog for time period (March 15, 2020 to December 31, 2021) is **85**. To date three hundred and six (306) audits have been completed from the backlog.
- In Q4 2022. 47 FSR/MRR audits were conducted from the backlog.
- Working with the PARS Collaborative Workgroup to address PARS backlog, share assignments, and decrease duplication.
- L.A. Care FSR is working with the Los Angeles County Collaborative regarding the periodic backlog to be completed by December 31, 2023.
  - Quarter 4 progress report via the MCP Site Review Tracker has been submitted to DHCS.
  - L.A. Care's FSR worked with a subgroup of the collaborative and has developed a FSR tool for the mobile units. We have also developed a workflow for FSR audits on mobile units and all MCPs are piloting the mobile unit tool in 2023.
  - FSR is working with internal business units and the Los Angeles County Collaborative on proposing a condensed version of the FSR/MRR for the APL 22-023 Street Medicine.

### **Population Health Informatics**

#### **Health Information Management (HIM) Analytics**

- VIIP MY 2021 is complete for this year and payments and reports have been sent out/generated for all programs.
- Work is continuing on a Stars Dashboard. This Dashboard will allow the Stars Team to monitor current trends along with a focus on historical rates/trends. A preliminary Dashboard should be up and running by March 2023.
- HIM is partnering with the Pomona Community Resource Center (CRC) to generate an asthmatic member pool that the CRC will use to contact members with mild to severe asthma.
- The Population Health Assessment, which is a comprehensive document outlining the health of L.A. Care members stratified by certain demographic factors is complete.
- HIM is undertaking the task of monitoring PCP visits for all members in LA Care. The data produced by our team will be used to track Enterprise wide goals along with assisting other departments in their pursuit of having members regularly visit their PCP.

#### **Health Information Exchange Ecosystem (HIEc)**

- Discussions are underway with a cross-functional stakeholder group to revise the Hospital Services Agreement (HSA) and include the requirement for hospital participation in Health Information Exchanges (HIEs).
- The HIEc team is working closely with the ECM team and HIE vendors (LANES and CMT), to bring on additional new entities for Enhanced Care Management/Community Support (ECM/CS) programs. The HIE program continues to support the transition of the existing Health Homes Clinics and CB-CMEs to the new ECM program.

- The PAC-MAN solution will be operational on February 14, 2023, providing users from MLTSS and Care Management with access to up-to-date skilled nursing facility data on members.
- A business case has been created to support the CalAIM PHM and D-SNP requirements for MCPs to ingest ADT in order to deliver Transitional Care Services (TCS). The project is awaiting resource allocation from IT.

**Incentives**

All of the MY 2021 P4P reports and payments have been completed for the plan partners, Participating Physician Groups (PPGs) and physicians/clinics. The PPG performance rankings will be posted on L.A. Care’s website for the first time in the form of star ratings, with 5 stars being the highest.

**Pharmacy**

**Star Rating Metrics - Medication Adherence**

- Comprehensive Adherence Solutions Program (CASP)
  - Pharmacy staff have been outreaching to DSNP members with high SDOH needs who have been historically nonadherent to the Star medications (Diabetes, Renin-Angiotensin-System Antagonists, and Statins) to offer mail order service, 100-day prescription conversion, transportation services, medication synchronization and medication education to overcome any potential hurdles the members may be facing to become adherent.
  - Between January 5, 2023 to February 21, 2023:
    - Total call attempts: 2,402 (including member, provider office and pharmacy)
    - Total successful calls to members: 761
    - Total completed successful interventions: 231 \*(all members receive education regarding their medications and vaccines, this is not included in this total)
- Pack4U/Custom Health Collaboration
  - The pharmacy team is working with a new vendor, CustomHealth (formerly known as Pack4U), to start a pilot program that provides medication dispensing devices to members in their homes to monitor and improve their medication adherence. Twenty-three members enrolled as of February 16, 2023.
- Medication Refill Reminder Robocalls
  - In collaboration with CSC EvenMore, pharmacy will begin weekly refill reminder robocalls to both DSNP and LACC starting in March 2023.

**Star Rating Metrics – The Osteoporosis Management in Women who had a Fracture**

- The pharmacy team has a comprehensive approach to address osteoporosis in women ages 67-85 years who have suffered a fracture. We conduct telephonic outreach to members and their prescribers to recommend a BMD test or prescription for a drug to treat osteoporosis to positively impact members by preventing further fractures related to osteoporosis.
- Since pharmacy took over this initiative, we have seen steady improvement in our performance in this measure. Pharmacy will be handing off this measure to QI but will continue to provide clinical support if needed.

Year	MY 2020	MY 2021	MY 2022
%	20.00%	39.34%	51.56%
Star Rating	1	2	3

- Current progress for MY2023 (as of February 22, 2023): 34 members were identified and 7 members were successful in receiving a DEXA scan or osteoprotective medication. One member was identified as ineligible for the program and 3 members were unsuccessful in the intervention, leaving 23 opportunities remaining for MY2023.
- House Call Doctors are now performing in-home DEXA scans for members who agreed. We referred five members as of February 22, 2023.

#### **Star Rating Metrics - Medication Therapy Management (MTM) Program\**

- CMS requires health plans to reach a Comprehensive Medication Review (CMR) completion rate of at least 89% to achieve a five-star rating in Star Ratings Year 2023. Navitus Clinical Engagement Center (CEC), our current MTM vendor, completed 2,307 CMRs, which is 79% of total qualified members for 2022.
- Our performance in 2022 would reach an estimated 3 Stars for Star Ratings. The pharmacy team and Navitus CEC have already discussed several new programs to engage members in 2023.
  - Text Message campaign for appointment reminders began January 2023.
  - Second phase of text message campaign for eligible member outreach/engagement in the MTM program currently under review for approval.
  - Postcard mailings encouraging eligible members to schedule an appointment with Navitus CEC currently under review for approval.
  - L.A. Care is working with Navitus CEC to provide CMRs through the CustomHealth pilot program for any member enrolled in the pilot program that also qualifies for MTM services.

#### **Comprehensive Med Management (CMM) via CA Right Meds Collaborative (CRMC):**

- CRMC is an initiative with University of Southern California (USC) to establish a network of community pharmacies that provide CMM to members with chronic diseases, such as diabetes and cardiovascular disease.
- Clinical Performance (from February 2020 to January 2023):
  - Average A1c reduction was 2% in cohort of patients with average baseline A1c of 11.7%
  - Average A1c reduction of 2.8% in patients with five or more CMM visits.
  - Average 14.4 point reduction in systolic blood pressure (SBP) in patients with 2 or more visits and baseline blood pressure >140/90 mmHg.
- Data Analysis of Program Impact
  - CRMC was selected by the Centers of Disease Control and Prevention (CDC) as one of 3 programs to be showcased for innovative uses of telehealth to prevent and manage cardiovascular disease. Results from this analysis will be presented to a national audience. Additionally, CRMC was also included in CDC's Field Note publication that highlights successful and innovative programs.

#### **Clinical Pharmacy Pilot Program (Ambulatory Care):**

- Clinical pharmacist participates as part of the healthcare team once weekly at various FQHCs to improve medication use and safety for L.A. Care members with uncontrolled diabetes and/or uncontrolled hypertension.
- Current clinics:
  - Wilmington Community Clinic (started 9/2022)
  - APLA (started 12/2022)
  - Harbor Community Health Center (contract pending)
- Medication Therapy Problems Identified (across all patient visits): 204

\*Medication Therapy Problem Framework as endorsed by the Pharmacy Quality Alliance (PQA)

## **Community Health**

### **Behavioral Health**

On February 21, 2023 DHCS awarded L.A. Care \$20.7 million under the auspices of its School Behavioral Health Incentive Program. The funds will be allocated to enhance behavioral health training, workforce capacity, and IT infrastructure in partnership with Health Net and the Los Angeles County Office of Education.

### **Elevating the Safety Net (ESN) Incentive Payment Program (IPP):**

- As of January 1, 2023, we received 65 of 67 reports from ECM/CS providers, who were funded in round 1 of IPP funding, with updates on progress towards completing their milestones.
  - 14 of these reports are final reports from providers who completed their milestones as of December 31, 2022.
  - Milestones include investments in systems upgrades, ECM/CS staff recruitment, hiring and development and enhancements to quality reporting capabilities. These investments align with DHCS priorities for infrastructure and capacity building.
  - Providers who did not submit a final report will have an opportunity to complete their milestones by June 30, 2023.
- Our IPP unit received approval from our Finance team to process the IPP incentive application for Los Angeles Department of Health Services (DHS) who will receive over \$4.3 million from L.A. Care to upgrade their systems (CHAMP and Office of Diversion and Reentry), hire frontline and back office staff and offer training opportunities.
- We are making progress in finalizing draft IPP incentive amendments for Plan Partners to disburse a combined total of nearly \$10.8 million. Plan Partners will invest the incentive funding in systems upgrades, consulting services, internal staff hiring and quality reporting capabilities.
- On January 17, 2023, we submitted feedback to DHS on their \$5.15 million CS administration proposal. The feedback is pending review and agreement from DHS on the proposed metrics for performance, documentation and reporting.
- Submitted feedback/comments to DHCS on two reporting templates
  - Template 2B – covering performance metrics from July 1, 2022 – December 31, 2022
  - Template 3-5 – covering performance metrics from January 1, 2023 through June 30, 2024.

### **ESN Initiatives:**

- Executed the grant agreement with UCLA for a new cohort of 4 scholars in 2023.
- Working on obtaining the second and final signature from Charles R. Drew University to execute the grant agreement for a new cohort of 4 scholars in 2023.
- Under the Provider Loan Repayment Program, we have \$2 million available to award new physicians thorough the end of FY 2022-23. There are 10 providers currently on the waitlist and under review.
- 301 new In-Home Support Services (IHHS) workers completed their training in January bringing our total to 5,601 ever trained.

### **HHSS Data and Operations Unit:**

- As of February 22, 2023, over 10,900 members enrolled in HHSS
- SNI staff sent our HHSS Providers their January Claims Needed Report. This report will help HHSS providers be more compliant and timely in submission of HHSS claims

- SNI staff worked with DHS, IT, and UpHealth to reauthorize 5,696 former Whole Person Care individuals for 6 additional months of HHSS, for a total authorization of 18 months
- SNI staff are working with DHS, IT, and UpHealth to build out a bulk upload process to receive outstanding Housing Assessments (HAs) and Individualized Housing Support Plans (IHSPs)

### **DHS Operations Unit:**

#### **QI Workgroup -**

- The QI Collaborative Workgroup meeting with DHS is scheduled for March 14, 2023.
- QI Related Reports & Information Submitted to DHS
  - All QI related items will be captured in a tracking log. For example: Performance Opportunity Reports (PORs), VIIP Performance Reports, CG-CAPHS, etc.
- HEDIS
  - DHS requested OON Data for their Quality Incentive Program (QIP).
    - Working with IT to automate the report for HIV & HVL measures. The QPM unit will pull the report for the three remaining measures: COL, HbA1c (HBD), SPC
  - MCAS New Measures to be reviewed with DHS at upcoming meeting.
- VIIP + P4P
  - DHS Submitted Final VIIP + P4P Action Plan on 1/26/2023

#### **UM/ Medical Management Workgroup -**

- DHS & Decompression:
  - Dr. Kagan will work on making introductions between DHS Transfer Center key staff and Alta, Mission, and Avanti hospital systems.
- DHS Transfer Center & Inpatient Repatriation
  - L.A. Care UM/DHS Transfer Center Team continue to meet on a bi-monthly basis. This meeting was held on January 31, 2023.
- Transition of Care:
  - Through bi-weekly discussions, L.A. Care has verbalized the need for DHS to support Specialty appointments for members to support select scenarios, specialties, and diagnoses:
    - Inpatient Discharge
    - Outpatient Redirection
    - Case Management Escalation

#### **QI – PQI -**

The PQI quarterly meeting with DHS took place on January 31, 2023. The following items were discussed:

- DHS PQI Report Review
  - PQI Annual Report Review Period FY 2021-2022 (Q4 2021 – Q3 2022)
    - 27% of the PQIs reviewed by L.A. Care had substantiated Service concerns.
    - DHS facilities with the most PQIs: Mid-Valley, Olive View, MLK Jr. Outpatient Center.
    - Compared to the general volume of patients that DHS serves, the volume of PQIs is relatively low. However, the purpose of sharing PQI reports with DHS is to demonstrate patterns or trends across their facilities and among staff or providers. It is a tool that DHS can leverage to take actionable and specific steps aimed to address service or care concerns for members.
  - Report Review Q4 2022



- Out of the 105 PQIs that were received, 7% were substantiated as Care issues, while 23% were substantiated as Service issues.
- The L.A. Care reports currently capture the dates that the PQIs were closed, not the Dates of Incident. L.A. Care PQR unit to capture the Date of Incident moving forward.
- PQI Volume
  - In the past, a single year might have approximately 243 PQIs identified; however, most recently, in a single quarter, 135 PQIs were identified. The increase in captured cases do not necessarily reflect an increase in PQIs, but rather increased staff support on the L.A. Care side that have been able to process a greater volume of cases from the A&G grievance backlog. The L.A. Care PQR unit expects the trend to continue through the middle of 2023 while the backlog is addressed, at which point PQIs should level off.
- PQI Closure Letter
  - L.A. Care PQR unit requested a PQI Closure Letter from DHS. The PQI called to question the reason why DHS scheduled the member's OON post-discharge appointment 1-2 months after discharge rather than within the standard 3 days.
  - The DHS G&A Unit inquired about L.A. Care's process for notifying DHS of OON hospital admissions and discharges.
  - L.A. Care regularly sends DHS contacts the eConnect report which includes admissions, discharge and transfer information. The list of DHS recipients was provided to the DHS G&A unit to assist them with the drafting of the PQI Closure Letter.

### **DHS Reports -**

The following reports were submitted to DHS:

- eConnect (ADT) Report
  - Description: This report contains real-time notification on patients' admit, discharge, and transfer (ADT) information whenever they are admitted to inpatient or the ED.
  - Submitted on January 10, 2023 and January 25, 2023
- Hospital Delivery/Pregnancy Data
  - Description: This report contains a list of DHS-assigned members that gave birth both within and outside of the DHS network.
  - Submitted on January 9, 2023, January 11, 2023, January 18, 2023, and January 27, 2023
- LIHP/CF/ME Membership Report
  - Description: This is a running report that contains DHS membership segmented by aid codes [i.e. LIHP (Low Income Health Program), CF (Cal Fresh), and ME (Medi-Cal Expansion)].
  - Submitted on February 3, 2023
- MCLA Active Pregnant Members Report
  - Description: This report contains a list of current pregnant DHS-assigned members and their due dates.
  - Submitted on January 4, 2023

### **Care Management**

#### **Enhanced Care Management (ECM)**

Noah Ng has been promoted to the Director of Enhanced Care Management (ECM) position and will oversee the existing staff newly reorganized to CM from the Safety Net Initiatives department. Noah's focus for the first 60 days will be to conduct a full assessment of people's roles, technology, and processes against the December 2022 revision of the DHCS ECM Policy Guide.

#### **Transitional Care Services (TCS)**

CM team began implementing the program on a limited basis in February 2023 for members in Direct Network and is currently using Care Managers with plans to incorporate Community Health Workers (CHWs) into the model by Q2. CM collaborated with the UM team to access daily reports of members admitted and discharged to supplement the limited data available through the Health Information Exchanges. In addition, risk stratification algorithms in iPro is in the process of being revised to delineate all risk levels and provide a new indicator for DHCS High Risk in accordance with updated DHCS Population Health Policy Guide from December 2022. Due to the new populations of focus and the broad TCS requirements, CM is pending RRB approval for additional staff.

### **PHM**

The DHCS Policy Guide establishes new high-risk sub-populations who require assessment, care coordination, and TCS. These new sub-populations include Children with Special Health Care Needs, high-risk Seniors & Persons with Disabilities, and members needing Long Term Services & Supports. Revisions to risk stratification algorithms in iPro have been proposed to identify members within the various categories. The requirements significantly increase the scope and volume of work by CM, ECM, as well as delegated PPGs, which will necessitate substantial increases in staffing in order to achieve compliance.

### **General CM**

- Ongoing collaboration with the UM team has increased referrals of high and complex members to CM, including but not limited to members who need major organ transplant, California Children's Service (CCS) eligible/enrolled, and members needing Private Duty Nursing.
- Cal-MediConnect to DSNP transition – several operational and regulatory reports pending completion by IT with no clear ETA.
- CCS (DHCS Audit focus area)
  - Historically and currently, very few CCS members are in CCM and none with Medi-Cal as secondary coverage. Additional staff and processes need to be developed in order to meet contractual requirements.
  - MOU with county CCS agency is from 1999 and needs updating to clarify each party's requirements, including the expectations for a dedicated CCS Liaison position.
- Very high employee engagement scores, no low performing items to monitor/improve at the department level.

### **Utilization Management**

#### **Timeliness Corrective Action Plans** (from June 2021 regulatory disclosure and 2021 DHCS Audit)

- Compliance Scorecard measures – 54/67 measures at 95% and above for compliance turn-around times for Q42022
- For the 13/67 under 95%, all are for notifications which are subjected to continued root cause analysis and process improvements. The frequency of the letter manifests to the fulfillment vendor for the twice a day mailings was completed in \_\_\_\_\_.
- Toney Consulting agreement extended to Sept 2023 to supplement staffing.
- Completion of operational monitoring report by IT is needed as a more comprehensive oversight tool, particularly relating to the improvement of notification timeliness

### **Direct Network**

- All UM work transitioned from Optum Health as of mid-December 2022. Even in the final months of the engagement, Optum’s performance did not meet thresholds and has been referred to Sanction Committee.
- Compliance has created a subset scorecard to monitor timely decisions and notifications, the first three months (November-January scores) were submitted to DMHC in February.

### **UM Quality Program (DHCS Audit focus area)**

- Developing and implementing audit tools and protocols
  - Emphasis on accuracy and consistency of decision making by nurses and physicians, approvals and adverse decisions
  - Focused audits based on audit/corrective action areas and identified gaps (e.g. Continuity of Care, letter readability, private duty nursing, Physician Certification Forms)
- Additional positions in recruitment for trainers and auditors
- Reporting to Utilization Management Committee
  - Annual program description/evaluation
  - IRR reports for nurses and physicians
  - Quality metrics/oversight
- Staff education via bi-weekly training sessions with all staff who participate in UM functions (includes MDs, MLTSS, BH), recent topics have included Continuity of Care, CCS, reporting potential quality of care issues

### **Hospital agitation/abrasion**

- Provider Disputes Resolution (PDR, originates from Claims)
  - Backlog resolved as of 12/31/23, UM PDR queues are monitored closely to ensure timely processing is maintained
  - Creation of dedicated PDR team to support ongoing compliance and assist with litigation/arbitration cases; four positions filled (two start 3/13/23), one in recruitment. Toney Consulting agreement extended to Sept 2023 to supplement staffing.
  - Participation in cross-functional team assessing root causes and solutions to reduce PDR volume
- Reestablishing Admit Team for post-stabilization requests (audit focus area)
  - nine positions filled, two in recruitment
  - Revising processes and documentation to improve compliance and enable reporting and oversight
- Adding a dedicated discharge planning team to accelerate processing of authorizations needed for discharge and provide more resources for members who are difficult to place due to complex medical-psycho-social situations

### **UM Other**

- DSNP – Several letters not configured within SyntraNet and done via manual work around, ETAs stretch out to end of April
- New Director Patricia Isom, RN starts 3/13/23 which will allow UM to restructure to separate outpatient and inpatient teams and provide focused oversight on productivity, quality and focused process improvements

### **Managed Long Term Services & Supports (MLTSS)**

#### **Community Based Adult Services (CBAS)**

- Total census coming down from its COVID high point, but still high after official transition from COVID TAS protocol to Emergency Remote Service (ERS); some centers prohibited from enrollment due to capacity issues

- MLTSS team continues to meet regularly with other health plans to discuss ERS utilization and practice concerns and relay them to DHCS and CDA
- Team continues to work on reducing volume of eligibility assessment work done by vendor

### **Skilled Nursing Facility**

- Long Term Care (LTC) to Community reassignment, QI and Finance workgroups
  - Data collection and monitoring of discharges to community and timely PCP reassignment to avoid PQIs as a result of access to care issues
  - Ongoing process of monthly reconciliation of new and former LTC for re/assignment to appropriate PPG (community versus LTC)
- Partnership with IP UM and Difficult Placement Team (DPT) to divert Congregate Living HealthCare Facility (CLHF) transitions (non-covered benefit)
- Medicare risk area due to conflicting guidance given by Compliance consultants

### **CalAIM**

Current Community Supports (CS) Managed, volume of referrals very low

- Personal Care and Home Services (effective July 1, 2022)
- Respite (effective July 1, 2022)
- Environmental Accessibility Adaptation (EAA)/Home Modifications (effective January 1, 2023)

### **Palliative Care**

- Palliative Care SB 1004 benefit is for Medi-Cal only (excludes partial and full duals)
- RRB for Palliative Care – CalAIM Manager backfill scheduled for 3/13/2023
  - Focus to expand and grow Palliative Care program upon manager's hire
    - Current average monthly referrals: 33
    - Current average monthly census: 124



# Legislative Matrix for Board of Governors

Last Updated: March 27, 2023

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**Title**

Medi-Cal: presumptive eligibility.

**Description**

AB 1481, as amended, Boerner Horvath. Medi-Cal: presumptive eligibility. Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing federal law, as a condition of receiving federal Medicaid funds, requires states to provide health care services to specified individuals. Existing federal law authorizes states to provide presumptive eligibility to pregnant women or children, and existing state law requires the department to provide presumptive eligibility to pregnant women and children, as specified. Under existing law, a minor may consent to pregnancy prevention or treatment services without parental consent. Under existing law, an individual under 21 years of age who qualifies for presumptive eligibility is required to go to a county welfare department office to obtain approval for presumptive eligibility. This bill would expand the presumptive eligibility for pregnant women to all pregnant people, renaming the program "Presumptive Eligibility for Pregnant People" (PE4PP). The bill would make a presumptively eligible pregnant person eligible for coverage of all medical care, services, prescriptions, and supplies available under the Medi-Cal program, except for inpatient services and institutional long-term care. The bill would also require the department to ensure that a pregnant person receiving coverage under PE4PP who applies for full-scope Medi-Cal benefits within 60 days receives coverage under PE4PP until their full-scope Medi-Cal application is approved or denied, as specified. The bill would allow a pregnant individual under 26 years of age who can consent to services without parental approval to receive presumptive eligibility by a qualified hospital. The bill would also make conforming changes. Because counties are required to make eligibility determinations, and this bill would expand Medicaid eligibility, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

**Primary Sponsors**

Tasha Boerner Horvath, Rebecca Bauer-Kahan

**Title**

Health care coverage: discrimination.

**Description**

AB 1502, as introduced, Schiavo. Health care coverage: discrimination. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law prohibits a health care service plan or health insurer from employing marketing practices or benefit designs that discriminate based on an individual's race, color, national origin, present or predicted disability, age, sex, gender identity, sexual orientation, expected length of life, degree of medical dependency, quality of life, or other health conditions. Existing law requires a plan or insurer to notify enrollees and insureds that it does not discriminate on the basis of race, color, national origin, ancestry, religion, sex, marital status, gender, gender identity, sexual orientation, age, or disability. This bill would prohibit a health care service plan or health insurer from discriminating on the basis of race, color, national origin, sex, age, or disability through the use of clinical algorithms in its decisionmaking. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Pilar Schiavo

Bill Number

**AB 1549**

Status

**In Assembly**

Position

**Monitor**

**Title**

Medi-Cal: federally qualified health centers and rural health clinics.

**Description**

AB 1549, as amended, Wendy Carrillo. Medi-Cal: federally qualified health centers and rural health clinics. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including federally qualified health center services and rural health clinic services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, to the extent that federal financial participation is available, FQHC and RHC services are reimbursed on a per-visit basis, as specified. This bill would, among other things, require that per-visit rate to account for the costs of the FQHC or RHC that are reasonable and related to the provision of covered services, including the specific methods and processes used by the FQHC and RHC to deliver those services. The bill would also require the rate for any newly qualified health center to include the cost of care coordination services provided by the health center, as specified.

**Primary Sponsors**

Wendy Carrillo

Bill Number

**AB 1592**

Status

**In Assembly**

Position

**Monitor**

**Title**

Interagency Council on Homelessness.

**Description**

AB 1592, as introduced, Dixon. Interagency Council on Homelessness. Existing law requires the Governor to establish the Interagency Council on Homelessness, and requires the council to have specified goals, including, to identify mainstream resources, benefits, and services that can be accessed to prevent and end homelessness in California, and to report to the Governor, federal Cabinet members, and the Legislature on homelessness and work to reduce homelessness. This bill would require the council to report annually to the Governor, federal Cabinet members, and the Legislature, commencing June 30, 2026, on homelessness and work to reduce homelessness, and would require the report to include the cost per person and distribution of funding within United States Department of Housing and Urban Development's Continuum of Care program by city and census-designated area.

**Primary Sponsors**

Diane Dixon

**Title**

Medi-Cal: managed care plans.

**Description**

AB 1608, as amended, Joe Patterson. Medi-Cal: managed care plans. The Lanterman Developmental Disabilities Services Act makes the State Department of Developmental Services responsible for providing various services and supports to individuals with developmental disabilities, and for ensuring the appropriateness and quality of those services and supports. Pursuant to that law, the department contracts with regional centers to provide services and supports to persons with developmental disabilities. The act requires regional centers to pursue all possible sources of funding for consumers receiving regional center services, including, among others, Medi-Cal. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes the California Advancing and Innovating Medi-Cal (CalAIM) initiative, subject to receipt of any necessary federal approvals and the availability of federal financial participation, in order to, among other things, improve quality outcomes, reduce health disparities, and increase flexibility. Existing law authorizes the department to standardize those populations that are subject to mandatory enrollment in a Medi-Cal managed care plan across all aid code groups and Medi-Cal managed care models statewide, subject to a Medi-Cal managed care plan readiness, continuity of care transition plan, and disenrollment process developed in consultation with stakeholders, in accordance with specified requirements and the CalAIM Terms and Conditions. Existing law, if the department standardizes those populations subject to mandatory enrollment, exempts certain dual and non-dual beneficiary groups, as defined, from that mandatory enrollment. This bill would additionally exempt dual and non-dual-eligible beneficiaries who receive services from a regional center and use a Medi-Cal fee-for-service delivery system as a secondary form of health coverage.

**Primary Sponsors**

Joe Patterson



**Title**

Medi-Cal: medically supportive food and nutrition services.

**Description**

AB 1644, as amended, Bonta. Medi-Cal: medically supportive food and nutrition services. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires the department to establish the Medically Tailored Meals Pilot Program and the Short-Term Medically Tailored Meals Intervention Services Program, to operate in specified counties and during limited periods for the purpose of providing medically tailored meal intervention services to eligible Medi-Cal beneficiaries with certain health conditions, including congestive heart failure, cancer, diabetes, chronic obstructive pulmonary disease, or renal disease. Existing law, subject to implementation of the California Advancing and Innovating Medi-Cal (CalAIM) initiative, authorizes a Medi-Cal managed care plan to elect to cover community supports approved by the department as cost effective and medically appropriate in a comprehensive risk contract that are in lieu of applicable Medi-Cal state plan services. Under existing law, community supports that the department is authorized to approve include, among other things, medically supportive food and nutrition services, including medically tailored meals. This bill would make medically supportive food and nutrition intervention plans, as defined, a covered benefit under the Medi-Cal program, upon issuance of final guidance by the department. The bill would require medically supportive food and nutrition intervention plans be covered when determined to be medically necessary by a health care provider or health care plan. In order to qualify for coverage under the Medi-Cal program, the bill would require medically supportive food and nutrition intervention plans include at least 3 of 6 specified medically supportive food and nutrition interventions. The bill would only provide coverage for nutrition support interventions when combined with the minimum 3 interventions. The bill would require health care providers or health care plans to match the acuity of a patient's condition to the intensity and duration of the medically supportive food and nutrition intervention plan and include culturally appropriate foods whenever possible. The bill would establish the Medically Supportive Food and Nutrition Benefit Committee to assist the department in developing final guidance related to eligible populations, the duration and dosage of medically supportive food and nutrition intervention plans, the ratesetting process, determination of permitted providers, and continuing education for health ca... (click bill link to see more).

**Primary Sponsors**

Mia Bonta, Buffy Wicks

**Title**

Health care coverage: cost sharing.

**Description**

AB 1645, as amended, Zbur. Health care coverage: cost sharing. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a group or individual nongrandfathered health care service plan contract or health insurance policy to provide coverage for, and prohibits a contract or policy from imposing cost-sharing requirements for, specified preventive care services and screenings. This bill would prohibit a group or individual nongrandfathered health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2024, from imposing a cost-sharing requirement for office visits for the above-described preventive care services and screenings and for items or services that are integral to their provision. The bill would prohibit nongrandfathered and grandfathered contracts and policies from imposing a cost-sharing requirement, utilization review, or other specified limits on a recommended sexually transmitted infections screening, and from imposing a cost-sharing requirement for any items and services integral to a sexually transmitted infections screening, as specified. The bill would require a plan or insurer to directly reimburse a nonparticipating provider or facility of sexually transmitted infections screening that meets specified criteria its median contracted rate in the general geographic region for screening tests and integral items and services rendered, and would prohibit a nonparticipating provider from billing or collecting a cost-sharing amount for a sexually transmitted infections screening from an enrollee or insured. Because a violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Rick Zbur

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 5:57 PM  
California Association of Health Plans: Oppose

**Title**

Universal health care coverage.

**Description**

AB 1690, as introduced, Kalra. Universal health care coverage. Existing law provides for the creation of various programs to provide health care services to persons who have limited incomes and meet various eligibility requirements, including the Medi-Cal program administered by the State Department of Health Care Services. Existing law provides for the regulation of health care service plans by the Department of Managed Health Care and health insurers by the Department of Insurance. Existing law establishes the California Health Benefit Exchange to facilitate the purchase of qualified health plans through the Exchange by qualified individuals and small employers. This bill would state the intent of the Legislature to guarantee accessible, affordable, equitable, and high-quality health care for all Californians through a comprehensive universal single-payer health care program that benefits every resident of the state.

**Primary Sponsors**

Ash Kalra

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 5:43 PM

Local Health Plans of California: Oppose

**Title**

Prescription drug coverage.

**Description**

SB 70, as amended, Wiener. Prescription drug coverage. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law generally authorizes a health care service plan or health insurer to use utilization review, under which a licensed physician or a licensed health care professional who is competent to evaluate specific clinical issues may approve, modify, delay, or deny requests for health care services based on medical necessity. Existing law prohibits a health care service plan contract that covers prescription drug benefits or a specified health insurance policy from limiting or excluding coverage for a drug on the basis that the drug is prescribed for a use that is different from the use for which it was approved by the federal Food and Drug Administration if specified conditions are met. Existing law also prohibits a health care service plan that covers prescription drug benefits from limiting or excluding coverage for a drug that was previously approved for coverage if an enrollee continues to be prescribed that drug, as specified. This bill would additionally prohibit limiting or excluding coverage of a drug, dose of a drug, or dosage form of a drug that is prescribed for off-label use if the drug has been previously covered for a chronic condition or cancer, regardless of whether or not the drug, dose, or dosage form is on the plan's or insurer's formulary. The bill would prohibit a health care service plan contract or health insurance policy from requiring additional cost sharing not already imposed for a drug that was previously approved for coverage. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Scott Wiener

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 5:57 PM

California Association of Health Plans: Oppose

Bill Number

**SB 72**

Status

**In Senate**

Position

**Monitor**

**Title**

Budget Act of 2023.

**Description**

SB 72, as introduced, Skinner. Budget Act of 2023. This bill would make appropriations for the support of state government for the 2023–24 fiscal year. This bill would declare that it is to take effect immediately as a Budget Bill.

**Primary Sponsors**

Nancy Skinner

Bill Number

**SB 87**

Status

**In Senate**

Position

**Monitor**

**Title**

Mental health: involuntary commitment.

**Description**

SB 87, as amended, Nguyen. Mental health: involuntary commitment. Existing law, the Lanterman-Petris-Short Act, provides for the involuntary commitment and treatment of persons with specified mental disorders for the protection of the persons committed. Under the act, when a person, as a result of a mental health disorder, is a danger to others, or to themselves, or gravely disabled, the person may, upon probable cause, be taken into custody and placed in a facility designated by the county and approved by the State Department of Health Care Services. Existing law provides that a conservator of the person, of the estate, or of the person and the estate may be appointed for a person who is gravely disabled due to a mental health disorder or impairment by chronic alcoholism. Existing law authorizes that a person for whom conservatorship is sought has a right to demand a court or jury trial on the issue of whether the individual is gravely disabled. Existing law requires that such a demand must be made within 5 days following the hearing on the conservatorship petition. Existing law requires that the court or jury trial must commence within 10 days of the date of the demand, except the court may continue the trial date for a period not to exceed 15 days upon request of counsel for the proposed conservatee. This bill would extend the period for which a court or jury trial may be continued at the request of counsel for the proposed conservatee from 15 days to 20 days.

**Primary Sponsors**

Janet Nguyen

**Title**

Health care coverage: insulin affordability.

**Description**

SB 90, as amended, Wiener. Health care coverage: insulin affordability. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act's requirements a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract or disability insurance policy issued, amended, delivered, or renewed on or after January 1, 2000, that covers prescription benefits to include coverage for insulin if it is determined to be medically necessary. This bill would prohibit a health care service plan contract or a disability insurance policy, as specified, issued, amended, delivered, or renewed on or after January 1, 2024, from imposing a copayment of more than \$35 for a 30-day supply of an insulin prescription drug or imposing a deductible, coinsurance, or other cost sharing on an insulin prescription drug, and would prohibit a high deductible health plan from imposing a deductible, coinsurance, or other cost sharing on an insulin prescription drug, as specified. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Scott Wiener

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 5:58 PM

California Association of Health Plans: Oppose

**Title**

Health care coverage: independent medical review.

**Description**

SB 238, as amended, Wiener. Health care coverage: independent medical review. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of disability insurers by the Department of Insurance. Existing law establishes the Independent Medical Review System within each department, under which an enrollee or insured may seek review if a health care service has been denied, modified, or delayed by a health care service plan or disability insurer and the enrollee or insured has previously filed a grievance that remains unresolved after 30 days. This bill would require a decision by a health care service plan regarding a disputed health care service to be automatically submitted to the Independent Medical Review System if the decision is to deny, modify, or delay specified mental health care services for an enrollee up to 26 years of age. The bill would specify the procedures applicable with respect to both nonurgent and urgent mental health or substance use disorder services, including, but not limited to, notification to the enrollee and provider of the submission of the decision for review, and time periods for an enrollee to cancel the independent medical review before a determination, or for the independent medical organization's determination to be issued, as specified. The bill would require a health insurer, if specified conditions are satisfied with respect to a health care item or service to prevent, diagnose, or treat a mental health or substance use disorder for an insured up to 26 years of age, to submit an adverse benefit determination to the Independent Medical Review System on the same calendar day it makes the adverse benefit determination. The bill would require the insurer to initiate the independent medical review by submitting all records in its possession related to an initial adverse benefit determination to the department and independent medical review organization that is designated by the department to conduct the review, and to notify the insured when the independent medical review is initiated, as specified. The bill would authorize the department, as circumstances warrant, to cancel an independent medical review, either before, or as soon after a determination was issued as is reasonably possible. With respect to both a health care service plan and a health insurer, the bill would require an independent medical review organization to make its determination regarding a decision or adverse benefit determination made by a health care service plan or health insurer, based on the record of ... (click bill link to see more).

**Primary Sponsors**

Scott Wiener

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 6:11 PM

Local Health Plans of California: Oppose California Association of Health Plans: Oppose

**Title**

Health care coverage: diagnostic imaging.

**Description**

SB 257, as introduced, Portantino. Health care coverage: diagnostic imaging. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract issued, amended, delivered, or renewed on or after January 1, 2000, or an individual or group policy of disability insurance or self-insured employee welfare benefit plan to provide coverage for mammography for screening or diagnostic purposes upon referral by specified professionals. Under existing law, mammography performed pursuant to those requirements or that meets the current recommendations of the United States Preventive Services Task Force is provided to an enrollee or an insured without cost sharing. This bill would require a health care service plan contract, a policy of disability insurance that provides hospital, medical, or surgical coverage, or a self-insured employee welfare benefit plan issued, amended, or renewed on or after January 1, 2025, to provide coverage without imposing cost sharing for, among other things, screening mammography and medically necessary diagnostic breast imaging, including diagnostic breast imaging following an abnormal mammography result and for an enrollee or insured indicated to have a risk factor associated with breast cancer, except as specified. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Anthony Portantino

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 5:58 PM  
California Association of Health Plans: Oppose



#### Title

Medi-Cal: federally qualified health centers and rural health clinics.

#### Description

SB 282, as amended, Eggman. Medi-Cal: federally qualified health centers and rural health clinics. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including federally qualified health center (FQHC) services and rural health clinic (RHC) services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, to the extent that federal financial participation is available, FQHC and RHC services are reimbursed on a per-visit basis, as specified. "Visit" is defined as a face-to-face encounter between a patient of an FQHC or RHC and a physician or other specified health care professionals. Under existing law, "visit" also includes an encounter using video or audio-only synchronous interaction or an asynchronous store and forward modality, as specified. This bill would authorize reimbursement for a maximum of 2 visits that take place on the same day at a single site, whether through a face-to-face or telehealth-based encounter, if after the first visit the patient suffers illness or injury that requires additional diagnosis or treatment, or if the patient has a medical visit and either a mental health visit or a dental visit, as defined. The bill would require the department, by July 1, 2024, to submit a state plan amendment to the federal Centers for Medicare and Medicaid Services reflecting those provisions. The bill would include a licensed acupuncturist within those health care professionals covered under the definition of a "visit." The bill would also make a change to the provision relating to physicians and would make other technical changes.

#### Primary Sponsors

Susan Eggman, Mike McGuire, Cecilia Aguiar-Curry, Jim Wood

#### Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 7:27 PM  
Local Health Plans of California: Support L.A. Care: Support

**Title**

Medi-Cal eligibility: redetermination.

**Description**

SB 299, as introduced, Eggman. Medi-Cal eligibility: redetermination. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law generally requires a county to redetermine a Medi-Cal beneficiary's eligibility to receive Medi-Cal benefits every 12 months and whenever the county receives information about changes in a beneficiary's circumstances that may affect their eligibility for Medi-Cal benefits. In response to a change in circumstances, if a county cannot obtain sufficient information to redetermine eligibility, existing law requires the county to send to the beneficiary a form that is prepopulated with the information that the county has obtained and that states the information needed to renew eligibility. Under existing law, if the purpose for a redetermination is loss of contact with the beneficiary, as evidenced by the return of mail, as specified, a return of the prepopulated form requires the county to immediately send a notice of action terminating Medi-Cal eligibility. This bill would delete the above-described requirement for a county to send a notice of action terminating eligibility if the prepopulated form is returned and the purpose for the redetermination is loss of contact with the beneficiary. To the extent that the bill would modify county duties relating to the redetermination of Medi-Cal eligibility, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

**Primary Sponsors**

Susan Eggman

**Title**

Medi-Cal: Part A buy-in.

**Description**

SB 311, as introduced, Eggman. Medi-Cal: Part A buy-in. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires the State Department of Health Care Services, to the extent required by federal law, for Medi-Cal recipients who are qualified Medicare beneficiaries, to pay the Medicare premiums, deductibles, and coinsurance for certain elderly and disabled persons. Existing federal law authorizes states to pay for Medicare benefits for specified enrollees pursuant to either a buy-in agreement to directly enroll and pay premiums or a group payer arrangement to pay premiums. This bill would require the department to submit a state plan amendment no later than January 1, 2024, to enter into a Medicare Part A buy-in agreement with the federal Centers for Medicare and Medicaid Services. To the extent that the bill would increase duties for a county, the bill would create a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

**Primary Sponsors**

Susan Eggman

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 6:24 PM  
Local Health Plans of California: Support L.A. Care: Support

**Title**

Health care coverage: endometriosis.

**Description**

SB 324, as amended, Limón. Health care coverage: endometriosis.

(1) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law generally authorizes a health care service plan or health insurer to use prior authorization and other utilization review functions, under which a licensed physician or a licensed health care professional who is competent to evaluate specific clinical issues may approve, modify, delay, or deny requests for health care services based on medical necessity. This bill would prohibit a health care service plan contract or health insurance policy issued, amended, delivered, or renewed on or after January 1, 2024, from requiring prior authorization or other utilization review for laparoscopic surgery for endometriosis. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program.

(2) Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law sets forth a schedule of benefits under the Medi-Cal program. This bill would add laparoscopic surgery for endometriosis as a covered benefit under Medi-Cal without prior authorization or other utilization review.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Monique Limon

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 5:59 PM

Local Health Plans of California: Oppose Unless Amended California Association of Health Plans: Oppose

**Title**

Mental Health Services Act.

**Description**

SB 326, as amended, Eggman. Mental Health Services Act. Existing law, the Mental Health Services Act, an initiative measure enacted by the voters as Proposition 63 at the November 2, 2004, statewide general election, funds a system of county mental health plans for the provision of mental health services, as specified. The act establishes the Mental Health Services Fund, which is continuously appropriated to, and administered by, the State Department of Health Care Services to fund specified county mental health programs. The act may be amended by the Legislature only by a 2/3 vote of both houses and only so long as the amendment is consistent with and furthers the intent of the act. The Legislature may clarify procedures and terms of the act by majority vote. This bill would require a county, for a behavioral health service eligible for reimbursement pursuant to the federal Social Security Act, to submit the claims for reimbursement to the State Department of Health Care Services under specific circumstances. By imposing a new duty on local officials, this bill would create a state-mandated local program. The bill would make findings that it clarifies procedures and terms of the Mental Health Services Act. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

**Primary Sponsors**

Susan Eggman

**Title**

HIV preexposure prophylaxis and postexposure prophylaxis.

**Description**

SB 339, as amended, Wiener. HIV preexposure prophylaxis and postexposure prophylaxis. Existing law, the Pharmacy Law, provides for the licensure and regulation of pharmacists by the California State Board of Pharmacy. Existing law authorizes a pharmacist to furnish at least a 30-day supply of HIV preexposure prophylaxis, and up to a 60-day supply of those drugs if certain conditions are met. Existing law also authorizes a pharmacist to furnish postexposure prophylaxis to a patient if certain conditions are met. This bill would authorize a pharmacist to furnish up to a 90-day course of preexposure prophylaxis, or preexposure prophylaxis beyond a 90-day course, if specified conditions are met. The bill would require the California State Board of Pharmacy to adopt emergency regulations to implement these provisions by July 1, 2024. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law prohibits a health care service plan or health insurer from covering preexposure prophylaxis that has been furnished by a pharmacist in excess of a 60-day supply once every 2 years. Existing law provides for the Medi-Cal program administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services pursuant to a schedule of benefits. The existing schedule of benefits includes coverage for preexposure prophylaxis as pharmacist services, limited to no more than a 60-day supply furnished by a pharmacist once every 2 years, and includes coverage for postexposure prophylaxis, subject to approval by the federal Centers for Medicare and Medicaid Services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill would require a health care service plan and health insurer to cover preexposure prophylaxis and postexposure prophylaxis furnished by a pharmacist, including costs for the pharmacist's services and related testing ordered by the pharmacist, and reimburse pharmacist services at 100% of the fee schedule for physician services. The bill would include preexposure prophylaxis furnished by a pharmacist as pharmacist services on the Medi-Cal schedule of benefits. Because a willful violation of these provisions by a health care service plan would be a crime, this bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutor... (click bill link to see more).

**Primary Sponsors**

Scott Wiener

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 5:59 PM  
California Association of Health Plans: Oppose

**Title**

Medi-Cal: eyeglasses: Prison Industry Authority.

**Description**

SB 340, as introduced, Eggman. Medi-Cal: eyeglasses: Prison Industry Authority. Existing law establishes the Prison Industry Authority within the Department of Corrections and Rehabilitation and authorizes it to operate industrial, agricultural, and service enterprises that provide products and services needed by the state, or any political subdivision of the state, or by the federal government, or any department, agency, or corporation of the federal government, or for any other public use. Existing law requires state agencies to purchase these products and services at the prices fixed by the authority. Existing law also requires state agencies to make maximum utilization of these products and consult with the staff of the authority to develop new products and adapt existing products to meet their needs. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including certain optometric services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill, for purposes of Medi-Cal reimbursement for covered optometric services, would authorize a provider to obtain eyeglasses from a private entity, as an alternative to a purchase of eyeglasses from the Prison Industry Authority. The bill would condition implementation of this provision on the availability of federal financial participation. The bill, notwithstanding the above-described requirements, would authorize a provider participating in the Medi-Cal program to obtain eyeglasses from the authority or private entities, based on the optometrist's needs and assessment of quality and value.

**Primary Sponsors**

Susan Eggman, Scott Wilk

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 5:46 PM  
Local Health Plans of California: Support

**Title**

Pupil meals.

**Description**

SB 348, as amended, Skinner. Pupil meals. (1) Existing law establishes a system of public elementary and secondary schools in this state. This system comprises local educational agencies throughout the state that provide instruction to pupils in kindergarten and grades 1 to 12, inclusive, at schoolsites operated by these agencies. Existing law, commencing with the 2022–23 school year, requires each school district and county superintendent of schools maintaining kindergarten or any of grades 1 to 12, inclusive, and each charter school to provide 2 nutritiously adequate school meals free of charge during each schoolday, regardless of the length of the schoolday, to any pupil who requests a meal without consideration of the pupil's eligibility for a federally funded free or reduced-price meal, as specified, with a maximum of one free meal for each meal service period. Existing law requires the department to develop and maintain nutrition guidelines for school lunches and breakfasts, and for all food and beverages sold on public school campuses. This bill would require local educational agencies to provide breakfast and would authorize those local educational agencies to provide lunch on each 4-hour schoolday unless the State Department of Education receives an approval for a waiver from the United States Department of Agriculture to allow for lunch on a 4-hour schoolday to be served in a noncongregate manner, in which case, both meals are required to be served. The bill would require those local educational agencies to provide pupils with adequate time to eat, as determined by the State Department of Education. The bill would require the State Department of Education, in partnership with specified entities to determine the maximum amount of added sugar to be allowed in a nutritionally adequate breakfast or lunch, as provided. The bill also would make conforming changes to related provisions of law. By imposing additional duties on local educational agencies, the bill would impose a state-mandated local program. (2) Existing law requires a school district, county superintendent of schools, or charter school to provide each needy pupil with one nutritionally adequate free or reduced-price meal during each schoolday, except as provided. This bill would revise and recast provisions regarding school meals for needy pupils by, among other things, instead requiring school districts and county superintendents of schools, and, commencing with the 2024–25 school year, requiring a charter school to provide 2 school meals free of charge during each schoolday to any pupil who requests a meal without consideration of the pupil's eligibility for a federally funded free or reduced-price meal, as provided. By imposing additional d... (click bill link to see more).

**Primary Sponsors**

Nancy Skinner

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 6:20 PM

L.A. Care: Support



**Title**

Facilities for inpatient and residential mental health and substance use disorder: database.

**Description**

SB 363, as introduced, Eggman. Facilities for inpatient and residential mental health and substance use disorder: database. Existing law generally requires the State Department of Public Health to license, inspect, and regulate health facilities, defined to include, among other types of health facilities, an acute psychiatric hospital. Existing law generally requires the State Department of Social Services to license, inspect, and regulate various types of care facilities, including, among others, a community crisis home. Existing law requires the State Department of Health Care Services to license and regulate facilities that provide residential nonmedical services to adults who are recovering from problems related to alcohol, drug, or alcohol and drug misuse or abuse, and who need alcohol, drug, or alcohol and drug recovery treatment or detoxification services. This bill would require, by January 1, 2025, the State Department of Health Care Services, in consultation with the State Department of Public Health and the State Department of Social Services, and by conferring with specified stakeholders, to develop a real-time, internet-based database to collect, aggregate, and display information about beds in specified types of facilities, such as chemical dependency recovery hospitals, acute psychiatric hospitals, and mental health rehabilitation centers, among others, to identify the availability of inpatient and residential mental health or substance use disorder treatment. The bill would require the database to include a minimum of specific information, including the contact information for a facility's designated employee, the types of diagnoses or treatments for which the bed is appropriate, and the target populations served at the facility, and have the capacity to, among other things, enable searches to identify beds that are appropriate for individuals in need of inpatient or residential mental health or substance use disorder treatment. This bill would authorize the department to impose a plan of correction or assess penalties against a facility that fails to submit data accurately, timely, or as otherwise required and would establish a process for facilities to appeal these penalties. The bill would create the Available Care for Inpatient and Residential Mental Health or Substance Use Disorder Treatment Database Maintenance and Oversight Fund for the receipt of any penalties. Because the bill would continuously appropriate moneys in the fund for administrative costs of implementing the database, it would create an appropriation.

**Primary Sponsors**

Susan Eggman

**Title**

Open meetings: teleconferences: bodies with appointed membership.

**Description**

SB 411, as introduced, Portantino. Open meetings: teleconferences: bodies with appointed membership. Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Existing law, until January 1, 2024, authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency or in other situations related to public health that exempt a legislative body from the general requirements (emergency provisions) and impose different requirements for notice, agenda, and public participation, as prescribed. The emergency provisions specify that they do not require a legislative body to provide a physical location from which the public may attend or comment. Existing law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. This bill would authorize a legislative body to use alternate teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency. The bill would alternatively define "legislative body" for this purpose to mean a board, commission, or advisory body of a local agency, the membership of which board, commission, or advisory body is appointed and which board, commission, or advisory body is otherwise subject to the act. Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. This bill w... (click bill link to see more).

**Primary Sponsors**

Anthony Portantino

**Title**

California Children's Services Program.

**Description**

SB 424, as introduced, Durazo. California Children's Services Program. (1) Existing law establishes the California Children's Services (CCS) Program, administered by the State Department of Health Care Services and a designated agency of each county, to provide medically necessary services for persons under 21 years of age who have any of specified medical conditions and who meet certain financial eligibility requirements. Under existing law, CCS-eligible medical conditions include, among others, cystic fibrosis and hemophilia, and other conditions set forth by the Director of Health Care Services. This bill would statutorily expand the list of CCS-eligible medical conditions to include those conditions that are specified in existing CCS-related regulations. The bill would, commencing no later than January 1, 2026, and every 5 years thereafter, require the department to consult with, at a minimum, CCS medical directors and experts from the department's CCS technical advisory committees, to consider the addition of other medical conditions to the list, by regulation. The bill would make conforming changes to related provisions. (2) This bill would, commencing on January 1, 2025, and subject to an appropriation, for a child who has an eligible medical condition, but who is not financially eligible for the CCS Program, require the department to provide financial assistance for out-of-pocket costs not covered by the child's health care coverage, as specified, if those costs are for medically necessary services to treat a CCS-eligible medical condition. The bill would require the department to establish a procedure for providing that financial assistance. (3) This bill would, commencing on January 1, 2025, require the department to provide a sustainability and access payment of \$500 to a hospital or CCS special care center for every CCS-enrolled child seen in the hospital or center, with annual adjustments for inflation, as specified. The bill would, for medically necessary treatments provided during the 2025 calendar year, require the department to adjust CCS payment rates for physician services, reflecting the cumulative effect of inflation, as specified. Under the bill, commencing on January 1, 2026, those payments would be updated annually to reflect the effect of inflation. The bill would require the department to provide reimbursements for lifesaving specialty drugs prescribed and administered to a CCS-enrolled child for a CCS-eligible medical condition, as specified. The bill would condition implementation of the provisions in this paragraph on receipt of any necessary federal approval and, for purposes of the physician-related payment rate increases and drug-related reimbursements, on the availability of federal financial ... (click bill link to see more).

**Primary Sponsors**

Maria Durazo

### Title

Health care coverage: antiretroviral drugs, devices, and products.

### Description

SB 427, as amended, Portantino. Health care coverage: antiretroviral drugs, devices, and products. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law generally prohibits a health care service plan or health insurer from subjecting antiretroviral drugs that are medically necessary for the prevention of AIDS/HIV, including preexposure prophylaxis or postexposure prophylaxis, to prior authorization or step therapy. Under existing law, a health care service plan or health insurer is not required to cover all the therapeutically equivalent versions of those drugs without prior authorization or step therapy if at least one is covered without prior authorization or step therapy. This bill would prohibit a health care service plan or health insurer from subjecting antiretroviral drugs, devices, or products that are either approved by the United States Food and Drug Administration (FDA) or recommended by the federal Centers for Disease Control and Prevention (CDC) for the prevention of AIDS/HIV to prior authorization or step therapy, but would authorize prior authorization or step therapy if at least one therapeutically equivalent version is covered without prior authorization or step therapy and the insurer provides coverage for a noncovered therapeutic equivalent antiretroviral drug, device, or product without cost sharing pursuant to an exception request. The bill would prohibit a nongrandfathered or grandfathered health care service plan contract or health insurance policy from imposing any cost-sharing or utilization review requirements for antiretroviral drugs, devices, or products that are either approved by the FDA or recommended by the CDC for the prevention of AIDS/HIV. The bill would require a grandfathered health care service plan contract or health insurance policy to provide coverage for those drugs, devices, or products, and would require a plan or insurer to provide coverage under the outpatient prescription drug benefit for those drugs, devices, or products, including by supplying participating providers directly with a drug, device, or product, as specified. Because a willful violation of these provisions by a health care service plan would be a crime, this bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide ... (click bill link to see more).

### Primary Sponsors

Anthony Portantino

### Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 6:00 PM  
California Association of Health Plans: Oppose

**Title**

Biomarker testing.

**Description**

SB 496, as introduced, Limón. Biomarker testing. (1) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires health care service plan contract or health insurance policy issued, amended, delivered, or renewed on or after July 1, 2000, to provide coverage for all generally medically accepted cancer screening tests, and prohibits that contract or policy issued, amended, delivered, or renewed on or after July 1, 2022, from requiring prior authorization for biomarker testing for certain enrollees or insureds. Existing law applies the provisions relating to biomarker testing to Medi-Cal managed care plans, as prescribed. This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after July 1, 2024, to provide coverage for biomarker testing, including whole genome sequencing, for the purposes of diagnosis, treatment, appropriate management, or ongoing monitoring of an enrollee's or insured's disease or condition to guide treatment decisions if the test is supported by medical and scientific evidence, as prescribed. The bill would specify that it does not require a health care service plan or health insurer to cover biomarker testing for screening purposes unless otherwise required by law. The bill would subject restricted use of biomarker testing for the purpose of diagnosis, treatment, or ongoing monitoring of a medical condition to state and federal grievance and appeal processes. This bill would apply these provisions relating to biomarker testing to the Medi-Cal program, including Medi-Cal managed care plans, as specified. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. (2) Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services pursuant to a schedule of benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law includes Rapid Whole Genome Sequencing as a covered benefit for any Medi-Cal beneficiary who is one year of age or younger and is receiving inpatient hospital services in an intensive care unit. Subject to the extent that federal financial participation is available and not otherwise jeopardized, and any necessary federal approvals have been obtained, this bill, by July 1, 2024, would expand... (click bill link to see more).

**Primary Sponsors**

Monique Limon

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 6:00 PM  
California Association of Health Plans: Oppose

**Title**

Medi-Cal: children: mobile optometric office.

**Description**

SB 502, as introduced, Allen. Medi-Cal: children: mobile optometric office. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions, with specified coverage for eligible children and pregnant persons funded by the federal Children's Health Insurance Program (CHIP). Pursuant to existing law, the department established a 3-year pilot program, from 2015 through 2017, in the County of Los Angeles that enabled school districts to allow students enrolled in Medi-Cal managed care plans to receive vision care services at the schoolsite through the use of a mobile vision service provider, limited to vision examinations and providing eyeglasses. Existing law authorizes an applicant or provider that meets the requirements to qualify as a mobile optometric office to be enrolled in the Medi-Cal program as either a mobile optometric office or within any other provider category for which the applicant or provider qualifies. Existing law defines "mobile optometric office" as a trailer, van, or other means of transportation in which the practice of optometry is performed and which is not affiliated with an approved optometry school in the state. Under existing law, the ownership and operation of a mobile optometric office is limited to a nonprofit or charitable organization, as specified, with the owner and operator registering with the State Board of Optometry. This bill would require the department, subject to an appropriation, to file all necessary state plan amendments to exercise the option made available under CHIP provisions to cover vision services provided to low-income children statewide through a mobile optometric office, as specified. The bill would condition implementation of these provisions on receipt of any necessary federal approvals and the availability of federal financial participation. The bill would require implementation of these provisions by January 1, 2025, or the date that any necessary federal approvals have been obtained, whichever date is later. The bill would state the intent of the Legislature that General Fund moneys not be used for any future appropriation for these provisions.

**Primary Sponsors**

Ben Allen

**Title**

Minimum wage: health care workers.

**Description**

SB 525, as introduced, Durazo. Minimum wage: health care workers. Existing law generally requires the minimum wage for all industries to not be less than specified amounts to be increased until it is \$15 per hour commencing January 1, 2022, for employers employing 26 or more employees and commencing January 1, 2023, for employers employing 25 or fewer employees. Existing law makes a violation of minimum wage requirements a misdemeanor. This bill would require a health care worker minimum wage of \$25 per hour for hours worked in covered health care employment, as defined, subject to adjustment, as prescribed. The bill would provide that the health care worker minimum wage constitutes the state minimum wage for covered health care employment for all purposes under the Labor Code and the Wage Orders of the Industrial Welfare Commission. The health care worker minimum wage would be enforceable by the Labor Commissioner or by a covered worker through a civil action, through the same means and with the same relief available for violation of any other state minimum wage requirement. By establishing a new minimum wage, the violation of which would be a crime, the bill would impose a state-mandated local program. This bill would require, for covered health care employment where the employee is paid on a salary basis, that the employee earn a monthly salary equivalent to no less than 2 times the health care worker minimum wage for full-time employment in order to qualify as exempt from the payment of minimum wage and overtime. This bill would make legislative findings and declarations as to the necessity of a special statute for health care workers. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Maria Durazo

**Title**

Knox-Keene Health Care Service Plan Act of 1975.

**Description**

SB 535, as introduced, Nguyen. Knox-Keene Health Care Service Plan Act of 1975. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Among other provisions, existing law requires a health care service plan to meet specified requirements, including, but not limited to, furnishing services in a manner providing continuity of care, ready referral of patients to other providers at appropriate times, and making services readily accessible to all enrollees, as specified. This bill would make technical, nonsubstantive changes to those provisions.

**Primary Sponsors**

Janet Nguyen



**Title**

Open meetings: local agencies: teleconferences.

**Description**

SB 537, as amended, Becker. Open meetings: local agencies: teleconferences. Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Existing law, until January 1, 2024, authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency or in other situations related to public health that exempt a legislative body from the general requirements (emergency provisions) and impose different requirements for notice, agenda, and public participation, as prescribed. The emergency provisions specify that they do not require a legislative body to provide a physical location from which the public may attend or comment. Existing law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. These circumstances include if a member shows "just cause," including for a childcare or caregiving need of a relative that requires the member to participate remotely. This bill would authorize certain legislative bodies to use alternate teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency. The bill would also require a legislative body to provide a record of attendance on its internet website within 7 days after a teleconference meeting, as specified. The bill would define "legislative body" for this purpose to mean a board, commission, or advisory body of a multijurisdictional cross county agency, the membership of which board, commission, or advisory body is appointed and which board, commission, or advisory body ... (click bill link to see more).

**Primary Sponsors**

Josh Becker

**Title**

Sexual health: contraceptives: immunization.

**Description**

SB 541, as amended, Menjivar. Sexual health: contraceptives: immunization. (1) Existing law, the California Healthy Youth Act, requires school districts, defined to include county boards of education, county superintendents of schools, the California School for the Deaf, the California School for the Blind, and charter schools, to ensure that all pupils in grades 7 to 12, inclusive, receive comprehensive sexual health education and human immunodeficiency virus (HIV) prevention education, as specified. This bill would, in order to prevent and reduce unintended pregnancies and sexually transmitted infections, on or before the start of the 2024–25 school year, require each public school, including schools operated by a school district or county office of education and charter schools, to make internal and external condoms available to all pupils free of charge, as provided. The bill would require these public schools to, at the beginning of each school year, inform pupils through existing school communication channels that free condoms are available and where the condoms can be obtained on school grounds. The bill would, commencing with the 2024–25 school year, require each public school to post at least one notice regarding these requirements in a prominent and conspicuous location on the school campus, as specified. The bill would require this notice to include certain information, including, among other information, information about how to use condoms properly. The bill would require each public school to allow the distribution of condoms during the course of, or in connection to, educational or public health programs and initiatives, as provided. By imposing additional duties on public schools, the bill would impose a state-mandated local program. The bill would provide that school-based health center sites located on school campuses maintaining any combination of classrooms from grades 7 to 12, inclusive, may not be prohibited from making internal and external condoms available and easily accessible at the school-based health center site to all pupils free of charge. (2) Under existing law, the Sherman Food, Drug, and Cosmetic Law, the State Department of Public Health generally regulates the packaging, labeling, advertising, and sale of food, drugs, devices, and cosmetics, in accordance with the Federal Food, Drug, and Cosmetic Act. A violation of those provisions is generally a crime. Existing law sets forth various other provisions relating to the furnishing and health care coverage of certain types of contraception. This bill would, with certain exceptions, prohibit a retail establishment, as defined, from refusing to furnish nonprescription contraception to a person solely on the basis of age by means of... (click bill link to see more).

**Primary Sponsors**

Caroline Menjivar

Bill Number  
**SB 582**

Status  
**In Senate**

Position  
**Monitor**

**Title**

Health records: EHR vendors.

**Description**

SB 582, as introduced, Becker. Health records: EHR vendors. Existing law establishes the California Health and Human Services Agency (CHHSA), which includes departments charged with administration of health, social, and human services. Existing law establishes the California Health and Human Services Data Exchange Framework that includes a single data sharing agreement and common set of policies and procedures that govern and require the exchange of health information among health care entities and government agencies in California. Existing law requires specified entities to execute the framework data sharing agreement on or before January 31, 2023. This bill would require EHR vendors, as defined, to execute the framework data sharing agreement on or before July 1, 2024. The bill would require any fees charged by an EHR vendor to enable compliance with the framework to comply with specified federal regulations and would require the agency to develop a process for signatories to report if the EHR vendor fees are not in compliance.

**Primary Sponsors**

Josh Becker

**Title**

Covered California: data sharing.

**Description**

SB 595, as introduced, Roth. Covered California: data sharing. Existing federal law, the Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans by qualified individuals and qualified small employers. Existing state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. Existing law requires the Exchange, beginning no later than September 1, 2023, and at least monthly thereafter, to request from the Employment Development Department (EDD) specified information of each new applicant for unemployment compensation, state disability, and paid family leave. Existing law requires the EDD to provide that information in a manner prescribed by the Exchange. Existing law requires the Exchange to market and publicize the availability of health care coverage through the Exchange, and engage in outreach activities, to the individuals whose contact information is received by the Exchange from the EDD, as specified. Existing law prohibits the Exchange from disclosing the personal information obtained from the EDD without the consent of the applicant. This bill would specifically apply that prohibition to the disclosure of personal information by the Exchange to a certified insurance agent or a certified employment counselor. The bill also would make a technical change to a related provision.

**Primary Sponsors**

Richard Roth

**Title**

Health care coverage: prior authorization.

**Description**

SB 598, as amended, Skinner. Health care coverage: prior authorization. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law generally authorizes a health care service plan or health insurer to use prior authorization and other utilization review or utilization management functions, under which a licensed physician or a licensed health care professional who is competent to evaluate specific clinical issues may approve, modify, delay, or deny requests for health care services based on medical necessity. Existing law requires a health care service plan or health insurer, including those plans or insurers that delegate utilization review or utilization management functions to medical groups, independent practice associations, or to other contracting providers, to comply with specified requirements and limitations on their utilization review or utilization management functions. Existing law requires the criteria or guidelines used to determine whether or not to authorize, modify, or deny health care services to be developed with involvement from actively practicing health care providers. On or after January 1, 2025, this bill would prohibit a health care service plan or health insurer from requiring a contracted health professional to complete or obtain a prior authorization for any covered health care services if the plan or insurer approved or would have approved not less than 90% of the prior authorization requests they submitted in the most recent one-year contracted period. The bill would set standards for this exemption and its denial, rescission, and appeal. The bill would authorize a plan or insurer to evaluate the continuation of an exemption not more than once every 12 months, and would authorize a plan or insurer to rescind an exemption only at the end of the 12-month period and only if specified criteria are met. Because a willful violation of the bill's requirements relative to health care service plans would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Nancy Skinner

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 6:12 PM

Local Health Plans of California: Oppose Unless Amended California Association of Health Plans: Oppose

**Title**

Health care coverage: biosimilar drugs.

**Description**

SB 621, as introduced, Caballero. Health care coverage: biosimilar drugs. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law authorizes a health care service plan or health insurer that provides coverage for prescription drugs to require step therapy if there is more than one drug that is clinically appropriate for the treatment of a medical condition. Existing law does not prohibit a plan, insurer, or utilization review organization from requiring an enrollee or insured to try an AB-rated generic equivalent or interchangeable biological product before providing coverage for the equivalent branded prescription drug. This bill would specify that a plan, insurer, or utilization review organization is also not prohibited from requiring an enrollee or insured to try a biosimilar before providing coverage for the equivalent branded prescription drug.

**Primary Sponsors**

Anna Caballero

**Title**

Healing arts: pregnancy and childbirth.

**Description**

SB 667, as introduced, Dodd. Healing arts: pregnancy and childbirth. (1) Existing law, the Nursing Practice Act, establishes the Board of Registered Nursing within the Department of Consumer Affairs for the licensure and regulation of the practice of nursing. A violation of the act is a crime. Existing law requires the board to issue a certificate to practice nurse-midwifery to a person who meets specified qualifications. Existing law authorizes a certified nurse-midwife to attend cases of low-risk pregnancy and childbirth and to provide prenatal, intrapartum, and postpartum care, including interconception care, family planning care, and immediate care for the newborn, as specified. Existing law authorizes a certified nurse-midwife to practice with a physician and surgeon under mutually-agreed upon policies and protocols, as specified, to provide a patient with care outside of that scope of services or to provide intrapartum care to a patient who has had a prior cesarean section or surgery that interrupts the myometrium. Existing law authorizes a certified nurse-midwife to perform and repair episiotomies and to repair first-degree and second-degree lacerations of the perineum, as specified. This bill would revise and recast those provisions to, among other things, authorize a certified nurse-midwife, pursuant to policies and protocols that are mutually agreed upon with a physician and surgeon, as specified, to provide a patient with care outside of that scope of services or to provide intrapartum care to a patient who has had a prior cesarean section or surgery that interrupts the myometrium. The bill would include care for common gynecologic conditions, as specified, in the scope of services a certified nurse-midwife is authorized to perform without policies and protocols that are mutually agreed upon with a physician and surgeon. The bill would additionally authorize a certified nurse-midwife who holds privileges in a general acute care hospital, as defined, to admit and discharge patients upon their own authority if in accordance with the bylaws of that facility and within the nurse-midwife's scope of practice. Existing law generally authorizes a certified nurse-midwife to furnish drugs or devices incidentally to the provision of care and services described above that the certified nurse-midwife is authorized to perform and care rendered to persons within certain settings, subject to specified requirements and exceptions. Among those requirements is that a certified nurse-midwife follow standardized procedures or protocols if they furnish or order Schedule IV or V controlled substances or drugs or devices for services other than attending cases of low-risk pregnancy and childbirth or providing prenatal, intrapartum, and... (click bill link to see more).

**Primary Sponsors**

Bill Dodd

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 5:48 PM  
Local Health Plans of California: Support

**Title**

Medi-Cal: self-measured blood pressure devices and services.

**Description**

SB 694, as introduced, Eggman. Medi-Cal: self-measured blood pressure devices and services. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law sets forth a schedule of benefits under the Medi-Cal program, including pharmacy benefits (Medi-Cal Rx) and durable medical equipment. The department announced that, effective June 1, 2022, personal home blood pressure monitoring devices, and blood pressure cuffs for use with those devices, are a covered benefit under Medi-Cal Rx as a pharmacy-billed item. This bill would make self-measured blood pressure (SMBP) devices and SMBP services, as defined, covered benefits under the Medi-Cal program for the treatment of high blood pressure. The bill would state the intent of the Legislature that those covered devices and services be consistent in scope with devices and services that are recognized under specified existing billing codes or their successors. The bill would condition implementation of that coverage on receipt of any necessary federal approvals and the availability of federal financial participation.

**Primary Sponsors**

Susan Eggman



**Title**

Health care coverage: treatment for infertility and fertility services.

**Description**

SB 729, as introduced, Menjivar. Health care coverage: treatment for infertility and fertility services. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law imposes various requirements and restrictions on health care service plans and health insurers, including, among other things, a requirement that every group health care service plan contract or health insurance policy that is issued, amended, or renewed on or after January 1, 1990, offer coverage for the treatment of infertility, except in vitro fertilization. This bill would require a health care service plan contract or health insurance policy that is issued, amended, or renewed on or after January 1, 2024, to provide coverage for the diagnosis and treatment of infertility and fertility services. The bill would revise the definition of infertility, and would remove the exclusion of in vitro fertilization from coverage. The bill would also delete a requirement that a health care service plan contract and health insurance policy provide infertility treatment under agreed-upon terms that are communicated to all group contractholders and policyholders. The bill would prohibit a health care service plan or health insurer from placing different conditions or coverage limitations on fertility medications or services, or the diagnosis and treatment of infertility and fertility services, than would apply to other conditions, as specified. With respect to a health care service plan, the bill would not apply to Medi-Cal managed care health care service plan contracts or any entity that enters into a contract with the State Department of Health Care Services for the delivery of health care services pursuant to specified provisions. Because the violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Caroline Menjivar, Buffy Wicks

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 6:01 PM  
California Association of Health Plans: Oppose

**Title**

Health care: unified health care financing.

**Description**

SB 770, as amended, Wiener. Health care: unified health care financing. Prior state law established the Healthy California for All Commission for purposes of developing a plan that included options for advancing progress toward achieving a health care delivery system in California that provides coverage and access through a unified health care financing system, including, but not limited to, a single-payer financing system, for all Californians. This bill would direct the Secretary of the California Health and Human Services Agency to pursue waiver discussions with the federal government with the objective of a unified health care financing system that incorporates specified features and objectives, including, among others, a comprehensive package of medical, behavioral health, pharmaceutical, dental, and vision benefits, and the absence of cost sharing for essential services and treatments. The bill would further require the secretary to establish a Waiver Development Workgroup comprised of members appointed by the Governor, Speaker of the Assembly, and President Pro Tempore of the Senate, as specified. The bill would require the workgroup to include stakeholders representing various specified interests, including consumers, patients, health care professionals, labor unions, government agencies, and philanthropic organizations. The bill would require the secretary to provide quarterly reports to the chairs of the Assembly and Senate Health Committees on the status and outcomes of waiver discussions with the federal governments and the progress of the workgroup. The bill would also require the secretary to submit a complete set of recommendations regarding the elements to be included in a formal waiver application, as specified, by no later than June 1, 2024. The bill would include legislative findings related to the findings of the commission and declare the intent of the Legislature in implementing a unified health care financing system in California.

**Primary Sponsors**

Scott Wiener

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 6:17 PM  
California Association of Health Plans: Oppose

**Title**

Nonprofit health facilities: sale of assets: Attorney General approval: conditional consent.

**Description**

SB 774, as introduced, Jones. Nonprofit health facilities: sale of assets: Attorney General approval: conditional consent. Existing law requires a nonprofit corporation, as defined, that operates or controls a health facility, as defined, or operates or controls a facility that provides similar health care to provide written notice to, and obtain the written consent of, the Attorney General prior to selling or otherwise disposing of a material amount of its assets to a for-profit corporation or entity, to a mutual benefit corporation or entity, or to another nonprofit corporation or entity. Existing law provides that the Attorney General has discretion to give consent to, give conditional consent to, or to not consent to, the agreement or transaction and requires the Attorney General to consider any factors they deem relevant, including, but not limited to, whether the terms are fair and reasonable. This bill would prohibit the Attorney General from giving conditional consent to any above-described agreement or transaction upon any condition or conditions that, individually or in aggregate, would reasonably be expected to, among other things, impose conditions that are unique to the selling nonprofit corporation, and are distinct from conditions that similarly situated selling nonprofit corporations are required to maintain or perform.

**Primary Sponsors**

Brian Jones, Shannon Grove

**Title**

Medi-Cal: certification.

**Description**

SB 819, as amended, Eggman. Medi-Cal: certification. Existing law requires the State Department of Public Health to license and regulate clinics. Existing law exempts from those licensing provisions certain clinics that are directly conducted, maintained, or operated by federal, state, or local governmental entities, as specified. Existing law also exempts from those licensing provisions a clinic that is operated by a primary care community or free clinic, that is operated on separate premises from the licensed clinic, and that is only open for limited services of no more than 40 hours per week. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services (department) and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law sets forth various procedures, including the submission of an application package, for providers to enroll in the Medi-Cal program. Under existing law, an applicant or provider that is a government-run license-exempt clinic as described above is required to comply with those Medi-Cal enrollment procedures. Under existing law, an applicant or provider that is operated on separate premises and is license exempt, including an intermittent site or mobile health care unit that is operated by a licensed primary care clinic that provides all staffing, protocols, equipment, supplies, and billing services, is not required to enroll in the Medi-Cal program as a separate provider or comply with the above-described enrollment procedures, if the licensed primary care clinic has notified the department of its separate locations, premises, intermittent sites, or mobile health care units. This bill would additionally exempt from the Medi-Cal enrollment procedures an intermittent site or mobile health care unit that is operated by the above-described government-run license-exempt clinic if that clinic has notified the department of its separate locations, premises, sites, or units.

**Primary Sponsors**

Susan Eggman

**Title**

Obesity Treatment Parity Act.

**Description**

SB 839, as amended, Bradford. Obesity Treatment Parity Act. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act's requirements a crime. Existing law provides for the regulation of disability and health insurers by the Department of Insurance. Existing law sets forth specified coverage requirements for plan contracts and insurance policies, and limits the copayment, coinsurance, deductible, and other cost sharing that may be imposed for specified health care services. This bill would require an individual or group health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2025, to include comprehensive coverage for the treatment of obesity in the same manner as any other illness, condition, or disorder for purposes of determining deductibles, lifetime dollar limits, copayment and coinsurance factors, and benefit year maximums for deductibles and copayment and coinsurance factors. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Steve Bradford

**Organizational Notes**

Last edited by Joanne Campbell at Mar 27, 2023, 6:01 PM  
California Association of Health Plans: Oppose

**Title**

Medi-Cal: managed care organization provider tax.

**Description**

SB 870, as amended, Caballero. Medi-Cal: managed care organization provider tax. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, one of the methods by which Medi-Cal services are provided is pursuant to contracts with various types of managed care plans. Existing law, inoperative on January 1, 2023, and to be repealed on January 1, 2024, imposed a managed care organization (MCO) provider tax, administered and assessed by the department, on licensed health care service plans and managed care plans contracted with the department to provide full-scope Medi-Cal services. Those provisions set forth taxing tiers and corresponding per enrollee tax amounts for the 2019–20, 2020–21, and 2021–22, fiscal years, and the first 6 months of the 2022–23 fiscal year. Under those provisions, all revenues, less refunds, derived from the tax were deposited into the State Treasury to the credit of the Health Care Services Special Fund, and continuously appropriated to the department for purposes of funding the nonfederal share of Medi-Cal managed care rates, as specified. Those inoperative provisions authorized the department, subject to certain conditions, to modify or make adjustments to any methodology, tax amount, taxing tier, or other provision relating to the MCO provider tax to the extent the department deemed necessary to meet federal requirements, to obtain or maintain federal approval, or to ensure federal financial participation was available or was not otherwise jeopardized. Those provisions required the department to request approval from the federal Centers for Medicare and Medicaid Services (CMS) as was necessary to implement those provisions. In April 2020, CMS approved a modified tax structure that the department had submitted as part of a waiver request, involving taxing tiers that were based on cumulative Medi-Cal or other member months for certain fiscal years. This bill would extend the above-described MCO provider tax to an unspecified date and would make conforming changes to the timeline of related provisions by incorporating other unspecified dates. The bill would reorganize the taxing tiers of the MCO provider tax, in a manner consistent with the above-described modified tax structure under the previous waiver, but with unspecified tax rate amounts. By extending the authority to fund the nonfederal share of Medi-Cal managed care rates from the continuously appropriated fund, the bill would make an appropriation. This bill would make these provisions inope... (click bill link to see more).

**Primary Sponsors**

Anna Caballero

**Title**

Property taxation: homeowners', veterans', and disabled veterans' exemptions.

**Description**

SB 871, as amended, Archuleta. Property taxation: homeowners', veterans', and disabled veterans' exemptions. The California Constitution declares that all property is taxable and establishes or authorizes various exemptions from tax for real property, including a homeowners' exemption in the amount of \$7,000 of the full value of a dwelling that may be applied unless the dwelling receives another real property exemption. The California Constitution and existing property tax law establish a veterans' exemption in the amount of \$4,000, as specified, for a veteran who meets certain military service requirements, and generally exempts from property taxation the same value of property of a deceased veteran's unmarried spouse and parents. The California Constitution and existing property tax law establish a disabled veteran's exemption in the amount of \$100,000 or \$150,000 for the principal place of residence of a veteran or a veteran's spouse, as specified. Existing property tax law establishing the homeowners' exemption specifies that the exemption may not be applied to a property on which the owner receives the veteran's exemption. This bill would remove this specification and would instead prohibit the application of the homeowners' exemption to a property on which the owner receives another exemption, except for the veterans' exemption or the disabled veterans' exemption. Existing law requires the state to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation. This bill would provide that, notwithstanding those provisions, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill. This bill would take effect immediately as a tax levy, but its operative date would depend on voter approval of Senate Constitutional Amendment \_\_\_ of the 2023-24 Regular Session. Existing law contains provisions related to elections and voting, including a requirement that a constitutional amendment submitted to the people by the Legislature shall appear on the ballot of the first statewide election occurring at least 131 days after the adoption of the proposal by the Legislature and that the Secretary of State mail state voter information guides to voters. This bill would require the Secretary of State, notwithstanding specified provisions of existing law relating to elections and voting, to submit Senate Constitutional Amendment \_\_\_ of the 2023-24 Regular Session to the voters for their approval at the statewide general election scheduled for November 5, 2024.

**Primary Sponsors**

Bob Archuleta

**Title**

Prescription drugs: cost sharing.

**Description**

SB 873, as introduced, Bradford. Prescription drugs: cost sharing.  
(1) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care under authority of the Director of the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance under the authority of the Insurance Commissioner. Existing law limits the maximum amount an enrollee or insured may be required to pay at the point of sale for a covered prescription drug to the lesser of the applicable cost-sharing amount or the retail price. This bill, commencing no later than January 1, 2025, would require an enrollee's or insured's defined cost sharing for each prescription drug to be calculated at the point of sale based on a price that is reduced by an amount equal to 90% of all rebates received, or to be received, in connection with the dispensing or administration of the drug. The bill would require a health care service plan or health insurer to, among other things, pass through to each enrollee or insured at the point of sale a good faith estimate of the enrollee's or insured's decrease in cost sharing. The bill would require a health care service plan or health insurer to calculate an enrollee's or insured's defined cost sharing and provide that information to the dispensing pharmacy, as specified. The bill would require the department and the commissioner to submit an annual report on the impact of these provisions to the appropriate policy committees of the Legislature, as specified. The bill would make these provisions inoperative on January 1, 2027. (2) Existing law requires a health care service plan or health insurer that files certain rate information to report to the appropriate department specified cost information regarding covered prescription drugs, including generic drugs, brand name drugs, and specialty drugs, dispensed as provided. This bill, until January 1, 2027, would require a health care service plan or health insurer to report additional information on the above-described point of sale provision. (3) Because a willful violation of the bill's provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

**Primary Sponsors**

Steve Bradford

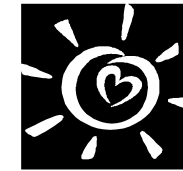


# BOARD OF GOVERNORS

## Executive Committee

### Meeting Minutes – February 22, 2023

1055 West 7<sup>th</sup> Street, 10<sup>th</sup> Floor, Los Angeles, CA 90017



**L.A. Care**  
HEALTH PLAN

#### Members

Al Ballesteros, *Chairperson*  
 Ilan Shapiro MD, MBA, FAAP, FACHE, *Vice Chairperson*  
 Stephanie Booth, MD, *Treasurer*  
 John G. Raffoul, *Secretary*  
 Hilda Perez

#### Management/Staff

John Baackes, *Chief Executive Officer*  
 Sameer Amin, MD, *Chief Medical Officer*  
 Terry Brown, *Chief of Human Resources*  
 Augustavia Haydel, *General Counsel*  
 Linda Greenfeld, *Chief Products Officer*  
 Tom MacDougall, *Chief Technology & Information Officer*  
 Thomas Mapp, *Chief Compliance Officer*  
 Marie Montgomery, *Chief Financial Officer*  
 Noah Paley, *Chief of Staff*  
 Acacia Reed, *Chief Operating Officer*  
 Afzal Shah, *Deputy Chief Financial Officer*

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

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	Alvaro Ballesteros, <i>Chairperson</i> , called to order the regular and special supplemental meetings of the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee regular meeting at 2:06 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings. <ul style="list-style-type: none"> <li>• For those who provided public comment for this meeting by voice message or in writing, L.A. Care is glad that they provided input today. The Committee will hear their comments and the Committee also needs to finish the business on the Agenda today.</li> <li>• For people who have access to the internet, the meeting materials are available at the lacare.org website. If anyone needs information about how to locate the meeting materials, they can reach out to L.A. Care staff.</li> </ul>	

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>Information for public comment is on the Agenda available on the web site. Staff will read the comment received from each person for up to three minutes.</li> <li>Public comment will be made before the Committee starts to discuss an item. If the comment is not on a specific agenda item, it will be read at the general Public Comment.</li> </ul> <p>He provided information on how to submit a comment in-person, or live and directly using the “chat” feature.</p>	
<b>APPROVE MEETING AGENDA</b>	The Agenda for today’s meeting was approved.	<b>Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, Perez, and Shapiro)</b>
<b>PUBLIC COMMENT</b>	There were no public comments.	
<b>APPROVE MEETING MINUTES</b>	The minutes of the January 24, 2023 meeting were approved as amended by Member Booth. On page 8 the minutes should read, “Board Member Booth asked if the additional costs of the contract would be offset by lower FTE costs, and what the \$14.5 million pays for. Mr. Brown responded that some will come from that and some from an additional request that was overlooked in the Budget”, and she would like to add, “but the \$14.5 million will pay the wages of contingent workers.”	<b>Approved unanimously by roll call. 4 AYES</b>
<b>CHAIRPERSON’S REPORT</b>	Chairperson Ballesteros reported that he has received a letter from the Hospital Association of Southern California (HASC) about various issues, and L.A. Care management will respond to that letter.	
<b>CHIEF EXECUTIVE OFFICER REPORT</b>	<p>John Baackes, <i>Chief Executive Officer</i>, reported:</p> <ul style="list-style-type: none"> <li>L.A. Care enrollment continues to grow. During January and February, more than 60,000 Medi-Cal members were transitioned to managed care from fee for service (FFS). California is moving as many FFS members to managed care as is possible. L.A. Care will likely transition around 70,000 FFS members to managed care. L.A. Care now has 2.7 million Medi-Cal members.</li> <li>L.A. Care Covered had a robust January open enrollment and has 130,000 members.</li> <li>The conversion from the CalMediConnect to the Dual Eligible Special Needs Plan (D-SNP) has enrolled more than 18,000 members.</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>• L.A. Care total enrollment is 2,906,000 members as of February 2023.</li> <li>• There is no decline expected in enrollment until July 2023, when the Medi-Cal eligibility redetermination process is expected to resume.</li> <li>• A bigger issue for L.A. Care’s providers will be the end of the public health emergency (PHE) by California and federal officials. Many of the financing mechanisms put in place to help providers, particularly hospitals, will disappear, and the hospitals will also be dealing with a decline in the number of provisional beds which were allowed in the PHE during the pandemic. Mr. Baackes was on a call yesterday with the heads of the California Department of Managed Health Care (DMHC) and Department of Health Care Services (DHCS), and a select group of health plans that were invited to join. There is much concern about the financial stability of hospitals. A rural hospital in the central valley of California was closed on New Year’s Eve. It was a big blow to that community. There are several other hospitals, including a hospital chain in Los Angeles County, that have filed for bankruptcy. Pressure is being applied to legislators to provide emergency funding. In the call with DHCS and DMHC representatives, Mr. Baackes raised the concern that the provisional bed capacity will expire at the end of February and an extension should be considered, or at least a slow wind-down period to protect hospitals and hospital patients. Availability of places to move the current patients is a whole other discussion. Mr. Baackes also stated during the call, and was joined by other health plans, that health plans have been helping the hospitals during the last three years by providing financial advances and supplemental funding, adding up to about half the revenue received by hospitals. In the past three years, L.A. Care has provided about \$140 million in advance payments to providers, with about \$105 million going to hospitals. Of that, approximately \$70 million was in the form of advances on the Hospital Quality Assurance Fee (HQAF). These are no-interest advance payments. Health Plans are acting as banks in making these payments. Health plans have the resources to do this, and these are fairly low-risk. Health plans are not earning any interest on these advances. Mr. Baackes predicted a very contentious legislative season. No legislator wants a hospital in his or her district to close.</li> </ul>	
<b>COMMITTEE ISSUES</b>		
<b>Government Affairs Update</b>	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported:</p> <ul style="list-style-type: none"> <li>• Unfortunately but not unexpectedly, California’s Budget deficit will be significantly larger than what the Governor projected in his January draft State Budget for the</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>upcoming fiscal year. In January 2023, the Governor reported a deficit of \$22.5 billion, but because tax revenue has decreased, the deficit will grow by approximately \$10 billion. This may change as the Governor’s May Budget Revise deadline approaches and more tax information becomes available. However, this will be a huge budget deficit year because of the economy and other factors.</p> <ul style="list-style-type: none"> <li>• The deficit will create many challenges for legislation. For instance, in January 2024, the remaining people without immigration status will become eligible for enrollment in Medi-Cal. Even though coverage for the undocumented must use a majority of state-only funds for Medi-Cal services, it is not expected that the Governor will delay or stop that implementation, to which he is already committed. The deficit could impact other programs, services or benefits that need to be funded, which are ongoing and not limited-funding. There will be significant pressure by advocacy groups and legislators on this year’s bills, because there won’t be enough funding to cover everything that people want funded.</li> <li>• The deadline for bills passed last week. There are just over 2,600 bills introduced, with about 40% of them introduced as “spot” bills. This means the bill was introduced with a general subject matter and the actual detail of the bill is not yet in print. This is the largest number of bills introduced in California for the last 10 years.</li> <li>• Government Affairs staff will begin providing a legislative matrix starting in March, after a review of the bills introduced.</li> <li>• San Jose’s Assembly member Ash Kalra has again introduced a single-payer bill for health care, as a “spot” bill. This is the first year of the two-year legislative cycle, so it is not expected that this bill will proceed until 2024. Assembly Member Kalra also introduced a single-payer bill last year.</li> <li>• Many of the bills are repeat bills from prior years, including legislation on reproductive health, prior authorizations, prescription drugs, health care access and health care mandates.</li> <li>• Government Affairs met in person with 17 congressional offices in Washington, D.C., to discuss topics such as: Elevating the Safety Net programs, Community Resource Centers and Medi-Cal redeterminations. Good feedback was gathered, especially around Community Resource Centers and Elevating the Safety Net. Congressional staff asked L.A. Care to keep in contact at the national and district levels if help is needed with any redetermination issues that arise.</li> </ul>	

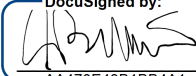
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>L.A. Care will be holding an in-person district educational briefing in Los Angeles in early summer, featuring Medi-Cal eligibility redetermination with Mr. Baackes and Dr. Amin.</li> </ul>	
Approve Consent Agenda	<p>Approve the list of items that will be considered on a Consent Agenda for the March 2, 2023 Board of Governors Meeting.</p> <ul style="list-style-type: none"> <li>February 2, 2023 Board of Governors Meeting Minutes</li> <li>Quarterly Investment Report</li> <li>MetaSoftTech Solutions, LLC Contract Amendment</li> <li>Optum Contract Amendment</li> <li>PaySpan Contract Amendment</li> <li>InfoCrossing, Inc. Contract Amendment</li> <li>Ratify elected Technical Advisory Committee Chairperson and Vice Chairperson</li> </ul>	<p><b>Approved unanimously by roll call. 4 AYES</b></p>
PUBLIC COMMENTS	There were no public comments.	
<b>ADJOURN TO CLOSED SESSION</b>	<p>The Joint Powers Authority Executive Committee meeting adjourned at 2:31 pm.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i> announced the items to be discussed in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 2:32 pm.</p> <p><b>CONTRACT RATES</b> Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>Plan Partner Rates</li> <li>Provider Rates</li> <li>DHCS Rates</li> </ul> <p><b>REPORT INVOLVING TRADE SECRET</b> Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: <i>February 2025</i></p> <p><b>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION</b> Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable)</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act HRRP Garland, LLC v. Local Initiative Health Authority for Los Angeles County L.A.S.C. Case No. 21STCV47250</p> <p>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</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• THC- Orange County, LLC DBA Kindred Hospital – Los Angeles, et al. v. L.A. Care, L.A.S.C. 22STCV19872</li> <li>• KND Development 52, LLC d/b/a Kindred Hosp. Baldwin Park, et al. v. L.A. Care, AHLA Case No. unavailable</li> <li>• KND Development 52, LLC d/b/a Kindred Hosp. Baldwin Park, et al. v. L.A. Care, L.A.S.C. 23STCV01166</li> </ul> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680</li> <li>• Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF</li> </ul>	
<b>RECONVENE IN OPEN SESSION</b>	The meeting reconvened in open session at 3:04 pm. No reportable actions were taken during the closed session.	
<b>ADJOURNMENT</b>	The meeting adjourned at 3:04 pm.	

Respectfully submitted by:

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

APPROVED BY:

DocuSigned by:  
  
AA470E43B1BB4A1...  
Al Ballesteros, *Chair*  
Date: 3/23/2023 | 11:40 AM PDT



# Financial Update

## Board of Governors Meeting

### April 6, 2023



# Agenda

## Financial Performance – January 2023 YTD

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

## Financial Informational Updates

- Investment Transactions

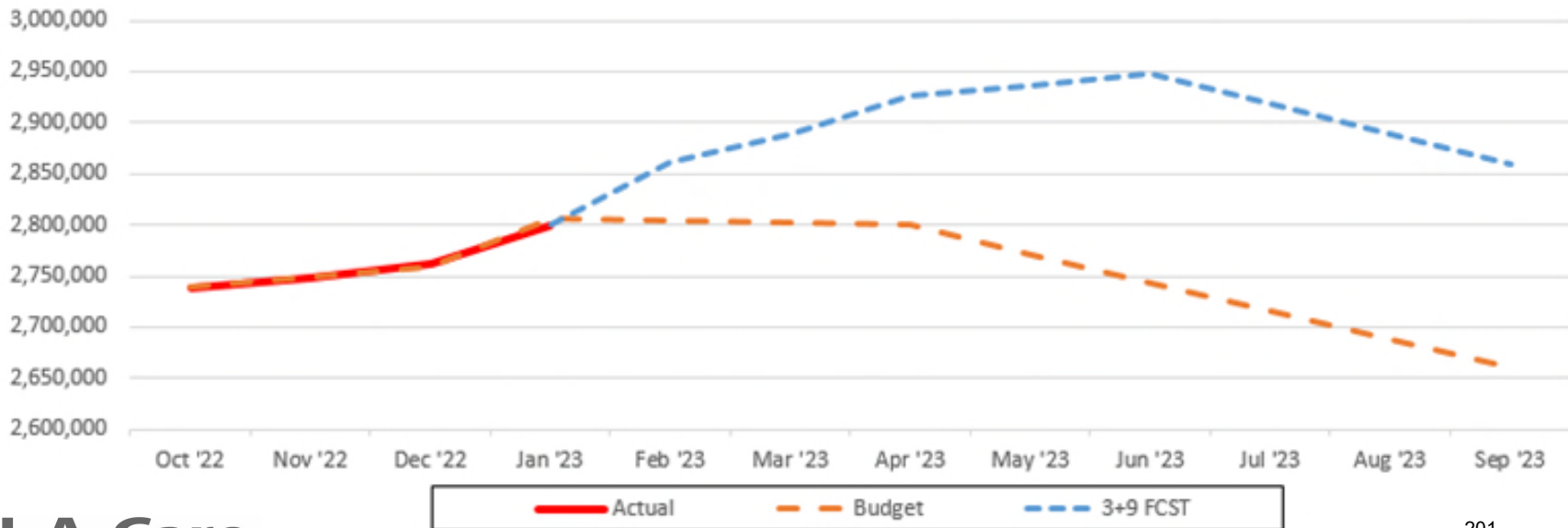


# Membership

for the 4 months ended January 2023

Sub-Segment	January 2023			Year-to-Date		
	Actual	3+9 FCST	Variance	Actual	3+9 FCST	Variance
Medi-Cal	2,628,919	2,628,919	-	10,340,323	10,340,323	-
CMC	(169)	(169)	-	51,081	51,081	-
D-SNP	17,689	17,689	-	17,689	17,689	-
Commercial	171,199	171,199	-	656,210	656,210	-
*Elimination	(17,689)	(17,689)	-	(17,689)	(17,689)	-
<b>Consolidated</b>	<b>2,799,949</b>	<b>2,799,949</b>	<b>-</b>	<b>11,047,614</b>	<b>11,047,614</b>	<b>-</b>

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



# Consolidated Financial Performance

for the month of January 2023

<b>(\$ in Thousands)</b>	<b>Actual</b>	<b>3+9 FCST</b>	<b>Variance</b>
Member Months	2,799,949	2,799,949	0
Total Revenues	\$929,854	\$969,026	(\$39,172)
Total Healthcare Expenses	\$878,484	\$928,895	\$50,411
Operating Margin	\$51,370	\$40,131	\$11,239
Total Admin Expenses	\$41,139	\$48,632	\$7,493
Income/(Loss) from Operations	\$10,231	(\$8,502)	\$18,732
Non-Operating Income (Expense)	\$7,695	(\$460)	\$8,155
Net Surplus (Deficit)	\$17,925	(\$8,962)	\$26,887

# Consolidated Financial Performance

for the 4 months ended January 2023

<b>(\$ in Thousands)</b>	<b>Actual</b>	<b>3+9 FCST</b>	<b>Variance</b>
Member Months	11,047,614	11,047,614	0
Total Revenues	\$3,433,421	\$3,472,593	(\$39,172)
Total Healthcare Expenses	\$3,231,005	\$3,281,416	\$50,411
Operating Margin	\$202,416	\$191,177	\$11,239
Total Admin Expenses	\$165,884	\$173,377	\$7,493
Income/(Loss) from Operations	\$36,533	\$17,800	\$18,732
Non-Operating Income (Expense)	\$20,790	\$12,635	\$8,155
Net Surplus (Deficit)	\$57,322	\$30,435	\$26,887

# Operating Margin by Segment

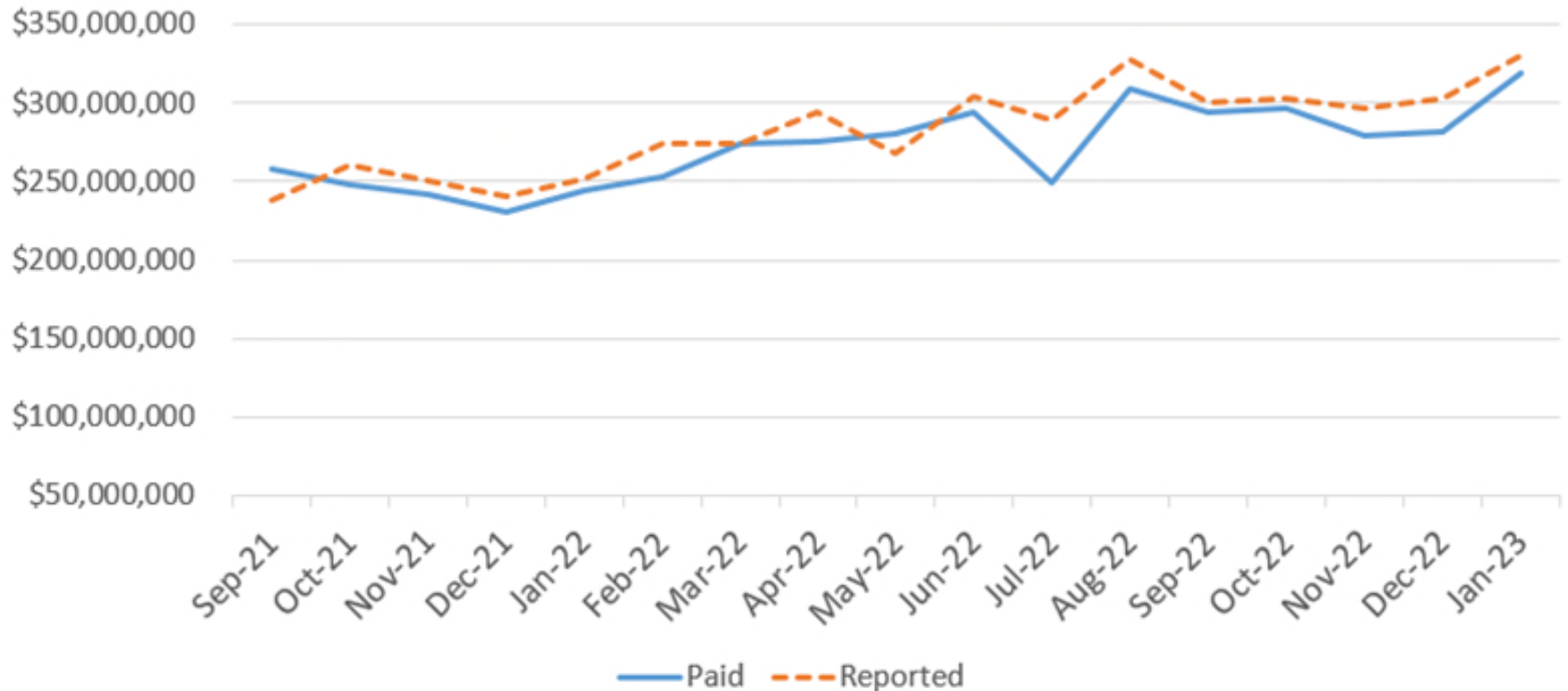
for the 4 months ended January 2023

(\$ in Thousands)

	Medi-Cal	CMC	D-SNP	Commercial	HHIP/IPP	Total
Revenue	\$3,108,042	\$74,452	\$25,248	\$194,433	\$31,245	\$3,433,421
Healthcare Exp.	\$2,956,157	\$75,158	\$20,274	\$177,758	\$1,618	\$3,231,005
Operating Margin	\$151,885	(\$705)	\$4,974	\$16,675	\$29,627	\$202,416
MCR %	95.1%	100.9%	80.3%	91.4%	5.2%	94.1%
Forecast MCR%	95.6%	100.4%	90.1%	89.9%	12.3%	94.5%

# Reported vs Paid Claims Trend

Paid Claims through January 2023



# Key Financial Ratios

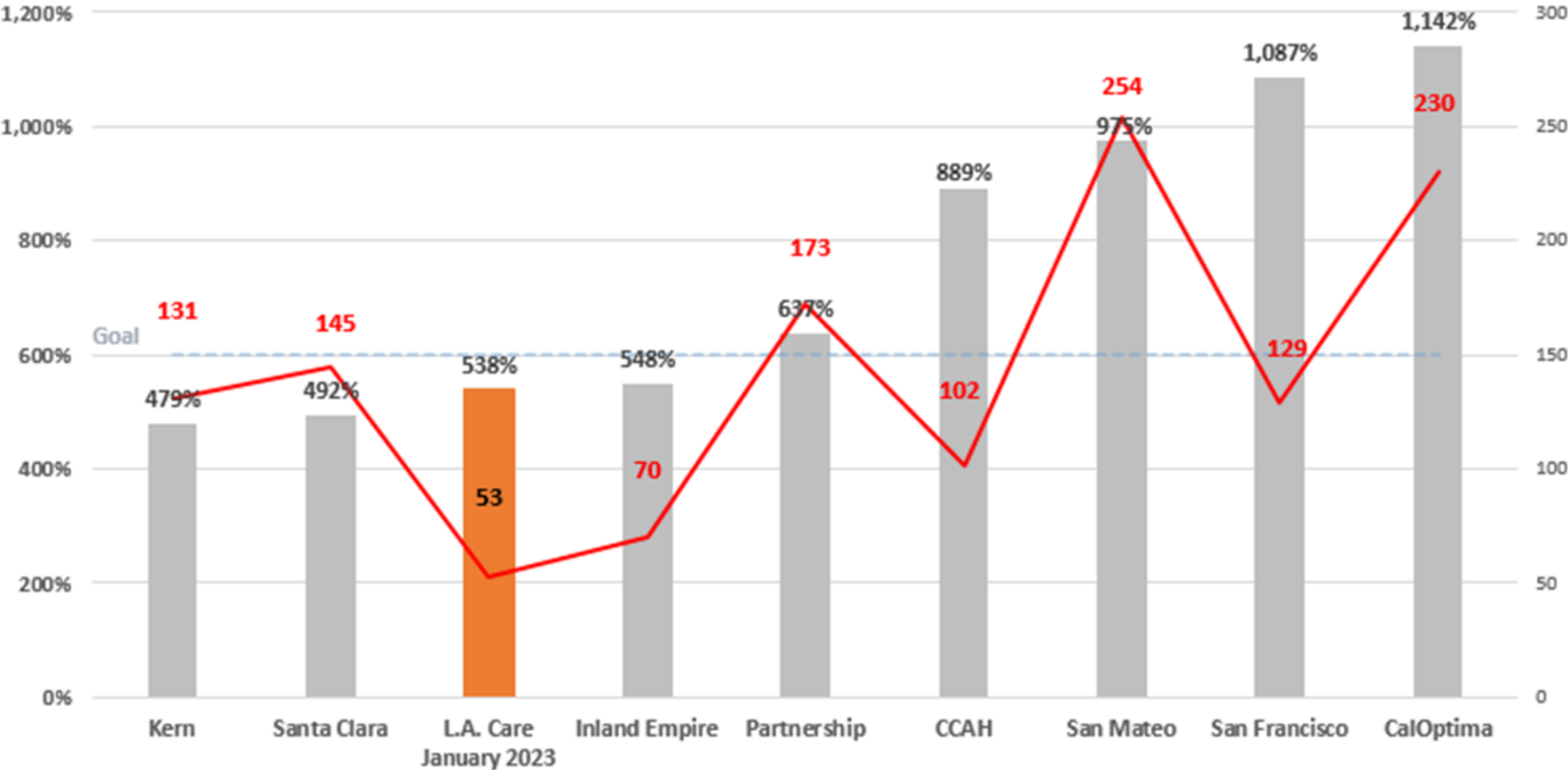
for the 4 months ended January 2023

	<b>Actual</b>	<b>Budget</b>	
MCR	94.1%	vs. 94.5%	✓
Admin Ratio	4.8%	vs. 5.0%	✓

	<b>Actual</b>	<b>Benchmark</b>	
Working Capital	1.22	vs. 1.00+	✓
Cash to Claims	0.54	vs. 0.75+	✗
Tangible Net Equity	5.38	vs. 1.30+	✓

# Tangible Net Equity & Days of Cash On-Hand

for the 4 months ended January 2023



• As of December 2022 Quarterly filings, unless noted otherwise.

# Questions & Consideration

## Motion FIN 102

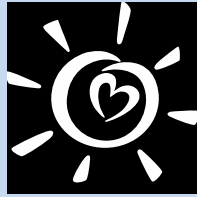
- To accept the Financial Reports for the four months ended January 31, 2023, as submitted.



# Informational Items

## Investment Transactions

- As of January 31, 2023, L.A. Care's total investment market value was \$2.0B
  - \$1.79B managed by Payden & Rygel and New England Asset Management (NEAM)
  - \$74M in Local Agency Investment Fund
  - \$157M in Los Angeles County Pooled Investment Fund



**L.A. Care**  
HEALTH PLAN®

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

**Date:** April 6, 2023

**Motion No.** FIN 102.0423

**Committee:** Finance & Budget

**Chairperson:** Stephanie Booth, MD

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

**Issue:** Acceptance of the Financial Reports for January 2023.

**Background:** N/A

**Member Impact:** N/A

**Budget Impact:** N/A

**Motion:** To accept the Financial Reports for January 2023, as submitted.



**L.A. Care**  
HEALTH PLAN®

Financial Performance  
January 2023  
(Unaudited)

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***Overall***

The combined member months for both actual and 3+9 forecast are 11.0 million year-to-date as actual January membership is used for the forecast. The performance is a surplus of \$57.3 million or 1.7% of revenue and is \$26.9 million favorable to the forecast. The favorability is driven by lower outpatient and inpatient claims, lower provider incentives expenses due to timing, and lower pharmacy costs. The unfavorable variance in revenue is offset by lower skilled nursing facility costs and capitation expenses due to lower than forecasted LTC member counts. Operating expenses are favorable to the forecast due to added funding to the forecast and timing in vendor spending. Higher interest income, higher unrealized gains, and timing in grant spending also contributed to higher surplus.

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***Medi-Cal***

Medi-Cal consists of members through our contracted providers and our contracted health plans ("Plan Partners"). The member months are 10.3 million. The performance is a surplus of \$49.3 million and is \$25.5 million favorable to the forecast. The favorability in net surplus is driven by lower outpatient and inpatient claims and lower provider incentives due to timing. The unfavorable variance in revenue is offset by lower skilled nursing facility costs and capitation expenses due to lower than forecasted LTC member counts. Also contributed to the favorable variance in surplus are lower operating and non-operating expenses as discussed in the Overall section above.

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***Cal MediConnect (CMC)***

The member months are 51,081 and the performance is a deficit of \$4.9 million which is in line with the forecast. Effective January 1, 2023, members enrolled in CMC have been transitioned to our D-SNP plan. The net deficit of \$4.9 million is primarily driven by operating expenses of \$5.2 million from YTD December 2022 prior to the transition.

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***D-SNP***

January 2023 is the first month of the D-SNP plan as the CMC members were transitioned into this product. The member months are 17,689 and the performance is a surplus of \$5.0 million which is \$5.3 million favorable to the forecast driven by better than forecasted healthcare expenses and operating expenses.

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***Commercial***

L.A. Care Commercial consists of LACC and PASC-SEIU. The member months are 656,210 and the performance is a deficit of \$9.8 million and is \$5.6 million unfavorable to the forecast due to higher capitation expenses and inpatient claims. Higher operating expenses also contributed to the unfavorable variance in net deficit.

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***Incentive Programs***

L.A. Care Incentive Programs consist of CalAIM Incentive Payment Program (IPP) and Housing and Homelessness Incentive Program (HHIP). The YTD surplus of \$29.5 million, which is in line with the 3+9 forecast, is driven by the recognition of revenue for the submission of our investment plan to DHCS. The expenditures related to this program will be expensed when incur in future periods.

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

**January 2023**

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast		
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	
2,799,949		2,799,949		(0)								
						<b>Membership</b>						
						Member Months	11,047,614		11,047,614		(0)	
						<b>Revenue</b>						
\$ 929,854	\$ 332.10	\$ 969,026	\$ 346.09	\$ (39,172)	\$ (13.99)	Capitation	\$ 3,433,421	\$ 310.78	\$ 3,472,593	\$ 314.33	\$ (39,172) \$ (3.55)	
<b>\$ 929,854</b>	<b>\$ 332.10</b>	<b>\$ 969,026</b>	<b>\$ 346.09</b>	<b>\$ (39,172)</b>	<b>\$ (13.99)</b>	<b>Total Revenues</b>	<b>\$ 3,433,421</b>	<b>\$ 310.78</b>	<b>\$ 3,472,593</b>	<b>\$ 314.33</b>	<b>\$ (39,172) \$ (3.55)</b>	
						<b>Healthcare Expenses</b>						
\$ 531,393	\$ 189.79	\$ 547,903	\$ 195.68	\$ 16,510	\$ 5.90	Capitation	\$ 1,903,747	\$ 172.32	\$ 1,920,256	\$ 173.82	\$ 16,510 \$ 1.49	
\$ 126,495	\$ 45.18	\$ 127,539	\$ 45.55	\$ 1,044	\$ 0.37	Inpatient Claims	\$ 478,741	\$ 43.33	\$ 479,785	\$ 43.43	\$ 1,044 \$ 0.09	
\$ 106,081	\$ 37.89	\$ 111,784	\$ 39.92	\$ 5,704	\$ 2.04	Outpatient Claims	\$ 405,792	\$ 36.73	\$ 411,495	\$ 37.25	\$ 5,704 \$ 0.52	
\$ 98,679	\$ 35.24	\$ 112,714	\$ 40.26	\$ 14,035	\$ 5.01	Skilled Nursing Facility	\$ 355,907	\$ 32.22	\$ 369,943	\$ 33.49	\$ 14,035 \$ 1.27	
\$ 7,922	\$ 2.83	\$ 11,639	\$ 4.16	\$ 3,717	\$ 1.33	Pharmacy	\$ 39,618	\$ 3.59	\$ 43,335	\$ 3.92	\$ 3,717 \$ 0.34	
\$ 695	\$ 0.25	\$ 7,228	\$ 2.58	\$ 6,533	\$ 2.33	Provider Incentives and Shared Risk	\$ 15,272	\$ 1.38	\$ 21,805	\$ 1.97	\$ 6,533 \$ 0.59	
\$ 7,220	\$ 2.58	\$ 10,088	\$ 3.60	\$ 2,868	\$ 1.02	Medical Administrative Expenses	\$ 31,929	\$ 2.89	\$ 34,797	\$ 3.15	\$ 2,868 \$ 0.26	
<b>\$ 878,484</b>	<b>\$ 313.75</b>	<b>\$ 928,895</b>	<b>\$ 331.75</b>	<b>\$ 50,411</b>	<b>\$ 18.00</b>	<b>Total Healthcare Expenses</b>	<b>\$ 3,231,005</b>	<b>\$ 292.46</b>	<b>\$ 3,281,416</b>	<b>\$ 297.02</b>	<b>\$ 50,411 \$ 4.56</b>	
94.5%		95.9%		1.4%		<b>MCR(%)</b>	94.1%		94.5%		0.4%	
<b>\$ 51,370</b>	<b>\$ 18.35</b>	<b>\$ 40,131</b>	<b>\$ 14.33</b>	<b>\$ 11,239</b>	<b>\$ 4.01</b>	<b>Operating Margin</b>	<b>\$ 202,416</b>	<b>\$ 18.32</b>	<b>\$ 191,177</b>	<b>\$ 17.30</b>	<b>\$ 11,239 \$ 1.02</b>	
\$ 41,139	\$ 14.69	\$ 48,632	\$ 17.37	\$ 7,493	\$ 2.68	<b>Total Operating Expenses</b>	\$ 165,884	\$ 15.02	\$ 173,377	\$ 15.69	\$ 7,493 \$ 0.68	
4.4%		5.0%		0.6%		<b>Admin Ratio(%)</b>	4.8%		5.0%		0.2%	
<b>\$ 10,231</b>	<b>\$ 3.65</b>	<b>\$ (8,502)</b>	<b>\$ (3.04)</b>	<b>\$ 18,732</b>	<b>\$ 6.69</b>	<b>Income (Loss) from Operations</b>	<b>\$ 36,533</b>	<b>\$ 3.31</b>	<b>\$ 17,800</b>	<b>\$ 1.61</b>	<b>\$ 18,732 \$ 1.70</b>	
\$ (2,086)	\$ (0.74)	\$ (5,474)	\$ (1.96)	\$ 3,388	\$ 1.21	Other Income/(Expense), net	\$ (6,861)	\$ (0.62)	\$ (10,250)	\$ (0.93)	\$ 3,388 \$ 0.31	
\$ 5,685	\$ 2.03	\$ 5,014	\$ 1.79	\$ 671	\$ 0.24	Interest Income, net	\$ 19,347	\$ 1.75	\$ 18,677	\$ 1.69	\$ 671 \$ 0.06	
\$ 59	\$ 0.02	\$ -	\$ -	\$ 59	\$ 0.02	Realized Gain / Loss	\$ (782)	\$ (0.07)	\$ (842)	\$ (0.08)	\$ 59 \$ 0.01	
\$ 4,036	\$ 1.44	\$ -	\$ -	\$ 4,036	\$ 1.44	Unrealized Gain / Loss	\$ 9,086	\$ 0.82	\$ 5,050	\$ 0.46	\$ 4,036 \$ 0.37	
<b>\$ 7,695</b>	<b>\$ 2.75</b>	<b>\$ (460)</b>	<b>\$ (0.16)</b>	<b>\$ 8,155</b>	<b>\$ 2.91</b>	<b>Total Non-Operating Income (Expense)</b>	<b>\$ 20,790</b>	<b>\$ 1.88</b>	<b>\$ 12,635</b>	<b>\$ 1.14</b>	<b>\$ 8,155 \$ 0.74</b>	
<b>\$ 17,925</b>	<b>\$ 6.40</b>	<b>\$ (8,962)</b>	<b>\$ (3.20)</b>	<b>\$ 26,887</b>	<b>\$ 9.60</b>	<b>Net Surplus (Deficit)</b>	<b>\$ 57,322</b>	<b>\$ 5.19</b>	<b>\$ 30,435</b>	<b>\$ 2.75</b>	<b>\$ 26,887 \$ 2.43</b>	
1.9%		-0.9%		2.9%		<b>Margin(%)</b>	1.7%		0.9%		0.8%	



**Total Medi-Cal Income Statement (\$ in thousands)**

**January 2023**

Current Actual		Current Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM
2,628,919		2,628,919		(0)	
\$ 822,314	\$ 312.80	\$ 857,896	\$ 326.33	\$ (35,582)	\$ (13.54)
<b>\$ 822,314</b>	<b>\$ 312.80</b>	<b>\$ 857,896</b>	<b>\$ 326.33</b>	<b>\$ (35,582)</b>	<b>\$ (13.54)</b>
\$ 500,290	\$ 190.30	\$ 517,660	\$ 196.91	\$ 17,370	\$ 6.61
\$ 108,681	\$ 41.34	\$ 112,613	\$ 42.84	\$ 3,932	\$ 1.50
\$ 96,307	\$ 36.63	\$ 101,903	\$ 38.76	\$ 5,597	\$ 2.13
\$ 97,940	\$ 37.25	\$ 112,714	\$ 42.87	\$ 14,774	\$ 5.62
\$ 569	\$ 0.22	\$ -	\$ -	\$ (569)	\$ (0.22)
\$ (2,096)	\$ (0.80)	\$ 1,928	\$ 0.73	\$ 4,024	\$ 1.53
\$ 6,791	\$ 2.58	\$ 9,333	\$ 3.55	\$ 2,542	\$ 0.97
<b>\$ 808,482</b>	<b>\$ 307.53</b>	<b>\$ 856,151</b>	<b>\$ 325.67</b>	<b>\$ 47,669</b>	<b>\$ 18.13</b>
98.3%		99.8%		1.5%	
\$ 13,832	\$ 5.26	\$ 1,745	\$ 0.66	\$ 12,086	\$ 4.60
\$ 31,776	\$ 12.09	\$ 38,563	\$ 14.67	\$ 6,786	\$ 2.58
3.9%		4.5%		0.6%	
<b>\$ (17,945)</b>	<b>\$ (6.83)</b>	<b>\$ (36,817)</b>	<b>\$ (14.00)</b>	<b>\$ 18,873</b>	<b>\$ 7.18</b>
\$ 11,193	\$ 4.26	\$ 4,543	\$ 1.73	\$ 6,650	\$ 2.53
<b>\$ (6,752)</b>	<b>\$ (2.57)</b>	<b>\$ (32,275)</b>	<b>\$ (12.28)</b>	<b>\$ 25,523</b>	<b>\$ 9.71</b>
-0.8%		-3.8%		2.9%	

	YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
	\$	PMPM	\$	PMPM	\$	PMPM
<b>Membership</b>						
Member Months	10,340,323		10,340,323		(0)	
<b>Revenue</b>						
Capitation	\$ 3,108,042	\$ 300.57	\$ 3,143,625	\$ 304.02	\$ (35,582)	\$ (3.44)
<b>Total Revenues</b>	<b>\$ 3,108,042</b>	<b>\$ 300.57</b>	<b>\$ 3,143,625</b>	<b>\$ 304.02</b>	<b>\$ (35,582)</b>	<b>\$ (3.44)</b>
<b>Healthcare Expenses</b>						
Capitation	\$ 1,791,367	\$ 173.24	\$ 1,808,737	\$ 174.92	\$ 17,370	\$ 1.68
Inpatient Claims	\$ 413,904	\$ 40.03	\$ 417,836	\$ 40.41	\$ 3,932	\$ 0.38
Outpatient Claims	\$ 363,036	\$ 35.11	\$ 368,632	\$ 35.65	\$ 5,597	\$ 0.54
Skilled Nursing Facility	\$ 347,620	\$ 33.62	\$ 362,394	\$ 35.05	\$ 14,774	\$ 1.43
Pharmacy	\$ 408	\$ 0.04	\$ (162)	\$ (0.02)	\$ (569)	\$ (0.06)
Provider Incentives and Shared Risk	\$ 9,618	\$ 0.93	\$ 13,642	\$ 1.32	\$ 4,024	\$ 0.39
Medical Administrative Expenses	\$ 30,205	\$ 2.92	\$ 32,746	\$ 3.17	\$ 2,542	\$ 0.25
<b>Total Healthcare Expenses</b>	<b>\$ 2,956,157</b>	<b>\$ 285.89</b>	<b>\$ 3,003,825</b>	<b>\$ 290.50</b>	<b>\$ 47,669</b>	<b>\$ 4.61</b>
MCR(%)	95.1%		95.6%		0.4%	
<b>Operating Margin</b>	<b>\$ 151,885</b>	<b>\$ 14.69</b>	<b>\$ 139,799</b>	<b>\$ 13.52</b>	<b>\$ 12,086</b>	<b>\$ 1.17</b>
<b>Total Operating Expenses</b>	<b>\$ 132,470</b>	<b>\$ 12.81</b>	<b>\$ 139,257</b>	<b>\$ 13.47</b>	<b>\$ 6,786</b>	<b>\$ 0.66</b>
Admin Ratio(%)	4.3%		4.4%		0.2%	
<b>Income (Loss) from Operations</b>	<b>\$ 19,415</b>	<b>\$ 1.88</b>	<b>\$ 543</b>	<b>\$ 0.05</b>	<b>\$ 18,873</b>	<b>\$ 1.83</b>
<b>Total Non-Operating Income (Expense)</b>	<b>\$ 29,915</b>	<b>\$ 2.89</b>	<b>\$ 23,265</b>	<b>\$ 2.25</b>	<b>\$ 6,650</b>	<b>\$ 0.64</b>
<b>Net Surplus (Deficit)</b>	<b>\$ 49,331</b>	<b>\$ 4.77</b>	<b>\$ 23,808</b>	<b>\$ 2.30</b>	<b>\$ 25,523</b>	<b>\$ 2.47</b>
Margin(%)	1.6%		0.8%		0.8%	



**CMC Income Statement (\$ in thousands)**

**January 2023**

Current Actual			Current Forecast			Fav(Unfav) Forecast			YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM		\$	PMPM		\$	PMPM		\$	PMPM	\$	PMPM	\$	PMPM
(169)			(169)			-			51,081		51,081		-	
<b>Membership</b>														
Member Months														
<b>Revenue</b>														
Capitation														
\$ (1,317)	\$ 7,789.96		\$ -	\$ -		\$ (1,317)	\$ 7,789.96		\$ 74,452	\$ 1,457.54	\$ 75,769	\$ 1,483.31	\$ (1,317)	\$ (25.77)
<u>\$ (1,317)</u>	<u>\$ 7,789.96</u>		<u>\$ -</u>	<u>\$ -</u>		<u>\$ (1,317)</u>	<u>\$ 7,789.96</u>		<u>\$ 74,452</u>	<u>\$ 1,457.54</u>	<u>\$ 75,769</u>	<u>\$ 1,483.31</u>	<u>\$ (1,317)</u>	<u>\$ (25.77)</u>
<b>Total Revenues</b>														
<b>Healthcare Expenses</b>														
Capitation														
\$ 1,159	\$ (6,858.41)		\$ (1)	\$ 4.51		\$ (1,160)	\$ 6,862.92		\$ 31,184	\$ 610.47	\$ 30,024	\$ 587.77	\$ (1,160)	\$ (22.71)
\$ 579	\$ (3,424.61)		\$ -	\$ -		\$ (579)	\$ 3,424.61		\$ 25,157	\$ 492.49	\$ 24,578	\$ 481.16	\$ (579)	\$ (11.33)
\$ 97	\$ (572.71)		\$ (0)	\$ 0.35		\$ (97)	\$ 573.06		\$ 11,327	\$ 221.74	\$ 11,230	\$ 219.85	\$ (97)	\$ (1.90)
\$ 542	\$ (3,208.48)		\$ -	\$ -		\$ (542)	\$ 3,208.48		\$ 7,737	\$ 151.46	\$ 7,194	\$ 140.84	\$ (542)	\$ (10.62)
\$ (4,053)	\$ 23,981.14		\$ -	\$ -		\$ 4,053	\$ (23,981.14)		\$ (2,860)	\$ (55.99)	\$ 1,193	\$ 23.35	\$ 4,053	\$ 79.34
\$ 464	\$ (2,744.67)		\$ (14)	\$ 83.28		\$ (478)	\$ 2,827.95		\$ 1,524	\$ 29.83	\$ 1,046	\$ 20.48	\$ (478)	\$ (9.36)
\$ 247	\$ (1,461.01)		\$ (1)	\$ 5.40		\$ (248)	\$ 1,466.41		\$ 1,090	\$ 21.33	\$ 842	\$ 16.48	\$ (248)	\$ (4.85)
<u>\$ (965)</u>	<u>\$ 5,711.26</u>		<u>\$ (16)</u>	<u>\$ 93.53</u>		<u>\$ 949</u>	<u>\$ (5,617.72)</u>		<u>\$ 75,158</u>	<u>\$ 1,471.34</u>	<u>\$ 76,107</u>	<u>\$ 1,489.93</u>	<u>\$ 949</u>	<u>\$ 18.59</u>
73.3%			#DIV/0!			#DIV/0!			100.9%		100.4%		-0.5%	
\$ (351)	\$ 2,078.71		\$ 16	\$ (93.53)		\$ (367)	\$ 2,172.24		\$ (705)	\$ (13.81)	\$ (338)	\$ (6.62)	\$ (367)	\$ (7.19)
\$ 48	\$ (284.68)		\$ -	\$ -		\$ (48)	\$ 284.68		\$ 5,237	\$ 102.52	\$ 5,189	\$ 101.58	\$ (48)	\$ (0.94)
-3.7%			#DIV/0!			#DIV/0!			7.0%		6.8%		-0.2%	
\$ (399)	\$ 2,363.39		\$ 16	\$ (93.53)		\$ (415)	\$ 2,456.92		<b>Total Operating Expenses</b>					
\$ 356	\$ (2,106.54)		\$ -	\$ -		\$ 356	\$ (2,106.54)		Admin Ratio(%)					
									7.0%		6.8%		-0.2%	
\$ (43)	\$ 256.85		\$ 16	\$ (93.53)		\$ (59)	\$ 350.39		<b>Income (Loss) from Operations</b>					
3.3%			#DIV/0!			#DIV/0!			Total Non-Operating Income (Expense)					
									\$ 1,026	\$ 20.08	\$ 670	\$ 13.11	\$ 356	\$ 6.97
									<b>Net Surplus (Deficit)</b>					
									Margin(%)					
									\$ (4,916)	\$ (96.24)	\$ (4,857)	\$ (95.09)	\$ (59)	\$ (1.16)
									-6.6%		-6.4%		-0.2%	



**D-SNP Income Statement (\$ in thousands)**

**January 2023**

Current Actual			Current Forecast			Fav(Unfav) Forecast			YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM		\$	PMPM		\$	PMPM		\$	PMPM	\$	PMPM	\$	PMPM
17,689			17,689			-			17,689		17,689		-	
\$ 25,248	\$ 1,427.35		\$ 24,523	\$ 1,386.34		\$ 726	\$ 41.02		\$ 25,248	\$ 1,427.35	\$ 24,523	\$ 1,386.34	\$ 726	\$ 41.02
<b>\$ 25,248</b>	<b>\$ 1,427.35</b>		<b>\$ 24,523</b>	<b>\$ 1,386.34</b>		<b>\$ 726</b>	<b>\$ 41.02</b>		<b>\$ 25,248</b>	<b>\$ 1,427.35</b>	<b>\$ 24,523</b>	<b>\$ 1,386.34</b>	<b>\$ 726</b>	<b>\$ 41.02</b>
\$ 9,044	\$ 511.26		\$ 10,701	\$ 604.94		\$ 1,657	\$ 93.68		\$ 9,044	\$ 511.26	\$ 10,701	\$ 604.94	\$ 1,657	\$ 93.68
\$ 6,412	\$ 362.47		\$ 6,204	\$ 350.72		\$ (208)	\$ (11.75)		\$ 6,412	\$ 362.47	\$ 6,204	\$ 350.72	\$ (208)	\$ (11.75)
\$ 3,013	\$ 170.32		\$ 2,643	\$ 149.39		\$ (370)	\$ (20.92)		\$ 3,013	\$ 170.32	\$ 2,643	\$ 149.39	\$ (370)	\$ (20.92)
\$ 0	\$ 0.01		\$ -	\$ -		\$ (0)	\$ (0.01)		\$ 0	\$ 0.01	\$ -	\$ -	\$ (0)	\$ (0.01)
\$ 1,744	\$ 98.58		\$ 1,243	\$ 70.27		\$ (501)	\$ (28.30)		\$ 1,744	\$ 98.58	\$ 1,243	\$ 70.27	\$ (501)	\$ (28.30)
\$ -	\$ -		\$ 910	\$ 51.43		\$ 910	\$ 51.43		\$ -	\$ -	\$ 910	\$ 51.43	\$ 910	\$ 51.43
\$ 62	\$ 3.51		\$ 405	\$ 22.90		\$ 343	\$ 19.39		\$ 62	\$ 3.51	\$ 405	\$ 22.90	\$ 343	\$ 19.39
<b>\$ 20,274</b>	<b>\$ 1,146.14</b>		<b>\$ 22,105</b>	<b>\$ 1,249.66</b>		<b>\$ 1,831</b>	<b>\$ 103.52</b>		<b>\$ 20,274</b>	<b>\$ 1,146.13</b>	<b>\$ 22,105</b>	<b>\$ 1,249.65</b>	<b>\$ 1,831</b>	<b>\$ 103.52</b>
80.3%			90.1%			9.8%			80.3%		90.1%		9.8%	
\$ 4,974	\$ 281.21		\$ 2,418	\$ 136.67		\$ 2,557	\$ 144.54		\$ 4,974	\$ 281.22	\$ 2,418	\$ 136.68	\$ 2,557	\$ 144.54
\$ 22	\$ 1.27		\$ 2,900	\$ 163.95		\$ 2,878	\$ 162.68		\$ 2,045	\$ 115.63	\$ 4,923	\$ 278.31	\$ 2,878	\$ 162.68
0.1%			11.8%			11.7%			8.1%		20.1%		12.0%	
\$ 4,952	\$ 279.94		\$ (483)	\$ (27.28)		\$ 5,434	\$ 307.22		\$ 2,929	\$ 165.59	\$ (2,505)	\$ (141.63)	\$ 5,434	\$ 307.22
\$ -	\$ -		\$ 160	\$ 9.04		\$ (160)	\$ (9.04)		\$ -	\$ -	\$ 160	\$ 9.04	\$ (160)	\$ (9.04)
\$ 4,952	\$ 279.94		\$ (323)	\$ (18.24)		\$ 5,274	\$ 298.18		\$ 2,929	\$ 165.59	\$ (2,345)	\$ (132.59)	\$ 5,274	\$ 298.18
19.6%			-1.3%			20.9%			11.6%		-9.6%		21.2%	
<b>Membership</b>									<b>Member Months</b>					
<b>Revenue</b>									<b>Capitation</b>					
<b>Total Revenues</b>														
<b>Healthcare Expenses</b>									<b>Capitation</b>					
									<b>Inpatient Claims</b>					
									<b>Outpatient Claims</b>					
									<b>Skilled Nursing Facility</b>					
									<b>Pharmacy</b>					
									<b>Provider Incentives and Shared Risk</b>					
									<b>Medical Administrative Expenses</b>					
<b>Total Healthcare Expenses</b>									<b>MCR(%)</b>					
<b>Operating Margin</b>														
<b>Total Operating Expenses</b>									<b>Admin Ratio(%)</b>					
<b>Income (Loss) from Operations</b>														
<b>Total Non-Operating Income (Expense)</b>														
<b>Net Surplus (Deficit)</b>									<b>Margin(%)</b>					





**Commercial Income Statement (\$ in thousands)**

**January 2023**

Current Actual		Current Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM
171,199		171,199		-	
\$ 52,364	\$ 305.86	\$ 52,815	\$ 308.50	\$ (451)	\$ (2.63)
<b>\$ 52,364</b>	<b>\$ 305.86</b>	<b>\$ 52,815</b>	<b>\$ 308.50</b>	<b>\$ (451)</b>	<b>\$ (2.63)</b>
\$ 20,901	\$ 122.08	\$ 18,709	\$ 109.28	\$ (2,192)	\$ (12.80)
\$ 10,823	\$ 63.22	\$ 8,722	\$ 50.95	\$ (2,101)	\$ (12.27)
\$ 6,664	\$ 38.93	\$ 7,239	\$ 42.28	\$ 574	\$ 3.35
\$ 196	\$ 1.15	\$ -	\$ -	\$ (196)	\$ (1.15)
\$ 9,662	\$ 56.44	\$ 10,396	\$ 60.72	\$ 734	\$ 4.29
\$ 709	\$ 4.14	\$ 1,172	\$ 6.85	\$ 464	\$ 2.71
\$ 120	\$ 0.70	\$ 261	\$ 1.52	\$ 141	\$ 0.82
<b>\$ 49,075</b>	<b>\$ 286.65</b>	<b>\$ 46,498</b>	<b>\$ 271.60</b>	<b>\$ (2,577)</b>	<b>\$ (15.05)</b>
93.7%		88.0%		-5.7%	
\$ 3,289	\$ 19.21	\$ 6,316	\$ 36.89	\$ (3,028)	\$ (17.68)
\$ 9,123	\$ 53.29	\$ 6,301	\$ 36.81	\$ (2,822)	\$ (16.48)
17.4%		11.9%		-5.5%	
\$ (5,834)	\$ (34.08)	\$ 15	\$ 0.09	\$ (5,849)	\$ (34.17)
\$ 607	\$ 3.55	\$ 311	\$ 1.82	\$ 296	\$ 1.73
<b>\$ (5,227)</b>	<b>\$ (30.53)</b>	<b>\$ 326</b>	<b>\$ 1.91</b>	<b>\$ (5,553)</b>	<b>\$ (32.44)</b>
-10.0%		0.6%		-10.6%	

	YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
	\$	PMPM	\$	PMPM	\$	PMPM
<b>Membership</b>						
Member Months	656,210		656,210		-	
<b>Revenue</b>						
Capitation	\$ 194,433	\$ 296.30	\$ 194,884	\$ 296.98	\$ (451)	\$ (0.69)
<b>Total Revenues</b>	<b>\$ 194,433</b>	<b>\$ 296.30</b>	<b>\$ 194,884</b>	<b>\$ 296.98</b>	<b>\$ (451)</b>	<b>\$ (0.69)</b>
<b>Healthcare Expenses</b>						
Capitation	\$ 72,153	\$ 109.95	\$ 69,961	\$ 106.61	\$ (2,192)	\$ (3.34)
Inpatient Claims	\$ 33,269	\$ 50.70	\$ 31,167	\$ 47.50	\$ (2,101)	\$ (3.20)
Outpatient Claims	\$ 28,416	\$ 43.30	\$ 28,991	\$ 44.18	\$ 574	\$ 0.87
Skilled Nursing Facility	\$ 550	\$ 0.84	\$ 354	\$ 0.54	\$ (196)	\$ (0.30)
Pharmacy	\$ 40,323	\$ 61.45	\$ 41,057	\$ 62.57	\$ 734	\$ 1.12
Provider Incentives and Shared Risk	\$ 2,511	\$ 3.83	\$ 2,975	\$ 4.53	\$ 464	\$ 0.71
Medical Administrative Expenses	\$ 535	\$ 0.82	\$ 676	\$ 1.03	\$ 141	\$ 0.21
<b>Total Healthcare Expenses</b>	<b>\$ 177,758</b>	<b>\$ 270.89</b>	<b>\$ 175,181</b>	<b>\$ 266.96</b>	<b>\$ (2,577)</b>	<b>\$ (3.93)</b>
MCR(%)	91.4%		89.9%		-1.5%	
<b>Operating Margin</b>	<b>\$ 16,675</b>	<b>\$ 25.41</b>	<b>\$ 19,703</b>	<b>\$ 30.03</b>	<b>\$ (3,028)</b>	<b>\$ (4.61)</b>
<b>Total Operating Expenses</b>	<b>\$ 27,884</b>	<b>\$ 42.49</b>	<b>\$ 25,062</b>	<b>\$ 38.19</b>	<b>\$ (2,822)</b>	<b>\$ (4.30)</b>
Admin Ratio(%)	14.3%		12.9%		-1.5%	
<b>Income (Loss) from Operations</b>	<b>\$ (11,209)</b>	<b>\$ (17.08)</b>	<b>\$ (5,359)</b>	<b>\$ (8.17)</b>	<b>\$ (5,849)</b>	<b>\$ (8.91)</b>
<b>Total Non-Operating Income (Expense)</b>	<b>\$ 1,433</b>	<b>\$ 2.18</b>	<b>\$ 1,137</b>	<b>\$ 1.73</b>	<b>\$ 296</b>	<b>\$ 0.45</b>
<b>Net Surplus (Deficit)</b>	<b>\$ (9,775)</b>	<b>\$ (14.90)</b>	<b>\$ (4,222)</b>	<b>\$ (6.43)</b>	<b>\$ (5,553)</b>	<b>\$ (8.46)</b>
Margin(%)	-5.0%		-2.2%		-2.9%	





**Comparative Balance Sheet**

(Dollars in thousands)	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23
<b>ASSETS</b>												
<b>CURRENT ASSETS</b>												
Total Current Assets	\$4,719,524	\$5,474,251	\$4,849,447	\$4,871,908	\$4,873,636	\$4,936,270	\$4,820,099	\$5,663,469	\$5,084,708	\$5,172,416	\$5,211,120	\$5,469,816
Capitalized Assets - net	\$105,437	\$106,054	\$106,171	\$105,872	\$105,275	\$102,369	\$104,591	\$98,723	\$98,849	\$98,849	\$92,230	\$95,333
<b>NONCURRENT ASSETS</b>												
	\$3,023	\$2,878	\$2,739	\$2,635	\$2,496	\$2,363	\$2,230	\$2,129	\$2,006	\$1,946	\$1,946	\$1,531
<b>TOTAL ASSETS</b>	<b>\$4,827,984</b>	<b>\$5,583,182</b>	<b>\$4,958,357</b>	<b>\$4,980,415</b>	<b>\$4,981,408</b>	<b>\$5,046,815</b>	<b>\$4,926,919</b>	<b>\$5,833,900</b>	<b>\$5,255,144</b>	<b>\$5,342,529</b>	<b>\$5,377,377</b>	<b>\$5,635,100</b>
<b>LIABILITIES AND FUND EQUITY</b>												
<b>CURRENT LIABILITIES</b>												
Total Current Liability	\$3,756,304	\$4,494,782	\$3,883,690	\$3,872,966	\$3,886,281	\$3,964,303	\$3,857,575	\$4,746,546	\$4,148,776	\$4,249,831	\$4,253,401	\$4,493,204
Long Term Liability	\$2,194	\$3,058	\$2,240	\$2,362	\$2,326	\$2,429	\$2,476	\$0	(\$9)	\$38	(\$2,775)	(\$2,781)
<b>Total Liabilities</b>	<b>\$3,758,498</b>	<b>\$4,497,840</b>	<b>\$3,885,929</b>	<b>\$3,875,327</b>	<b>\$3,888,607</b>	<b>\$3,966,733</b>	<b>\$3,860,051</b>	<b>\$4,746,546</b>	<b>\$4,148,767</b>	<b>\$4,249,869</b>	<b>\$4,250,626</b>	<b>\$4,490,424</b>
<b>FUND EQUITY</b>												
Invested in Capital Assets, net of related debt	\$105,437	\$106,054	\$106,171	\$105,872	\$105,275	\$102,369	\$104,591	\$98,723	\$98,849	\$98,849	\$92,230	\$95,333
Restricted Equity	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
Minimum Tangible Net Equity	\$205,043	\$204,666	\$205,980	\$203,622	\$203,266	\$204,167	\$204,247	\$207,029	\$206,981	\$206,981	\$208,364	\$212,637
Board Designated Funds	\$86,298	\$125,441	\$124,260	\$113,244	\$110,644	\$108,737	\$106,837	\$104,822	\$113,719	\$107,669	\$106,809	\$103,706
Unrestricted Net Assets	\$672,107	\$648,581	\$635,417	\$681,750	\$673,016	\$664,209	\$650,594	\$676,180	\$686,228	\$678,561	\$718,747	\$732,399
<b>Total Fund Equity</b>	<b>\$1,069,486</b>	<b>\$1,085,342</b>	<b>\$1,072,427</b>	<b>\$1,105,088</b>	<b>\$1,092,801</b>	<b>\$1,080,082</b>	<b>\$1,066,868</b>	<b>\$1,087,354</b>	<b>\$1,106,377</b>	<b>\$1,092,660</b>	<b>\$1,126,751</b>	<b>\$1,144,676</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$4,827,984</b>	<b>\$5,583,182</b>	<b>\$4,958,357</b>	<b>\$4,980,415</b>	<b>\$4,981,408</b>	<b>\$5,046,815</b>	<b>\$4,926,919</b>	<b>\$5,833,900</b>	<b>\$5,255,144</b>	<b>\$5,342,529</b>	<b>\$5,377,377</b>	<b>\$5,635,100</b>
<b>Solvency Ratios</b>												
Working Capital Ratio	1.26	1.22	1.25	1.26	1.25	1.25	1.25	1.19	1.23	1.22	1.23	1.22
Cash to Claims Ratio	0.54	0.76	0.53	0.53	0.52	0.52	0.49	0.63	0.46	0.48	0.48	0.54
Tangible Net Equity Ratio	5.22	5.30	5.21	5.43	5.38	5.29	5.22	5.25	5.35	5.28	5.41	5.38



**Cash Flows Statement (\$ in thousands)**

**January 2023**

	Oct-22	Nov-22	Dec-22	Jan-23	YTD
<b>Cash Flows from Operating Activities:</b>					
Capitation Revenue	\$ 763,710	\$ 817,194	\$ 840,632	\$ 1,017,855	\$ 3,439,391
Other Income (Expense), net	\$ 6,284	\$ (1,516)	\$ 6,286	\$ 788	\$ 11,842
Healthcare Expenses	\$ (737,336)	\$ (716,891)	\$ (781,483)	\$ (839,834)	\$ (3,075,544)
Operating Expenses	\$ (29,792)	\$ (36,802)	\$ (54,221)	\$ (29,955)	\$ (150,770)
<b>Net Cash Provided By Operating Activities</b>	<b>\$ 2,866</b>	<b>\$ 61,985</b>	<b>\$ 11,214</b>	<b>\$ 148,854</b>	<b>\$ 224,919</b>
<b>Cash Flows from Investing Activities</b>					
Purchase of investments - Net	\$ (65,406)	\$ (114,037)	\$ (94,704)	\$ (57,274)	\$ (331,421)
Purchase of Capital Assets	\$ (2,036)	\$ (1,650)	\$ (1,538)	\$ (2,652)	\$ (7,876)
<b>Net Cash Provided By Investing Activities</b>	<b>\$ (67,442)</b>	<b>\$ (115,687)</b>	<b>\$ (96,242)</b>	<b>\$ (59,926)</b>	<b>\$ (339,297)</b>
<b>Cash Flows from Financing Activities:</b>					
Lease Payment - Capital & ROU	\$ -	\$ -	\$ -	\$ (2,833)	\$ (2,833)
Gross Premium Tax (MCO Sales Tax) - Net	\$ (39,300)	\$ 25,277	\$ 16,069	\$ (34,639)	\$ (32,593)
Pass through transactions (AB 85, IGT, etc.)	\$ (575,356)	\$ 12	\$ (15,957)	\$ 135,967	\$ (455,334)
<b>Net Cash Provided By Financing Activities</b>	<b>\$ (614,656)</b>	<b>\$ 25,289</b>	<b>\$ 112</b>	<b>\$ 98,495</b>	<b>\$ (490,760)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>\$ (679,232)</b>	<b>\$ (28,413)</b>	<b>\$ (84,916)</b>	<b>\$ 187,423</b>	<b>\$ (605,138)</b>
Cash and Cash Equivalents, Beginning	\$ 1,239,407	\$ 560,175	\$ 531,762	\$ 446,846	\$ 1,239,407
<b>Cash and Cash Equivalents, Ending</b>	<b>\$ 560,175</b>	<b>\$ 531,762</b>	<b>\$ 446,846</b>	<b>\$ 634,269</b>	<b>\$ 634,269</b>
<b>Reconciliation of Income from Operations to Net Cash Provided By (Used In) Operating Activities:</b>					
<b>Excess of Revenues over Expenses</b>	<b>\$ 19,023</b>	<b>\$ (13,716)</b>	<b>\$ 34,090</b>	<b>\$ 17,925</b>	<b>\$ 57,322</b>
<b>Adjustments to Excess of Revenues Over Expenses:</b>					
Depreciation	\$ 1,910	\$ 1,912	\$ 5,393	\$ 3,211	\$ 12,426
Realized and Unrealized (Gain)/Loss on Investments	\$ 2,065	\$ (5,545)	\$ (728)	\$ (4,096)	\$ (8,304)
Deferred Rent	\$ (9)	\$ 47	\$ (2,813)	\$ (6)	\$ (2,781)
Gross Premium Tax provision	\$ (708)	\$ (778)	\$ (862)	\$ (2,376)	\$ (4,724)
Loss on Disposal of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Adjustments to Excess of Revenues over Expenses</b>	<b>\$ 3,258</b>	<b>\$ (4,364)</b>	<b>\$ 990</b>	<b>\$ (3,267)</b>	<b>\$ (3,383)</b>
<b>Changes in Operating Assets and Liabilities:</b>					
Capitation Receivable	\$ (32,935)	\$ (3,386)	\$ (19,040)	\$ 32,496	\$ (22,865)
Interest and Non-Operating Receivables	\$ 277	\$ (941)	\$ 3,653	\$ (1,790)	\$ 1,199
Prepaid and Other Current Assets	\$ 5,448	\$ (1,775)	\$ (11,846)	\$ 7,691	\$ (482)
Accounts Payable and Accrued Liabilities	\$ 2,713	\$ 2,806	\$ (6,256)	\$ 4,546	\$ 3,809
Subcapitation Payable	\$ 28,522	\$ 57,608	\$ 11,307	\$ 43,530	\$ 140,967
MediCal Adult Expansion Payable	\$ 3	\$ (649)	\$ 1	\$ -	\$ (645)
Deferred Capitation Revenue	\$ (25,814)	\$ (1,348)	\$ 492	\$ 55,505	\$ 28,835
Accrued Medical Expenses	\$ (6,449)	\$ 4,176	\$ (2,080)	\$ 4,932	\$ 579
Reserve for Claims	\$ 7,512	\$ 16,195	\$ 22,490	\$ 12,240	\$ 58,437
Reserve for Provider Incentives	\$ 421	\$ 5,561	\$ (22,425)	\$ (25,270)	\$ (41,713)
Grants Payable	\$ 887	\$ 1,818	\$ (162)	\$ 316	\$ 2,859
<b>Net Changes in Operating Assets and Liabilities</b>	<b>\$ (19,415)</b>	<b>\$ 80,065</b>	<b>\$ (23,866)</b>	<b>\$ 134,196</b>	<b>\$ 170,980</b>
<b>Net Cash Provided By Operating Activities</b>	<b>\$ 2,866</b>	<b>\$ 61,985</b>	<b>\$ 11,214</b>	<b>\$ 148,854</b>	<b>\$ 224,919</b>



DATE: March 22, 2023  
TO: Finance & Budget Committee  
FROM: Marie Montgomery, *Chief Financial Officer*

**SUBJECT: Monthly Investment Portfolio Securities Transaction Report for January, 2023**

To keep the Committee apprised of L.A. Care's investment portfolios and to comply with California Government Code Section 53607, attached are the monthly investment transaction details from January 1 to January 31, 2023.

L.A. Care's investment market value as of January 31, 2023, was \$2.0 billion. This includes our funds invested with the government pooled funds. L.A. Care has approximately \$74 million invested with the statewide Local Agency Investment Fund (LAIF), and approximately \$157 million invested with the Los Angeles County Pooled Investment Fund (LACPIF).

The remainder as of January 31, 2023, of \$1.79 billion is managed by two independent asset managers, 1) Payden & Rygel and 2) New England Asset Management (NEAM) and is divided into three portfolios based on investment style,

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

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

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

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

01/01/2023  
through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/03/23	01/03/23	Buy	7,500,000.000	CA UNIVERSITY OF CALIFORNIA C MAT 02/08/23 Cpn 91411UP82	(7,467,150.00)		0.00	0.00	(7,467,150.00)
01/04/23	01/05/23	Buy	10,000,000.000	U.S. TREASURY BILL MAT 07/06/23 Cpn 912796ZS1	(9,766,433.33)		0.00	0.00	(9,766,433.33)
01/04/23	01/05/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 07/06/23 Cpn 912796ZS1	(48,832,166.67)		0.00	0.00	(48,832,166.67)
01/04/23	01/09/23	Buy	7,500,000.000	FHLB C 7/10/23 Q MAT 01/10/24 Cpn 5.00 3130AUGN8	(7,500,000.00)		0.00	0.00	(7,500,000.00)
01/09/23	01/10/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/12/23 Cpn 912796XR5	(49,988,861.11)		0.00	0.00	(49,988,861.11)
01/10/23	01/11/23	Buy	2,025,569.320	HALST 2021-A A3 LEASE 144A MAT 01/16/24 Cpn 0.33 44891TAC0	(2,016,707.45)	(482.76)	0.00	0.00	(2,017,190.21)
01/10/23	01/11/23	Buy	6,500,000.000	MERCEDES 2020-B A4 LEASE MAT 06/15/26 Cpn 0.50 58769EAD0	(6,451,503.91)	(2,347.22)	0.00	0.00	(6,453,851.13)
01/11/23	01/11/23	Buy	4,200,000.000	CA SAN JOSE FIN AUTH LEASE RE MAT 03/16/23 Cpn 4.65 79815WDH8	(4,200,000.00)		0.00	0.00	(4,200,000.00)
01/06/23	01/12/23	Buy	25,000,000.000	U.S. TREASURY BILL MAT 04/13/23 Cpn 912796YU7	(24,711,833.33)		0.00	0.00	(24,711,833.33)
01/12/23	01/12/23	Buy	25,000,000.000	FHLB DISCOUNT NOTE MAT 01/13/23 Cpn 313384AN9	(24,997,166.67)		0.00	0.00	(24,997,166.67)
01/12/23	01/12/23	Buy	25,000,000.000	FHLB DISCOUNT NOTE MAT 01/13/23 Cpn 313384AN9	(24,997,166.67)		0.00	0.00	(24,997,166.67)
01/10/23	01/12/23	Buy	5,430,236.440	HART 2019-B A4 CAR MAT 04/15/25 Cpn 2.00 44891JAD0	(5,380,600.68)	(8,145.35)	0.00	0.00	(5,388,746.03)
01/10/23	01/12/23	Buy	3,321,897.590	JOHN DEERE 2020-B A3 EQP MAT 11/15/24 Cpn 0.51 47787NAC3	(3,274,275.08)	(1,270.63)	0.00	0.00	(3,275,545.71)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

01/01/2023  
through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/13/23	01/13/23	Buy	10,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn	912796XS3	(9,993,333.33)		0.00	0.00	(9,993,333.33)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn	912796XS3	(49,966,666.67)		0.00	0.00	(49,966,666.67)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn	912796XS3	(49,966,666.67)		0.00	0.00	(49,966,666.67)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn	912796XS3	(49,966,666.67)		0.00	0.00	(49,966,666.67)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn	912796XS3	(49,966,666.67)		0.00	0.00	(49,966,666.67)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn	912796XS3	(49,966,666.67)		0.00	0.00	(49,966,666.67)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn	912796XS3	(49,966,666.67)		0.00	0.00	(49,966,666.67)
01/13/23	01/13/23	Buy	40,000,000.000	U.S. TREASURY BILL MAT 01/24/23 Cpn	912796ZL6	(39,948,666.67)		0.00	0.00	(39,948,666.67)
01/13/23	01/13/23	Buy	30,000,000.000	U.S. TREASURY BILL MAT 01/31/23 Cpn	912796ZM4	(29,937,300.00)		0.00	0.00	(29,937,300.00)
01/13/23	01/13/23	Buy	30,000,000.000	U.S. TREASURY BILL MAT 02/02/23 Cpn	912796XT1	(29,932,000.00)		0.00	0.00	(29,932,000.00)
01/13/23	01/13/23	Buy	30,000,000.000	U.S. TREASURY BILL MAT 02/07/23 Cpn	912796ZT9	(29,914,583.33)		0.00	0.00	(29,914,583.33)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 02/07/23 Cpn	912796ZT9	(49,857,638.89)		0.00	0.00	(49,857,638.89)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 02/07/23 Cpn	912796ZT9	(49,857,638.89)		0.00	0.00	(49,857,638.89)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

01/01/2023  
through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 02/07/23 Cpn	912796ZT9	(49,857,638.89)		0.00	0.00	(49,857,638.89)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 02/07/23 Cpn	912796ZT9	(49,857,638.89)		0.00	0.00	(49,857,638.89)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 02/07/23 Cpn	912796ZT9	(49,857,638.89)		0.00	0.00	(49,857,638.89)
01/13/23	01/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 02/07/23 Cpn	912796ZT9	(49,857,638.89)		0.00	0.00	(49,857,638.89)
01/13/23	01/13/23	Buy	25,000,000.000	U.S. TREASURY BILL MAT 04/13/23 Cpn	912796YU7	(24,720,000.00)		0.00	0.00	(24,720,000.00)
01/13/23	01/13/23	Buy	25,000,000.000	U.S. TREASURY BILL MAT 07/13/23 Cpn	912796XQ7	(24,422,496.88)		0.00	0.00	(24,422,496.88)
01/13/23	01/13/23	Buy	25,000,000.000	U.S. TREASURY BILL MAT 02/09/23 Cpn	912796XZ7	(24,920,931.25)		0.00	0.00	(24,920,931.25)
01/13/23	01/13/23	Buy	24,000,000.000	FHLB DISCOUNT NOTE MAT 01/17/23 Cpn	313384AS8	(23,989,066.67)		0.00	0.00	(23,989,066.67)
01/13/23	01/13/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 01/17/23 Cpn	313384AS8	(49,977,222.22)		0.00	0.00	(49,977,222.22)
01/13/23	01/13/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 01/17/23 Cpn	313384AS8	(49,977,222.22)		0.00	0.00	(49,977,222.22)
01/17/23	01/17/23	Buy	10,000,000.000	U.S. TREASURY BILL MAT 01/31/23 Cpn	912796ZM4	(9,983,682.22)		0.00	0.00	(9,983,682.22)
01/17/23	01/17/23	Buy	20,000,000.000	U.S. TREASURY BILL MAT 01/26/23 Cpn	912796S34	(19,979,369.00)		0.00	0.00	(19,979,369.00)
01/17/23	01/17/23	Buy	7,500,000.000	ID HSG AGY CP TXB MAT 04/13/23 Cpn 4.75	45130HFC9	(7,500,000.00)		0.00	0.00	(7,500,000.00)



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01/09/23	01/18/23	Buy	7,500,000.000	GMCAR 2023-1 A1 CAR MAT 01/16/24 Cpn 4.89 38013JAA1	(7,500,000.00)		0.00	0.00	(7,500,000.00)
01/18/23	01/18/23	Buy	7,500,000.000	CA SAN FRAN PUB UTIL COMM CP MAT 03/15/23 Cpn 4.67 79770TRC4	(7,500,000.00)		0.00	0.00	(7,500,000.00)
01/18/23	01/19/23	Buy	30,000,000.000	U.S. TREASURY BILL MAT 01/24/23 Cpn 912796ZL6	(29,982,962.50)		0.00	0.00	(29,982,962.50)
01/18/23	01/19/23	Buy	20,000,000.000	U.S. TREASURY BILL MAT 02/02/23 Cpn 912796XT1	(19,967,912.78)		0.00	0.00	(19,967,912.78)
01/18/23	01/19/23	Buy	15,000,000.000	U.S. TREASURY BILL MAT 02/09/23 Cpn 912796XZ7	(14,962,935.00)		0.00	0.00	(14,962,935.00)
01/19/23	01/19/23	Buy	7,500,000.000	CA STATE GO/ULT CP TXB MAT 04/19/23 Cpn 4.85 13068PEV4	(7,500,000.00)		0.00	0.00	(7,500,000.00)
01/18/23	01/20/23	Buy	1,317,394.470	HALST 2021-A A3 LEASE 144A MAT 01/16/24 Cpn 0.33 44891TAC0	(1,309,520.98)	(60.38)	0.00	0.00	(1,309,581.36)
01/20/23	01/23/23	Buy	40,000,000.000	U.S. TREASURY BILL MAT 01/26/23 Cpn 912796S34	(39,986,450.00)		0.00	0.00	(39,986,450.00)
01/19/23	01/23/23	Buy	2,250,000.000	BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6	(2,202,890.63)	(647.50)	0.00	0.00	(2,203,538.13)
01/18/23	01/23/23	Buy	1,800,000.000	FORDL 2023-A A1 LEASE MAT 02/15/24 Cpn 4.96 345287AA4	(1,800,000.00)		0.00	0.00	(1,800,000.00)
01/19/23	01/23/23	Buy	2,100,000.000	GMALT 2021-2 A LEASE MAT 05/20/25 Cpn 0.41 380144AD7	(2,032,898.44)	(71.75)	0.00	0.00	(2,032,970.19)
01/19/23	01/23/23	Buy	3,549,886.340	SRT 2021-A A3 LEASE 144A MAT 07/22/24 Cpn 0.51 80286TAC7	(3,467,379.21)	(150.87)	0.00	0.00	(3,467,530.08)
01/23/23	01/24/23	Buy	10,000,000.000	FFCB DISCOUNT NOTE MAT 01/30/23 Cpn 313312BF6	(9,993,083.33)		0.00	0.00	(9,993,083.33)

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01/19/23	01/25/23	Buy	4,100,000.000	CARMX 2023-1 A1 CAR MAT 02/15/24 Cpn 4.96 14318DAA7	(4,100,000.00)		0.00	0.00	(4,100,000.00)
01/03/23	01/25/23	Buy	7,500,000.000	FNMA C 7/25/23 1X MAT 01/25/24 Cpn 5.05 3135GADV0	(7,500,000.00)		0.00	0.00	(7,500,000.00)
01/18/23	01/25/23	Buy	4,150,000.000	NALT 2023-A A1 LEASE MAT 02/15/24 Cpn 4.97 65480VAA1	(4,150,000.00)		0.00	0.00	(4,150,000.00)
01/24/23	01/25/23	Buy	7,500,000.000	TRAVELERS COMPANIES CP 144A MAT 02/01/23 Cpn 8941P3P15	(7,493,772.92)		0.00	0.00	(7,493,772.92)
01/19/23	01/26/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/25/24 Cpn 912796ZY8	(47,738,397.22)		0.00	0.00	(47,738,397.22)
01/24/23	01/30/23	Buy	3,600,000.000	TAOT 2023-A A1 CAR MAT 01/15/24 Cpn 4.84 891940AA6	(3,600,000.00)		0.00	0.00	(3,600,000.00)
01/30/23	01/31/23	Buy	7,500,000.000	BNP PARIBAS NY CP MAT 10/26/23 Cpn 09659CXS2	(7,223,625.00)		0.00	0.00	(7,223,625.00)
01/23/23	02/01/23	Buy	5,000,000.000	FHLMC C 8/1/23 Q MAT 08/01/24 Cpn 5.05 3134GYFM9	(5,000,000.00)		0.00	0.00	(5,000,000.00)
01/31/23	02/01/23	Buy	7,500,000.000	TOTAL CAPITAL CP 144A MAT 02/07/23 Cpn 89152FP74	(7,494,437.50)		0.00	0.00	(7,494,437.50)
01/25/23	02/02/23	Buy	2,100,000.000	DLLAD 2023-1A A1 EQP 144A MAT 02/20/24 Cpn 5.01 233258AA0	(2,100,000.00)		0.00	0.00	(2,100,000.00)
01/27/23	02/02/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37	(48,816,368.06)		0.00	0.00	(48,816,368.06)

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<b>Fixed Income - cont.</b>									
01/27/23	02/02/23	Buy	35,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37	(34,171,457.64)		0.00	0.00	(34,171,457.64)
			<u>1,530,444,984.160</u>		<u>(1,521,319,663.26)</u>	<u>(13,176.46)</u>	<u>0.00</u>	<u>0.00</u>	<u>(1,521,332,839.72)</u>
01/03/23	01/03/23	Coupon		INTL FINANCE CORP FRN SOFRA MAT 04/03/24 Cpn 4.42 45950VQM1		59,834.50	0.00	0.00	59,834.50
01/09/23	01/09/23	Coupon		MMAF 2022-B A1 EQP 144A MAT 12/01/23 Cpn 4.92 606940AA2		16,940.09	0.00	0.00	16,940.09
01/10/23	01/10/23	Coupon		CRVNA 2021-P4 A2 CAR MAT 04/10/25 Cpn 0.82 14687KAB2		2,027.53	0.00	0.00	2,027.53
01/11/23	01/11/23	Coupon		CA SAN JOSE FIN AUTH LEASE CP MAT 01/11/23 Cpn 4.30 79815WDF2		31,172.05	0.00	0.00	31,172.05
01/12/23	01/12/23	Coupon		SKANDINAV ENSKILDA BK YCD FR MAT 04/12/23 Cpn 4.82 83050PP60		27,835.42	0.00	0.00	27,835.42
01/13/23	01/13/23	Coupon		INTL BANK RECON & DEVELOP FR MAT 01/13/23 Cpn 459058JQ7		20,151.22	0.00	0.00	20,151.22
01/13/23	01/13/23	Coupon		MMAF 2022-A A1 EQP 144A MAT 05/03/23 Cpn 1.48 55317RAA0		1,540.28	0.00	0.00	1,540.28
01/15/23	01/15/23	Coupon		ALLYA 2022-2 A2 CAR MAT 10/15/25 Cpn 4.62 02008MAB5		14,245.00	0.00	0.00	14,245.00
01/15/23	01/15/23	Coupon		CARMAX 2019-3 A3 CAR MAT 08/15/24 Cpn 2.18 14315PAD7		2,010.23	0.00	0.00	2,010.23
01/15/23	01/15/23	Coupon		CARMX 2021-4 A2A CAR MAT 11/15/24 Cpn 0.24 14317JAB3		208.98	0.00	0.00	208.98

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01/15/23	01/15/23	Coupon		CNH 2021-C A2 EQP MAT 01/15/25 Cpn 0.33 12598LAB2		892.02	0.00	0.00	892.02
01/15/23	01/15/23	Coupon		HALST 2020-B A3 CAR LEASE 144A MAT 09/15/23 Cpn 0.51 44891PAC8		20.32	0.00	0.00	20.32
01/15/23	01/15/23	Coupon		HALST 2021-A A3 LEASE 144A MAT 01/16/24 Cpn 0.33 44891TAC0		557.03	0.00	0.00	557.03
01/15/23	01/15/23	Coupon		HALST 2021-C A2 CAR LEASE 144A MAT 01/16/24 Cpn 0.24 44933MAB7		310.56	0.00	0.00	310.56
01/15/23	01/15/23	Coupon		HALST 2021-C A2 CAR LEASE 144A MAT 01/16/24 Cpn 0.24 44933MAB7		75.03	0.00	0.00	75.03
01/15/23	01/15/23	Coupon		HAROT 2022-1 A2 CAR MAT 10/15/24 Cpn 1.44 43815BAB6		4,940.36	0.00	0.00	4,940.36
01/15/23	01/15/23	Coupon		HART 2019-B A4 CAR MAT 04/15/25 Cpn 2.00 44891JAD0		9,050.39	0.00	0.00	9,050.39
01/15/23	01/15/23	Coupon		JOHN DEERE 2020-B A3 EQP MAT 11/15/24 Cpn 0.51 47787NAC3		1,411.81	0.00	0.00	1,411.81
01/15/23	01/15/23	Coupon		KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8		1,947.25	0.00	0.00	1,947.25
01/15/23	01/15/23	Coupon		KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8		467.16	0.00	0.00	467.16
01/15/23	01/15/23	Coupon		MA ST SPL OBLG REV-SOCIAL TXB MAT 07/15/23 Cpn 3.56 576004GV1		47,579.40	0.00	0.00	47,579.40
01/15/23	01/15/23	Coupon		MERCEDES 2020-B A4 LEASE MAT 06/15/26 Cpn 0.50 58769EAD0		2,708.33	0.00	0.00	2,708.33
01/15/23	01/15/23	Coupon		MERCEDES 2021-B A2 LEASE MAT 01/16/24 Cpn 0.22 58769KAC8		161.56	0.00	0.00	161.56

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01/15/23	01/15/23	Coupon		TAOT 2022-C A2A CAR MAT 08/15/25 Cpn 4.19 89231CAB3		18,156.67	0.00	0.00	18,156.67
01/15/23	01/15/23	Coupon		WORLD OMNI 2021-B A2 CAR MAT 07/15/24 Cpn 0.20 98163LAB6		17.74	0.00	0.00	17.74
01/15/23	01/15/23	Coupon		WOART 2022-B A2A CAR MAT 10/15/25 Cpn 2.77 98163QAB5		10,036.45	0.00	0.00	10,036.45
01/15/23	01/15/23	Coupon		WOLS 2022-A A2 LEASE MAT 10/15/24 Cpn 2.63 98163NAB2		2,847.92	0.00	0.00	2,847.92
01/17/23	01/17/23	Coupon		ARIFL 2022-A A1 FLEET 144A MAT 04/17/23 Cpn 1.49 00217QAA9		366.75	0.00	0.00	366.75
01/17/23	01/17/23	Coupon		CARMX 2022-3 A1 CAR MAT 07/17/23 Cpn 2.66 14318MAA7		1,624.74	0.00	0.00	1,624.74
01/17/23	01/17/23	Coupon		CCG 2022-1 A1 EQP 144A MAT 06/14/23 Cpn 1.84 12511JAA3		155.85	0.00	0.00	155.85
01/17/23	01/17/23	Coupon		COPAR 2022-2 A1 CAR MAT 08/15/23 Cpn 2.87 14043GAA2		3,603.99	0.00	0.00	3,603.99
01/17/23	01/17/23	Coupon		FORDO 2022-C A1 CAR MAT 10/15/23 Cpn 3.63 34535AAA8		13,442.07	0.00	0.00	13,442.07
01/17/23	01/17/23	Coupon		GALC 2022-1 A1 EQP 144A MAT 10/16/23 Cpn 4.34 39154TBU1		16,293.35	0.00	0.00	16,293.35
01/17/23	01/17/23	Coupon		GMCAR 2022-4 A1 CAR MAT 10/16/23 Cpn 3.62 36265QAA4		13,237.99	0.00	0.00	13,237.99
01/17/23	01/17/23	Coupon		ID HSG AGY CP TXB MAT 01/17/23 Cpn 4.55 45130HFA3		24,308.22	0.00	0.00	24,308.22
01/17/23	01/17/23	Coupon		KCOT 2022-2A A1 EQP 144A MAT 07/17/23 Cpn 2.60 50117JAA1		3,336.15	0.00	0.00	3,336.15

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01/17/23	01/17/23	Coupon		NAROT 2022-B A1 CAR MAT 10/16/23 Cpn 3.69 65480JAA8		15,763.60	0.00	0.00	15,763.60
01/18/23	01/18/23	Coupon		HONDA 2021-3 A2 CAR MAT 02/20/24 Cpn 0.20 43815EAB0		105.92	0.00	0.00	105.92
01/18/23	01/18/23	Coupon		CA SAN FRAN PUB CP TXB MAT 01/18/23 Cpn 4.20 79770TRB6		55,125.00	0.00	0.00	55,125.00
01/19/23	01/19/23	Coupon		CA STATE GO/ULT CP TXB MAT 01/19/23 Cpn 4.35 13068PET9		26,815.07	0.00	0.00	26,815.07
01/19/23	01/19/23	Coupon		LLOYDS BANK YCD FRN SOFRRAT MAT 04/19/23 Cpn 4.68 53947BJ43		30,289.58	0.00	0.00	30,289.58
01/20/23	01/20/23	Coupon		BANK OF NOVA SCOTIA YCD FRN MAT 02/21/23 Cpn 4.81 06417MH40		10,000.00	0.00	0.00	10,000.00
01/20/23	01/20/23	Coupon		EFF 2022-2 A1 FLEET 144A MAT 06/20/23 Cpn 2.76 29374JAA3		4,645.65	0.00	0.00	4,645.65
01/20/23	01/20/23	Coupon		EFF 2022-3 A1 FLEET 144A MAT 08/20/23 Cpn 3.61 29374FAA1		11,993.23	0.00	0.00	11,993.23
01/20/23	01/20/23	Coupon		EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9		22,598.66	0.00	0.00	22,598.66
01/20/23	01/20/23	Coupon		GMALT 2021-1 A3 LEASE MAT 02/20/24 Cpn 0.26 36261RAC2		909.69	0.00	0.00	909.69
01/20/23	01/20/23	Coupon		GMALT 2021-1 A3 LEASE MAT 02/20/24 Cpn 0.26 36261RAC2		30.84	0.00	0.00	30.84
01/20/23	01/20/23	Coupon		GMALT 2022-3 A1 LEASE MAT 08/21/23 Cpn 3.07 380130AA2		1,567.34	0.00	0.00	1,567.34
01/20/23	01/20/23	Coupon		HPEFS 2022-2A A1 EQP 144A MAT 05/22/23 Cpn 1.91 40441TAA7		1,104.85	0.00	0.00	1,104.85

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01/20/23	01/20/23	Coupon		HPEFS 2022-3A A1 EQP 144A MAT 10/20/23 Cpn 4.33 403951AA4		5,144.04	0.00	0.00	5,144.04
01/20/23	01/20/23	Coupon		NORDEA BANK NY YCD FRN MAT 04/20/23 Cpn 4.92 65558UXX5		30,687.50	0.00	0.00	30,687.50
01/20/23	01/20/23	Coupon		SVENSKA HANDELSBANKEN NY Y MAT 04/21/23 Cpn 4.91 86959RM31		30,687.50	0.00	0.00	30,687.50
01/20/23	01/20/23	Coupon		SRT 2021-C A2 LEASE 144A MAT 04/22/24 Cpn 0.29 80286CAB6		63.55	0.00	0.00	63.55
01/20/23	01/20/23	Coupon		SUMITOMO MITSUI BANKING YCD MAT 03/20/23 Cpn 4.71 86565FTC6		30,354.17	0.00	0.00	30,354.17
01/20/23	01/20/23	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		560.35	0.00	0.00	560.35
01/20/23	01/20/23	Coupon		TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3		875.00	0.00	0.00	875.00
01/20/23	01/20/23	Coupon		TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3		1,281.00	0.00	0.00	1,281.00
01/20/23	01/20/23	Coupon		VALET 2021-1 A2 CAR MAT 10/21/24 Cpn 0.49 92868KAB9		1,122.95	0.00	0.00	1,122.95
01/20/23	01/20/23	Coupon		VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3		282.19	0.00	0.00	282.19
01/20/23	01/20/23	Coupon		VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3		138.27	0.00	0.00	138.27
01/23/23	01/23/23	Coupon		DEFT 2022-2 A1 EQP 144A MAT 07/24/23 Cpn 3.06 24702CAA2		6,136.68	0.00	0.00	6,136.68
01/23/23	01/23/23	Coupon		SUMITOMO MITSUI TRUST NY YCD MAT 01/23/23 Cpn 3.85 86564MUE6		98,656.25	0.00	0.00	98,656.25

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01/25/23	01/25/23	Coupon		BANCO SANTANDER YCD MAT 01/25/23 Cpn 3.54 05966DN81		134,962.50	0.00	0.00	134,962.50
01/25/23	01/25/23	Coupon		BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6		693.75	0.00	0.00	693.75
01/25/23	01/25/23	Coupon		CITIBANK CD FRN SOFRRATE MAT 05/25/23 Cpn 4.75 17330QAG2		30,677.08	0.00	0.00	30,677.08
01/25/23	01/25/23	Coupon		FHMS KF36 A MAT 08/25/24 Cpn 4.73 3137FBAR7		2,025.50	0.00	0.00	2,025.50
01/25/23	01/25/23	Coupon		FHMS KF38 A MAT 09/25/24 Cpn 4.72 3137FBUC8		996.46	0.00	0.00	996.46
01/25/23	01/25/23	Coupon		FHMS KI04 A 1MOFRN CMBS MAT 07/25/24 Cpn 4.75 3137FNAV2		331.69	0.00	0.00	331.69
01/25/23	01/25/23	Coupon		FHMS KI06 A 1MOFRN CMBS MAT 03/25/25 Cpn 4.61 3137FVNA6		2,046.55	0.00	0.00	2,046.55
01/25/23	01/25/23	Coupon		FHMS KI07 A SOFRFRN MAT 09/25/26 Cpn 4.23 3137H3KA9		23,312.65	0.00	0.00	23,312.65
01/25/23	01/25/23	Coupon		FHMS KI08 A 1MOFRN CMBS MAT 10/25/26 Cpn 4.26 3137H4RC6		11,850.61	0.00	0.00	11,850.61
01/25/23	01/25/23	Coupon		FHMS Q015 A 1MOFRN CMBS MAT 08/25/24 Cpn 4.38 3137FYUR5		4,394.30	0.00	0.00	4,394.30
01/26/23	01/26/23	Coupon		TX A&M UNIV TXB CP MAT 01/26/23 Cpn 4.20 88211LEY5		36,649.32	0.00	0.00	36,649.32
						<u>988,393.70</u>	<u>0.00</u>	<u>0.00</u>	<u>988,393.70</u>



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01/01/23	01/01/23	Income	49,569.660	ADJ NET INT MAT	Cpn USD		49,569.66	0.00	0.00	49,569.66
01/12/23	01/12/23	Contributn	310,000,000.000	NM MAT	Cpn USD	310,000,000.00		0.00	0.00	310,000,000.00
01/13/23	01/13/23	Contributn	600,000,000.000	NM MAT	Cpn USD	600,000,000.00		0.00	0.00	600,000,000.00
			<u>910,000,000.000</u>			<u>910,000,000.00</u>		<u>0.00</u>	<u>0.00</u>	<u>910,000,000.00</u>
01/04/23	01/05/23	Sell Long	50,000,000.000	U.S. TREASURY BILL MAT 06/15/23	Cpn 912796X53	48,872,066.67	131,745.83	13,863.89	0.00	49,003,812.50
01/04/23	01/05/23	Sell Long	10,000,000.000	U.S. TREASURY BILL MAT 06/15/23	Cpn 912796X53	9,779,559.72	21,202.78	1,565.28	0.00	9,800,762.50
01/06/23	01/09/23	Sell Long	30,000,000.000	U.S. TREASURY BILL MAT 01/10/23	Cpn 912796ZJ1	29,916,475.00	80,275.00	(162.50)	0.00	29,996,750.00
01/06/23	01/09/23	Sell Long	20,000,000.000	U.S. TREASURY BILL MAT 01/10/23	Cpn 912796ZJ1	19,944,316.66	53,516.67	(108.34)	0.00	19,997,833.33
01/20/23	01/23/23	Sell Long	15,000,000.000	U.S. TREASURY BILL MAT 01/24/23	Cpn 912796ZL6	14,980,779.79	17,500.00	29.79	0.00	14,998,279.79
01/20/23	01/23/23	Sell Long	25,000,000.000	U.S. TREASURY BILL MAT 01/24/23	Cpn 912796ZL6	24,967,966.33	29,166.67	49.66	0.00	24,997,132.99
01/20/23	01/23/23	Sell Long	25,000,000.000	U.S. TREASURY BILL MAT 01/24/23	Cpn 912796ZL6	24,985,774.65	11,358.33	(27.44)	0.00	24,997,132.98
01/24/23	01/25/23	Sell Long	14,000,000.000	U.S. TREASURY BILL MAT 01/26/23	Cpn 912796S34	13,858,400.89	140,000.00	(43.55)	0.00	13,998,400.89
01/27/23	01/30/23	Sell Long	30,000,000.000	U.S. TREASURY BILL MAT 01/31/23	Cpn 912796ZM4	29,937,315.01	59,216.66	15.01	0.00	29,996,531.67

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01/27/23	01/30/23	Sell Long	10,000,000.000	U.S. TREASURY BILL MAT 01/31/23 Cpn 912796ZM4	9,983,691.67	15,152.22	9.45	0.00	9,998,843.89
01/30/23	01/31/23	Sell Long	8,000,000.000	U.S. TREASURY BILL MAT 02/02/23 Cpn 912796XT1	7,981,852.22	16,320.00	(14.45)	0.00	7,998,172.22
01/31/23	02/01/23	Sell Long	5,000,000.000	U.S. TREASURY BILL MAT 02/02/23 Cpn 912796XT1	4,988,669.79	10,766.67	3.13	0.00	4,999,436.46
01/27/23	02/02/23	Sell Long	10,000,000.000	U.S. TREASURY BILL MAT 07/06/23 Cpn 912796ZS1	9,770,497.22	34,650.00	4,063.89	0.00	9,805,147.22
01/27/23	02/02/23	Sell Long	40,000,000.000	U.S. TREASURY BILL MAT 07/06/23 Cpn 912796ZS1	39,081,988.89	138,600.00	16,255.56	0.00	39,220,588.89
01/27/23	02/02/23	Sell Long	10,000,000.000	U.S. TREASURY BILL MAT 07/06/23 Cpn 912796ZS1	9,770,497.22	34,650.00	4,063.89	0.00	9,805,147.22
01/27/23	02/02/23	Sell Long	25,000,000.000	U.S. TREASURY BILL MAT 07/13/23 Cpn 912796XQ7	24,425,631.60	60,621.87	3,134.72	0.00	24,486,253.47
			<u>327,000,000.000</u>		<u>323,245,483.33</u>	<u>854,742.69</u>	<u>42,697.98</u>	<u>0.00</u>	<u>324,100,226.02</u>
01/09/23	01/09/23	Pay Princpl	529,384.042	MMAF 2022-B A1 EQP 144A MAT 12/01/23 Cpn 4.92 606940AA2	529,384.04		(0.00)	0.00	529,384.04
01/10/23	01/10/23	Pay Princpl	435,549.875	CRVNA 2021-P4 A2 CAR MAT 04/10/25 Cpn 0.82 14687KAB2	435,549.88		0.00	20.08	435,549.88
01/13/23	01/13/23	Pay Princpl	549,632.135	MMAF 2022-A A1 EQP 144A MAT 05/03/23 Cpn 1.48 55317RAA0	549,632.14		0.00	0.00	549,632.14
01/15/23	01/15/23	Pay Princpl	233,116.247	CARMX 2019-3 A3 CAR MAT 08/15/24 Cpn 2.18 14315PAD7	233,116.25		0.00	(727.95)	233,116.25
01/15/23	01/15/23	Pay Princpl	222,971.410	CARMX 2021-4 A2A CAR MAT 11/15/24 Cpn 0.24 14317JAB3	222,971.41		0.00	0.80	222,971.41

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01/15/23	01/15/23	Pay Princpl	470,317.651	CNH 2021-C A2 EQP MAT 01/15/25 Cpn 0.33 12598LAB2	470,317.65		0.00	13.25	470,317.65
01/15/23	01/15/23	Pay Princpl	47,813.242	HALST 2020-B A3 CAR LEASE 144A MAT 09/15/23 Cpn 0.51 44891PAC8	47,813.24		0.00	(0.71)	47,813.24
01/15/23	01/15/23	Pay Princpl	539,786.082	HALST 2021-A A3 LEASE 144A MAT 01/16/24 Cpn 0.33 44891TAC0	539,786.08		2,310.50	0.00	539,786.08
01/15/23	01/15/23	Pay Princpl	407,007.195	HALST 2021-C A2 CAR LEASE 144A MAT 01/16/24 Cpn 0.24 44933MAB7	407,007.20		0.00	3.63	407,007.20
01/15/23	01/15/23	Pay Princpl	98,326.491	HALST 2021-C A2 CAR LEASE 144A MAT 01/16/24 Cpn 0.24 44933MAB7	98,326.49		373.10	0.00	98,326.49
01/15/23	01/15/23	Pay Princpl	379,447.245	HAROT 2022-1 A2 CAR MAT 10/15/24 Cpn 1.44 43815BAB6	379,447.25		16.76	0.00	379,447.25
01/15/23	01/15/23	Pay Princpl	753,264.170	HART 2019-B A4 CAR MAT 04/15/25 Cpn 2.00 44891JAD0	753,264.17		6,663.20	0.00	753,264.17
01/15/23	01/15/23	Pay Princpl	379,790.442	JOHN DEERE 2020-B A3 EQP MAT 11/15/24 Cpn 0.51 47787NAC3	379,790.44		5,409.06	0.00	379,790.44
01/15/23	01/15/23	Pay Princpl	242,736.166	KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8	242,736.17		0.00	(1,694.59)	242,736.17
01/15/23	01/15/23	Pay Princpl	58,234.910	KUBOTA 2020-1A A3 EQP 144A MAT 03/15/24 Cpn 1.96 50117WAC8	58,234.91		0.00	(376.19)	58,234.91
01/15/23	01/15/23	Pay Princpl	524,724.624	MERCEDES 2021-B A2 LEASE MAT 01/16/24 Cpn 0.22 58769KAC8	524,724.62		0.00	6.04	524,724.62
01/15/23	01/15/23	Pay Princpl	106,436.530	WORLD OMNI 2021-B A2 CAR MAT 07/15/24 Cpn 0.20 98163LAB6	106,436.53		0.00	0.57	106,436.53
01/15/23	01/15/23	Pay Princpl	294,743.867	WOART 2022-B A2A CAR MAT 10/15/25 Cpn 2.77 98163QAB5	294,743.87		18.81	0.00	294,743.87

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01/15/23	01/15/23	Pay Princpl	86,475.866	WOLS 2022-A A2 LEASE MAT 10/15/24 Cpn 2.63 98163NAB2	86,475.87		1.43	0.00	86,475.87
01/17/23	01/17/23	Pay Princpl	263,046.498	ARIFL 2022-A A1 FLEET 144A MAT 04/17/23 Cpn 1.49 00217QAA9	263,046.50		0.00	0.00	263,046.50
01/17/23	01/17/23	Pay Princpl	665,579.821	CARMX 2022-3 A1 CAR MAT 07/17/23 Cpn 2.66 14318MAA7	665,579.82		(0.00)	0.00	665,579.82
01/17/23	01/17/23	Pay Princpl	89,587.515	CCG 2022-1 A1 EQP 144A MAT 06/14/23 Cpn 1.84 12511JAA3	89,587.52		0.00	0.00	89,587.52
01/17/23	01/17/23	Pay Princpl	895,316.275	COPAR 2022-2 A1 CAR MAT 08/15/23 Cpn 2.87 14043GAA2	895,316.27		(0.00)	0.00	895,316.27
01/17/23	01/17/23	Pay Princpl	1,425,572.297	FORDO 2022-C A1 CAR MAT 10/15/23 Cpn 3.63 34535AAA8	1,425,572.30		0.00	0.00	1,425,572.30
01/17/23	01/17/23	Pay Princpl	581,130.600	GALC 2022-1 A1 EQP 144A MAT 10/16/23 Cpn 4.34 39154TBU1	581,130.60		0.00	0.00	581,130.60
01/17/23	01/17/23	Pay Princpl	1,039,803.360	GMCAR 2022-4 A1 CAR MAT 10/16/23 Cpn 3.62 36265QAA4	1,039,803.36		0.00	0.00	1,039,803.36
01/17/23	01/17/23	Pay Princpl	505,995.323	KCOT 2022-2A A1 EQP 144A MAT 07/17/23 Cpn 2.60 50117JAA1	505,995.32		(0.00)	0.00	505,995.32
01/17/23	01/17/23	Pay Princpl	1,032,352.426	NAROT 2022-B A1 CAR MAT 10/16/23 Cpn 3.69 65480JAA8	1,032,352.43		0.00	0.00	1,032,352.43
01/18/23	01/18/23	Pay Princpl	198,993.661	HONDA 2021-3 A2 CAR MAT 02/20/24 Cpn 0.20 43815EAB0	198,993.66		0.00	4.52	198,993.66
01/20/23	01/20/23	Pay Princpl	708,888.457	EFF 2022-2 A1 FLEET 144A MAT 06/20/23 Cpn 2.76 29374JAA3	708,888.46		0.00	0.00	708,888.46
01/20/23	01/20/23	Pay Princpl	680,538.541	EFF 2022-3 A1 FLEET 144A MAT 08/20/23 Cpn 3.61 29374FAA1	680,538.54		(0.00)	0.00	680,538.54

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01/20/23	01/20/23	Pay Princpl	582,340.802	EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9	582,340.80		(0.00)	0.00	582,340.80
01/20/23	01/20/23	Pay Princpl	1,053,823.572	GMALT 2021-1 A3 LEASE MAT 02/20/24 Cpn 0.26 36261RAC2	1,053,823.57		5,707.04	0.00	1,053,823.57
01/20/23	01/20/23	Pay Princpl	35,722.833	GMALT 2021-1 A3 LEASE MAT 02/20/24 Cpn 0.26 36261RAC2	35,722.83		193.46	0.00	35,722.83
01/20/23	01/20/23	Pay Princpl	592,492.942	GMALT 2022-3 A1 LEASE MAT 08/21/23 Cpn 3.07 380130AA2	592,492.94		(0.00)	0.00	592,492.94
01/20/23	01/20/23	Pay Princpl	355,050.994	HPEFS 2022-2A A1 EQP 144A MAT 05/22/23 Cpn 1.91 40441TAA7	355,050.99		(0.00)	0.00	355,050.99
01/20/23	01/20/23	Pay Princpl	180,443.889	HPEFS 2022-3A A1 EQP 144A MAT 10/20/23 Cpn 4.33 403951AA4	180,443.89		0.00	0.00	180,443.89
01/20/23	01/20/23	Pay Princpl	262,973.125	SRT 2021-C A2 LEASE 144A MAT 04/22/24 Cpn 0.29 80286CAB6	262,973.13		0.00	3.60	262,973.13
01/20/23	01/20/23	Pay Princpl	182,275.931	TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1	182,275.93		0.00	8.05	182,275.93
01/20/23	01/20/23	Pay Princpl	461,113.687	VALET 2021-1 A2 CAR MAT 10/21/24 Cpn 0.49 92868KAB9	461,113.69		0.00	13.02	461,113.69
01/20/23	01/20/23	Pay Princpl	171,884.356	VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3	171,884.36		0.00	0.00	171,884.36
01/20/23	01/20/23	Pay Princpl	84,223.334	VERIZON 2019-C A1A PHONE MAT 04/22/24 Cpn 1.94 92348AAA3	84,223.33		0.00	(0.00)	84,223.33
01/23/23	01/23/23	Pay Princpl	887,584.161	DEFT 2022-2 A1 EQP 144A MAT 07/24/23 Cpn 3.06 24702CAA2	887,584.16		(0.00)	0.00	887,584.16
01/25/23	01/25/23	Pay Princpl	395,791.824	FHMS KF36 A MAT 08/25/24 Cpn 4.73 3137FBAR7	395,791.82		0.00	109.71	395,791.82

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01/25/23	01/25/23	Pay Princpl	143.858	FHMS KF38 A MAT 09/25/24 Cpn 4.72 3137FBUC8	143.86		0.00	0.07	143.86
01/25/23	01/25/23	Pay Princpl	317,006.309	FHMS Q015 A 1MOFRN CMBS MAT 08/25/24 Cpn 4.38 3137FYUR5	317,006.31		0.00	0.00	317,006.31
			<u>20,009,434.580</u>		<u>20,009,434.60</u>		<u>20,693.37</u>	<u>(2,616.11)</u>	<u>20,009,434.60</u>
01/03/23	01/03/23	Mature Long	7,500,000.000	CA UNIVERSITY OF CALIFORNIA C MAT 01/03/23 Cpn 91411UN35	7,490,031.25	9,968.75	0.00	0.00	7,500,000.00
01/04/23	01/04/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 01/04/23 Cpn 313384AD1	49,887,708.33	112,291.67	0.00	0.00	50,000,000.00
01/04/23	01/04/23	Mature Long	40,000,000.000	TVA DISCOUNT NOTE MAT 01/04/23 Cpn 880592AD2	39,911,566.67	88,433.33	0.00	0.00	40,000,000.00
01/10/23	01/10/23	Mature Long	30,000,000.000	U.S. TREASURY BILL MAT 01/10/23 Cpn 912796ZJ1	29,916,637.50	83,362.50	0.00	0.00	30,000,000.00
01/11/23	01/11/23	Mature Long	40,000,000.000	FHLB DISCOUNT NOTE MAT 01/11/23 Cpn 313384AL3	39,877,111.11	122,888.89	0.00	0.00	40,000,000.00
01/11/23	01/11/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 01/11/23 Cpn 313384AL3	49,846,388.89	153,611.11	0.00	0.00	50,000,000.00
01/11/23	01/11/23	Mature Long	4,200,000.000	CA SAN JOSE FIN AUTH LEASE CP MAT 01/11/23 Cpn 4.30 79815WDF2	4,200,000.00		0.00	0.00	4,200,000.00
01/12/23	01/12/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 01/12/23 Cpn 912796XR5	49,988,861.11	11,138.89	0.00	0.00	50,000,000.00
01/13/23	01/13/23	Mature Long	25,000,000.000	FHLB DISCOUNT NOTE MAT 01/13/23 Cpn 313384AN9	24,997,166.67	2,833.33	0.00	0.00	25,000,000.00
01/13/23	01/13/23	Mature Long	25,000,000.000	FHLB DISCOUNT NOTE MAT 01/13/23 Cpn 313384AN9	24,997,166.67	2,833.33	0.00	0.00	25,000,000.00

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01/13/23	01/13/23	Mature Long	2,491,000.000	INTL BANK RECON & DEVELOP FR MAT 01/13/23 Cpn 459058JQ7	2,491,000.00		0.00	0.00	2,491,000.00
01/17/23	01/17/23	Mature Long	6,000,000.000	FHLB DISCOUNT NOTE MAT 01/17/23 Cpn 313384AS8	5,978,560.00	21,440.00	0.00	0.00	6,000,000.00
01/17/23	01/17/23	Mature Long	10,000,000.000	FHLB DISCOUNT NOTE MAT 01/17/23 Cpn 313384AS8	9,971,472.22	28,527.78	0.00	0.00	10,000,000.00
01/17/23	01/17/23	Mature Long	24,000,000.000	FHLB DISCOUNT NOTE MAT 01/17/23 Cpn 313384AS8	23,989,066.67	10,933.33	0.00	0.00	24,000,000.00
01/17/23	01/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 01/17/23 Cpn 313384AS8	49,977,222.22	22,777.78	0.00	0.00	50,000,000.00
01/17/23	01/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 01/17/23 Cpn 313384AS8	49,977,222.22	22,777.78	0.00	0.00	50,000,000.00
01/17/23	01/17/23	Mature Long	7,500,000.000	ID HSG AGY CP TXB MAT 01/17/23 Cpn 4.55 45130HFA3	7,500,000.00		0.00	0.00	7,500,000.00
01/17/23	01/17/23	Mature Long	800,000.000	CA UNIVERSITY OF CALIFORNIA C MAT 01/17/23 Cpn 91411UNH4	794,268.45	5,731.55	0.00	0.00	800,000.00
01/18/23	01/18/23	Mature Long	7,500,000.000	CA SAN FRAN PUB CP TXB MAT 01/18/23 Cpn 4.20 79770TRB6	7,500,000.00		0.00	0.00	7,500,000.00
01/19/23	01/19/23	Mature Long	10,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn 912796XS3	9,993,333.33	6,666.67	0.00	0.00	10,000,000.00
01/19/23	01/19/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn 912796XS3	49,966,666.67	33,333.33	0.00	0.00	50,000,000.00
01/19/23	01/19/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn 912796XS3	49,966,666.67	33,333.33	0.00	0.00	50,000,000.00
01/19/23	01/19/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn 912796XS3	49,966,666.67	33,333.33	0.00	0.00	50,000,000.00

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through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/19/23	01/19/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn 912796XS3	49,966,666.67	33,333.33	0.00	0.00	50,000,000.00
01/19/23	01/19/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn 912796XS3	49,966,666.67	33,333.33	0.00	0.00	50,000,000.00
01/19/23	01/19/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 01/19/23 Cpn 912796XS3	49,966,666.67	33,333.33	0.00	0.00	50,000,000.00
01/19/23	01/19/23	Mature Long	7,500,000.000	CA STATE GO/ULT CP TXB MAT 01/19/23 Cpn 4.35 13068PET9	7,500,000.00		0.00	0.00	7,500,000.00
01/23/23	01/23/23	Mature Long	7,500,000.000	BRIGHTHOUSE FINANCIAL CP 144A MAT 01/23/23 Cpn 10924JNP1	7,414,497.92	85,502.08	0.00	0.00	7,500,000.00
01/23/23	01/23/23	Mature Long	7,500,000.000	SUMITOMO MITSUI TRUST NY YCD MAT 01/23/23 Cpn 3.85 86564MUE6	7,500,000.00		0.00	0.00	7,500,000.00
01/24/23	01/24/23	Mature Long	5,000,000.000	U.S. TREASURY BILL MAT 01/24/23 Cpn 912796ZL6	4,997,160.42	2,839.58	0.00	0.00	5,000,000.00
01/25/23	01/25/23	Mature Long	7,500,000.000	BANCO SANTANDER YCD MAT 01/25/23 Cpn 3.54 05966DN81	7,500,000.00		0.00	0.00	7,500,000.00
01/26/23	01/26/23	Mature Long	21,000,000.000	U.S. TREASURY BILL MAT 01/26/23 Cpn 912796S34	20,787,666.66	212,333.34	(0.01)	0.00	21,000,000.00
01/26/23	01/26/23	Mature Long	25,000,000.000	U.S. TREASURY BILL MAT 01/26/23 Cpn 912796S34	24,747,222.22	252,777.78	0.00	0.00	25,000,000.00
01/26/23	01/26/23	Mature Long	20,000,000.000	U.S. TREASURY BILL MAT 01/26/23 Cpn 912796S34	19,979,369.00	20,631.00	0.00	0.00	20,000,000.00
01/26/23	01/26/23	Mature Long	40,000,000.000	U.S. TREASURY BILL MAT 01/26/23 Cpn 912796S34	39,986,450.00	13,550.00	0.00	0.00	40,000,000.00
01/26/23	01/26/23	Mature Long	3,500,000.000	TX A&M UNIV TXB CP MAT 01/26/23 Cpn 4.20 88211LEY5	3,500,000.00		0.00	0.00	3,500,000.00



TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

01/01/2023  
through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/30/23	01/30/23	Mature Long	10,000,000.000	FFCB DISCOUNT NOTE MAT 01/30/23 Cpn	313312BF6	9,993,083.33	6,916.67	0.00	0.00	10,000,000.00
			<u>944,491,000.000</u>			<u>942,990,232.88</u>	<u>1,500,767.13</u>	<u>(0.00)</u>	<u>0.00</u>	<u>944,491,000.00</u>
01/04/23	01/04/23	Withdrawal	(40,000,000.000)	WD MAT	Cpn USD	(40,000,000.00)		(40,000,000.00)	0.00	(40,000,000.00)
01/09/23	01/09/23	Withdrawal	(50,000,000.000)	WD MAT	Cpn USD	(50,000,000.00)		(50,000,000.00)	0.00	(50,000,000.00)
01/11/23	01/11/23	Withdrawal	(70,000,000.000)	WD MAT	Cpn USD	(70,000,000.00)		(70,000,000.00)	0.00	(70,000,000.00)
01/19/23	01/19/23	Withdrawal	(320,000,000.000)	WD MAT	Cpn USD	(320,000,000.00)		(320,000,000.00)	0.00	(320,000,000.00)
01/20/23	01/20/23	Withdrawal	(30,000,000.000)	WD MAT	Cpn USD	(30,000,000.00)		(30,000,000.00)	0.00	(30,000,000.00)
01/23/23	01/23/23	Withdrawal	(30,000,000.000)	WD MAT	Cpn USD	(30,000,000.00)		(30,000,000.00)	0.00	(30,000,000.00)
01/25/23	01/25/23	Withdrawal	(60,000,000.000)	WD MAT	Cpn USD	(60,000,000.00)		(60,000,000.00)	0.00	(60,000,000.00)
01/30/23	01/30/23	Withdrawal	(50,000,000.000)	WD MAT	Cpn USD	(50,000,000.00)		(50,000,000.00)	0.00	(50,000,000.00)
			<u>(650,000,000.000)</u>			<u>(650,000,000.00)</u>		<u>(650,000,000.00)</u>	<u>0.00</u>	<u>(650,000,000.00)</u>

TRANSACTIONS BY TYPE

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

01/01/2023  
through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/26/23	01/30/23	Buy	555,000.000	U.S. TREASURY NOTE MAT 01/15/26 Cpn 3.88 91282CGE5	(554,761.52)	(891.14)	0.00	0.00	(555,652.66)
01/27/23	01/31/23	Buy	1,950,000.000	U.S. TREASURY NOTE MAT 01/31/28 Cpn 3.50 91282CGH8	(1,939,488.28)		0.00	0.00	(1,939,488.28)
01/25/23	02/16/23	Buy	230,000.000	WI STATE GEN FUND APPROP REV MAT 05/01/26 Cpn 4.36 977100HT6	(230,000.00)		0.00	0.00	(230,000.00)
			<u>2,735,000.000</u>		<u>(2,724,249.80)</u>	<u>(891.14)</u>	<u>0.00</u>	<u>0.00</u>	<u>(2,725,140.94)</u>
01/01/23	01/01/23	Coupon		CA INFRA & ECON BANK-SCRIPPS MAT 07/01/25 Cpn 1.28 13034AN55		3,187.50	0.00	0.00	3,187.50
01/01/23	01/01/23	Coupon		CA ST EARTHQUAKE AUTH TXB MAT 07/01/23 Cpn 5.39 13017HAM8		5,141.33	0.00	0.00	5,141.33
01/01/23	01/01/23	Coupon		CT STATE OF CONNECTICUT GO/U MAT 07/01/24 Cpn 2.00 20772KJW0		2,097.90	0.00	0.00	2,097.90
01/01/23	01/01/23	Coupon		CA CITY OF EL SEGUNDO POBS TX MAT 07/01/24 Cpn 0.63 284035AC6		1,565.00	0.00	0.00	1,565.00
01/01/23	01/01/23	Coupon		CA NORTHERN CA PUB POWER TX MAT 07/01/24 Cpn 4.32 664845EA8		8,856.00	0.00	0.00	8,856.00
01/01/23	01/01/23	Coupon		CA SOUTHERN CA PUBLIC POWER MAT 07/01/24 Cpn 0.73 842475P66		3,298.50	0.00	0.00	3,298.50
01/01/23	01/01/23	Coupon		CA SOUTHERN CA PUBLIC POWER MAT 07/01/23 Cpn 3.46 84247PHY0		12,967.50	0.00	0.00	12,967.50
01/03/23	01/03/23	Coupon		INTL FINANCE CORP FRN SOFRRRA MAT 04/03/24 Cpn 4.42 45950VQM1		7,419.48	0.00	0.00	7,419.48
01/07/23	01/07/23	Coupon		FNMA MAT 01/07/25 Cpn 1.63 3135G0X24		7,637.50	0.00	0.00	7,637.50

TRANSACTIONS BY TYPE

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

01/01/2023  
through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/08/23	01/08/23	Coupon		FHLB MAT 07/08/24 Cpn 3.00 3130ASME6		18,000.00	0.00	0.00	18,000.00
01/15/23	01/15/23	Coupon		CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2		262.06	0.00	0.00	262.06
01/15/23	01/15/23	Coupon		CARMX 2021-2 A3 AUTO MAT 02/17/26 Cpn 0.52 14314QAC8		396.53	0.00	0.00	396.53
01/15/23	01/15/23	Coupon		CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4		435.42	0.00	0.00	435.42
01/15/23	01/15/23	Coupon		CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5		164.82	0.00	0.00	164.82
01/15/23	01/15/23	Coupon		FORDL 2021-B A3 LEASE MAT 10/15/24 Cpn 0.37 345329AC0		277.50	0.00	0.00	277.50
01/15/23	01/15/23	Coupon		JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7		138.33	0.00	0.00	138.33
01/15/23	01/15/23	Coupon		JOHN DEERE 2021-A A3 EQP MAT 09/15/25 Cpn 0.36 47788UAC6		143.91	0.00	0.00	143.91
01/15/23	01/15/23	Coupon		KUBOTA 2021-2A A3 EQP 144A MAT 11/17/25 Cpn 0.56 50117XAE2		443.33	0.00	0.00	443.33
01/15/23	01/15/23	Coupon		MA ST SPL OBLG REV-SOCIAL TXB MAT 07/15/27 Cpn 3.68 576004HD0		6,072.00	0.00	0.00	6,072.00
01/15/23	01/15/23	Coupon		MERCEDES 2021-B A3 LEASE MAT 11/15/24 Cpn 0.40 58769KAD6		200.00	0.00	0.00	200.00
01/15/23	01/15/23	Coupon		U.S. TREASURY NOTE MAT 01/15/24 Cpn 0.13 91282CBE0		131.25	0.00	0.00	131.25
01/15/23	01/15/23	Coupon		U.S. TREASURY NOTE MAT 07/15/24 Cpn 0.38 91282CCL3		1,425.00	0.00	0.00	1,425.00

TRANSACTIONS BY TYPE

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

01/01/2023  
through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/15/23	01/15/23	Coupon		U.S. TREASURY NOTE MAT 07/15/24 Cpn 0.38 91282CCL3		1,762.50	0.00	0.00	1,762.50
01/15/23	01/15/23	Coupon		WORLD OMNI 2021-A A3 LEASE MAT 08/15/24 Cpn 0.42 98163JAC9		245.00	0.00	0.00	245.00
01/16/23	01/16/23	Coupon		GMCAR 2021-2 A3 CAR MAT 04/16/26 Cpn 0.51 380149AC8		89.62	0.00	0.00	89.62
01/20/23	01/20/23	Coupon		GMALT 2021-2 A LEASE MAT 05/20/25 Cpn 0.41 380144AD7		256.25	0.00	0.00	256.25
01/20/23	01/20/23	Coupon		SRT 2021-C A3 LEASE 144A MAT 03/20/25 Cpn 0.50 80286CAC4		208.33	0.00	0.00	208.33
01/20/23	01/20/23	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		73.49	0.00	0.00	73.49
01/20/23	01/20/23	Coupon		VERIZON 2020-B A PHONE MAT 02/20/25 Cpn 0.47 92290BAA9		209.01	0.00	0.00	209.01
01/21/23	01/21/23	Coupon		FHLMC MAT 07/21/25 Cpn 0.38 3137EAEU9		1,068.75	0.00	0.00	1,068.75
01/25/23	01/25/23	Coupon		BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6		92.50	0.00	0.00	92.50
01/01/23	01/25/23	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		444.28	0.00	0.00	444.28
01/01/23	01/25/23	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		703.44	0.00	0.00	703.44
01/01/23	01/25/23	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		333.21	0.00	0.00	333.21
01/01/23	01/25/23	Coupon		FHMS K031 A2 MAT 04/25/23 Cpn 3.30 3137B3NX2		2,039.93	0.00	0.00	2,039.93

TRANSACTIONS BY TYPE

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

01/01/2023  
through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/01/23	01/25/23	Coupon		FHMS K033 A2 MAT 07/25/23 Cpn 3.06 3137B4WB8		2,091.00	0.00	0.00	2,091.00
01/01/23	01/25/23	Coupon		FHMS K034 A2 MAT 07/25/23 Cpn 3.53 3137B5JM6		1,405.76	0.00	0.00	1,405.76
01/01/23	01/25/23	Coupon		FHMS K725 AM CMBS MAT 02/25/24 Cpn 3.10 3137BWWE		2,095.20	0.00	0.00	2,095.20
01/01/23	01/25/23	Coupon		FHMS K726 AM CMBS MAT 04/25/24 Cpn 2.99 3137BYPR5		1,417.88	0.00	0.00	1,417.88
01/01/23	01/25/23	Coupon		FHMS KJ28 A1 MAT 02/25/25 Cpn 1.77 3137FREB3		12.38	0.00	0.00	12.38
01/01/23	01/25/23	Coupon		FHMS KJ30 A1 CMBS MAT 01/25/25 Cpn 0.53 3137FUZN7		15.96	0.00	0.00	15.96
01/01/23	01/25/23	Coupon		FHMS KSMC A2 CMBS MAT 01/25/23 Cpn 2.62 3137B04Y7		1,939.46	0.00	0.00	1,939.46
01/31/23	01/31/23	Coupon		U.S. TREASURY NOTE MAT 01/31/26 Cpn 0.38 91282CBH3		2,643.75	0.00	0.00	2,643.75
01/31/23	01/31/23	Coupon		U.S. TREASURY NOTE MAT 07/31/26 Cpn 0.63 91282CCP4		1,468.75	0.00	0.00	1,468.75
01/31/23	01/31/23	Coupon		U.S. TREASURY NOTE MAT 07/31/26 Cpn 0.63 91282CCP4		5,875.00	0.00	0.00	5,875.00
01/31/23	01/31/23	Coupon		U.S. TREASURY NOTE MAT 07/31/27 Cpn 2.75 91282CFB2		27,156.25	0.00	0.00	27,156.25
						<u>133,908.56</u>	<u>0.00</u>	<u>0.00</u>	<u>133,908.56</u>

TRANSACTIONS BY TYPE

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

01/01/2023  
through 01/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
01/01/23	01/01/23	Call	460,000.000	FHLB C 12/01/2022 M MAT 11/01/24 Cpn 5.40 3130ATRH2	460,000.00	4,140.00	0.00	0.00	464,140.00
01/15/23	01/15/23	Pay Princpl	19,337.525	CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2	19,337.53		0.00	(143.98)	19,337.53
01/15/23	01/15/23	Pay Princpl	51,374.311	CARMX 2021-2 A3 AUTO MAT 02/17/26 Cpn 0.52 14314QAC8	51,374.31		0.00	5.93	51,374.31
01/15/23	01/15/23	Pay Princpl	17,834.933	CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5	17,834.93		0.00	0.84	17,834.93
01/15/23	01/15/23	Pay Princpl	26,080.445	JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7	26,080.45		0.00	0.37	26,080.45
01/15/23	01/15/23	Pay Princpl	33,476.676	JOHN DEERE 2021-A A3 EQP MAT 09/15/25 Cpn 0.36 47788UAC6	33,476.68		0.00	3.35	33,476.68
01/16/23	01/16/23	Pay Princpl	11,073.340	GMCAR 2021-2 A3 CAR MAT 04/16/26 Cpn 0.51 380149AC8	11,073.34		0.00	0.52	11,073.34
01/20/23	01/20/23	Pay Princpl	3,582.618	SRT 2021-C A3 LEASE 144A MAT 03/20/25 Cpn 0.50 80286CAC4	3,582.62		0.00	0.08	3,582.62
01/20/23	01/20/23	Pay Princpl	23,905.040	TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1	23,905.04		0.00	1.06	23,905.04
01/20/23	01/20/23	Pay Princpl	81,728.637	VERIZON 2020-B A PHONE MAT 02/20/25 Cpn 0.47 92290BAA9	81,728.64		0.00	(47.84)	81,728.64
01/01/23	01/25/23	Pay Princpl	141,678.967	FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2	141,678.97		0.00	(282.85)	141,678.97
01/01/23	01/25/23	Pay Princpl	224,325.031	FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2	224,325.03		0.00	(447.10)	224,325.03
01/01/23	01/25/23	Pay Princpl	106,259.225	FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2	106,259.23		0.00	(184.53)	106,259.23

TRANSACTIONS BY TYPE

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

01/01/2023  
through 01/31/2023

<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L &lt; 1 Yr Amort Cost</i>	<i>G/L &gt; 1 Yr Amort Cost</i>	<i>Total Amount</i>
01/01/23	01/25/23	Pay Princpl	32,098.710	FHMS K031 A2 MAT 04/25/23 Cpn 3.30 3137B3NX2	32,098.71		0.00	(209.71)	32,098.71
01/01/23	01/25/23	Pay Princpl	1,013.939	FHMS K034 A2 MAT 07/25/23 Cpn 3.53 3137B5JM6	1,013.94		0.00	(12.66)	1,013.94
01/01/23	01/25/23	Pay Princpl	994.159	FHMS KJ28 A1 MAT 02/25/25 Cpn 1.77 3137FREB3	994.16		0.00	0.00	994.16
01/01/23	01/25/23	Pay Princpl	815.180	FHMS KJ30 A1 CMBS MAT 01/25/25 Cpn 0.53 3137FUZN7	815.18		0.00	0.01	815.18
			<u>775,578.735</u>		<u>775,578.76</u>		<u>0.00</u>	<u>(1,316.51)</u>	<u>775,578.76</u>
01/01/23	01/25/23	Mature Long	890,000.000	FHMS KSMC A2 CMBS MAT 01/25/23 Cpn 2.62 3137B04Y7	890,000.00		0.00	0.00	890,000.00

**LA CARE**  
**Cash Activity by Transaction Type GAAP Basis**  
Accounting Period From 01/01/2023 To 01/31/2023

Cash Date	Trade/Ex-Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/Withdrawals	Total Amount
BUY										
01/19/23	01/19/23	01/19/23	TNT77	665278404	NORTHERN INST GOVT MONEY MKT	1,454,577.28	0.00	(1,454,577.28)	0.00	(1,454,577.28)
TOTAL BUY						1,454,577.28	0.00	(1,454,577.28)	0.00	(1,454,577.28)
DIVIDEND										
01/02/23	01/02/23	01/02/23	TNT77	665278404	NORTHERN INST GOVT MONEY MKT	674,803.30	1,203.98	0.00	0.00	1,203.98
01/03/23	01/03/23	01/06/23	TNT77	09248U718	BLACKROCK TREASURY TRUST	0.01	422.17	0.00	0.00	422.17
TOTAL DIVIDEND						674,803.31	1,626.15	0.00	0.00	1,626.15
INTEREST										
01/08/23	01/08/23	01/08/23	TNT77	89236TFS9	TOYOTA MOTOR CREDIT CORP	5,000,000.00	83,750.00	0.00	0.00	83,750.00
01/11/23	01/11/23	01/11/23	TNT77	57629WCG3	MASSMUTUAL GLOBAL FUNDIN	2,500,000.00	36,875.00	0.00	0.00	36,875.00
01/14/23	01/14/23	01/14/23	TNT77	641062AV6	NESTLE HOLDINGS INC	5,000,000.00	28,750.00	0.00	0.00	28,750.00
01/15/23	01/15/23	01/15/23	TNT77	64952WDW0	NEW YORK LIFE GLOBAL FDG	10,000,000.00	42,500.00	0.00	0.00	42,500.00
01/15/23	01/15/23	01/15/23	TNT77	756109AS3	REALTY INCOME CORP	3,750,000.00	56,250.00	0.00	0.00	56,250.00
01/15/23	01/15/23	01/15/23	TNT77	927804FU3	VIRGINIA ELEC & POWER CO	5,000,000.00	78,750.00	0.00	0.00	78,750.00
01/16/23	01/16/23	01/16/23	TNT77	57629WDE7	MASSMUTUAL GLOBAL FUNDIN	5,000,000.00	30,000.00	0.00	0.00	30,000.00
01/20/23	01/20/23	01/20/23	TNT77	61747YEC5	MORGAN STANLEY	2,000,000.00	15,120.00	0.00	0.00	15,120.00
01/22/23	01/22/23	01/22/23	TNT77	06051GJS9	BANK OF AMERICA CORP	5,000,000.00	43,350.00	0.00	0.00	43,350.00
01/23/23	01/23/23	01/23/23	TNT77	17325FAS7	CITIBANK NA	9,300,000.00	169,725.00	0.00	0.00	169,725.00
01/23/23	01/23/23	01/23/23	TNT77	693475AV7	PNC FINANCIAL SERVICES	5,250,000.00	91,875.00	0.00	0.00	91,875.00
01/27/23	01/27/23	01/27/23	TNT77	61761J3R8	MORGAN STANLEY	3,000,000.00	46,875.00	0.00	0.00	46,875.00
01/28/23	01/28/23	01/28/23	TNT77	06406RAQ0	BANK OF NY MELLON CORP	5,000,000.00	18,750.00	0.00	0.00	18,750.00
01/30/23	01/30/23	01/30/23	TNT77	74005PBQ6	LINDE INC/CT	2,250,000.00	36,000.00	0.00	0.00	36,000.00
TOTAL INTEREST						68,050,000.00	778,570.00	0.00	0.00	778,570.00
SELL										
01/19/23	01/19/23	01/19/23	TNT77	665278404	NORTHERN INST GOVT MONEY MKT	674,803.30	0.00	674,803.30	0.00	674,803.30
TOTAL SELL						674,803.30	0.00	674,803.30	0.00	674,803.30
WITHDRAW										
01/11/23	01/11/23	01/11/23	TNT77	CASHCASH6	C-02 MMF JAN INTEREST POSTED TRANSFERRED TO LA CARE OPERATING ACCT	0.00	0.00	0.00	(422.17)	(422.17)

2/3/2023  
12:21:36PM  
INCPRI2



**LA CARE**  
**Cash Activity by Transaction Type GAAP Basis**  
 Accounting Period From 01/01/2023 To 01/31/2023

Cash Date	Trade/Ex-Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/Withdrawals	Total Amount
TOTAL WITHDRAW						0.00	0.00	0.00	(422.17)	(422.17)
GRAND TOTAL						70,854,183.89	780,196.15	(779,773.98)	(422.17)	0.00
Avg Date 19										

# BOARD OF GOVERNORS

## Finance & Budget Committee

### Meeting Minutes – February 22, 2023

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

#### Members

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

*\*Absent \*\* Via Teleconference*



**L.A. Care**  
 HEALTH PLAN

#### Management/Staff

John Baackes, *Chief Executive Officer*  
 Sameer Amin, MD, *Chief Medical Officer*  
 Terry Brown, *Chief of Human Resources*  
 Augustavia Haydel, *General Counsel*  
 Linda Greenfeld, *Chief Products Officer*  
 Tom MacDougall, *Chief Technology & Information Officer*  
 Marie Montgomery, *Chief Financial Officer*  
 Noah Paley, *Chief of Staff*  
 Acacia Reed, *Chief Operating Officer*  
 Afzal Shah, *Deputy Chief Financial Officer*

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

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	Stephanie Booth, MD, <i>Committee Chairperson</i> , called the L.A. Care and JPA Finance & Budget Committee meetings to order at 1:01 p.m. The meetings were held simultaneously. She welcomed everyone and summarized the process for public comment during this meeting. <ul style="list-style-type: none"> <li>• For those who provided public comment for this meeting by voice message or in writing, L.A. Care is glad that they provided input today. The Committee will hear their comments and they also have to finish the business on the Agenda today.</li> <li>• For people who have access to the internet, the meeting materials are available at the lacare.org website. If anyone needs information about how to locate the meeting materials, they can reach out to L.A. Care staff.</li> <li>• Information for public comment is on the Agenda available on the web site. Staff will read the comment from each person for up to three minutes.</li> </ul>	

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>The Chairperson will invite public comment before the Committee starts to discuss an item. If the comment is not for a specific agenda item, it will be read at the general Public Comment.</li> <li>She provided information on how to submit a comment live and directly using the “chat” feature.</li> </ul>	
<b>APPROVE MEETING AGENDA</b>	The Agenda for today’s meeting was approved.	<b>Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Perez, Roybal and Vaccaro)</b>
<b>PUBLIC COMMENTS</b>	There were no public comments.	
<b>APPROVE CONSENT AGENDA</b>	<ul style="list-style-type: none"> <li>January 24, 2023 meeting minutes</li> <li>Quarterly Investment Report <b><u>Motion FIN 100.0323</u></b> To accept the Quarterly Investment Report for the quarter ending December 31, 2022, as submitted.</li> <li>MetaSoftTech Solutions, LLC Contract Amendment <b><u>Motion FIN 101.0323</u></b> To authorize staff to amend the contract with MetaSoftTech Solutions, LLC not to exceed a total of \$3 million, (total contract not to exceed \$3 million), for IT staff augmentation services through June 30, 2023.</li> <li>OptumInsight, Inc. Contract Amendment <b><u>Motion FIN 102.0323</u></b> To authorize staff to create amendment #2 of SOW #4 to increase the contract amount from \$7,500,000 to \$14,957,500 (incremental increase of \$7,457,500) and extend the term through December 31, 2026. This amendment will allow OptumInsight, Inc. continue to support L.A. Care Data Mining services.</li> </ul>	<p>Approved unanimously by roll call. 5 AYES</p> <p>The Committee approved to include FIN 100, FIN 101, FIN 102, FIN 103 and FIN 104 on the Consent Agenda for the March 2, 2023 Board of Governors Meeting</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>PaySpan Contract Amendment <b><u>Motion FIN 103.0323</u></b> To authorize staff to amend a contract with PaySpan in the amount of \$1 million to provide Electronic Funds Transfer services through its Electronic Data Interchange System through December 31, 2023 for a new contract total of \$3,875,000.</li> <li>InfoCrossing, Inc. Contract Amendment (FIN 104) <b><u>Motion FIN 104.0323</u></b> To authorize staff to amend the InfoCrossing, Inc. contract to add funding in the amount of \$715,000. The adjusted contract total would not exceed \$3.5 million. The funds would cover anticipated costs from December 01, 2022 through December 31, 2023, and allow InfoCrossing Inc. to continue their services with L.A. Care.</li> </ul>	
<b>CHAIRPERSON'S REPORT</b>	<p>Chairperson Booth expressed that she understands that the Department of Managed Healthcare (DMHC) staff are attorneys and there are no doctors in leadership of DMHC. She is working with group of physicians who are interested solving the problem of physician “burn out”.</p> <p>John Baackes, <i>Chief Executive Officer</i>, noted that while DMHC is staffed with attorneys, the Department of Healthcare Services (DHCS), which administers the Medi-Cal program, has a variety of departments, and the DHCS staff that L.A. Care deals with are regulators who have a bureaucratic specialty in their background. DMHC intended to recruit a part-time Medical Director, but that endeavor was delayed due to the COVID pandemic. He invited comment from Sameer Amin, MD, <i>Chief Medical Officer</i>, and Augustavia J. Haydel, Esq., <i>General Counsel</i>, regarding staffing at the state agencies.</p> <p>Ms. Haydel noted that the leadership position was for a physician, although she is not aware that position has been filled. Ms. Haydel added that not all DMHC leadership are attorneys, and directors in DMHC’s history, including the current director, are not attorneys. DMHC has many staff members who are attorneys. The audit teams usually have one attorney.</p> <p>Dr. Amin noted that L.A. Care hopes the audit engagement perspective will be clinically oriented. L.A. Care hopes the team includes people who have experience with the realities of the Medi-Cal programs, particularly experience within Los Angeles County.</p> <p>Chairperson Booth asked about the backgrounds of regulatory agency board members.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Mr. Baackes responded that the current DMHC Director said when she was deputy that DMHC is a department consisting of 100 attorneys. Mr. Baackes added that at DHCS there are lot of nurses.</p> <p>Chairperson Booth that members of the governing boards of hospitals are not all attorneys or non-medical doctors.</p> <p>Dr. Amin expressed that clinical leadership is important for all entities in the Medi-Cal program.</p>	
<b>CHIEF EXECUTIVE OFFICER'S REPORT</b>	<p>Mr. Baackes reported:</p> <ul style="list-style-type: none"> <li>• He apologized for not being physically present because he is coming from an AHIP meeting.</li> <li>• He expressed that it is important to focus that L.A. Care continue to have growth. Marie Montgomery, <i>Chief Financial Officer</i>, will provide details in her financial report. L.A. Care is continuing to see growth on all lines of business with the declining enrollment expected to start in July 2023.</li> <li>• Medi-Cal's total enrollment is 2,708,000 members as of February 2023. During January and February more than 60,000 Medi-Cal members were transitioned to managed care from fee for service (FFS). care. L.A. Care now has 2.7 million Medi-Cal members.</li> <li>• Covered CA has 150,000 members during open enrolment and the conversion from Cal MediConnect (CMC) to Duals Special Needs Plan (D-SNP) product have added over 18,000 members. L.A. Care will continue to maintain level of enrollment until July when the Medi-Cal redetermination starts to drop people who are no longer qualified.</li> <li>• June will probably be the highest enrollment in the history of the organization.</li> </ul>	
<b>COMMITTEE ITEMS</b>		
<b>Chief Financial Officer's Report</b>	<p>Ms. Montgomery presented the Financial Reports for December 2022 (<i>a copy of the report is available by contacting Board Services</i>).</p> <p><u>Membership</u> December 2022 membership was 2.76 million, favorable to the budget for the month and year to date (YTD).</p> <p><u>Consolidated Financial Performance</u></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
3+9 Forecast Update	<p>There was \$34 million net surplus for month of December 2022; \$28 million favorable to the budget driven primarily by the Housing and Homelessness Incentive Program (HHIP) revenue of \$29 million, which was earned based on L.A. Care’s submission of the investment plan. This was not included in the budget. YTD there was \$39 million net surplus; \$23 million favorable to the budget.</p> <p><u>Operating Margin by Segment</u> Overall Medical Care Ratio (MCR) was 94.0% vs budget of 94.2%. The MCR’s for the Medi-Cal segments reflect the impact of the HHIP revenue. Commercial MCR is higher than budget due to the Risk Adjustment Factor (RAF) adjustment from 0.75 to 0.67.</p> <p><u>Reported vs Paid Claim Trend</u> Prior to fiscal year end, there was some volatility in the paid claims but there is more stability since then. So far L.A. Care’s year end reserve position is holding up with three months of experience.</p> <p><u>Key Financial Ratio</u></p> <ul style="list-style-type: none"> <li>• The MCR was 94.0%.</li> <li>• The administrative ratio was 5.0%, lower than the budget of 5.4%.</li> <li>• Working Capital and Tangible Net Equity are ahead of benchmarks.</li> <li>• Cash to claims is below the benchmark. The cash to claims ratio will not fully recover until the In-Home Support Services (IHSS) balances with the Department of Health Care Services (DHCS) is settled. The State recently initiated the IHHS reconciliation process. Staff will provide update on how that progresses.</li> </ul> <p><u>Tangible Net Equity (TNE) vs. Days of Cash On Hand</u> December 2022 Fund Balance was \$1.13 billion which represents 544% of TNE. The target of 600% was based on the average of 8 other Local Initiatives and County Organized Health Systems. L.A. Care currently have enough cash to cover operating expenses for the next 50 days.</p> <p><u>FY 2022-23 3+9 Forecast Update</u> Afzal Shah, <i>Deputy Chief Financial Officer</i>, summarized the FY 2022-23 3+9 Forecast Update</p> <p><u>Membership Assumptions</u></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>• The key assumption that is different from the budget is that the public health emergency (PHE) will be extended until April 2023, and disenrollments will begin in July 2023. Staff assumed 13% disenrollment rate starting in July 2023 due to redeterminations.</li> <li>• The other major change is that the forecast now assumes 76,500 total new mandatory managed care members for Medi-Cal beginning in January 2023. The budget assumed 104,000 new members would be transitioned into managed care by the state. The total has been reduced to account for new auto-assignment rates and lower than expected enrollment in January 2023. .</li> </ul> <p><u>Membership Projections</u> Overall, staff is projecting an increase in membership of 189,000 members and 1.2 million member months. This is a 7% increase over the budget. The majority of that increase is in Medi-Cal due to the additional members being enrolled under the mandatory managed care initiative under CalAIM. The increase is also due to the resumption of disenrollments being pushed back to July in the forecast vs. February in the budget.</p> <p><u>3+9 Forecast Assumptions</u> When the Budget was prepared L.A. Care did not have final 2023 rates. The following assumptions went into revenue and healthcare costs for the 3+9 forecast:</p> <ul style="list-style-type: none"> <li>• CY 2023 Rates in line with final DHCS Rates <ul style="list-style-type: none"> <li>◦ Unsatisfactory Immigration Status (UIS) % in line with internal data</li> </ul> </li> <li>• Dual Eligible Special Needs Plan (D-SNP) revenue in line with bid filing</li> <li>• Fee for Service (FFS) incurred costs based on current run rate plus increases for new programs beginning January 1, 2023 and estimated trend increase</li> <li>• Plan Partner Rates updated for new rate structure</li> <li>• CY 2023 L.A. Care Covered (LACC) RAF decreased from 0.75 to 0.67</li> <li>• Increased administrative expenses for strategic projects and LACC commissions</li> <li>• Interest Income increase based on current higher short-term interest rates</li> </ul> <p><u>Variance Walk – Budget</u> The variance walk showed the various items from the original budgeted surplus of \$80 million to the forecasted surplus of \$298 million. Surplus excluding the \$71 million favorability from HHIP and Incentive Payment Program (IPP) was \$227 million.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>The biggest impact to the operating margin is the CY 2023 rates for revenue and healthcare costs, which are net favorable to the budget by \$179 million.</p> <p>Enhanced Care Management (ECM) and Community Supports (CS) are unfavorable by \$14 million. There is also the adjustment to the LACC RAF score from 0.75 to 0.67, which is unfavorable by \$45 million for the year vs the budget. This includes \$3 million for the Risk Adjustment Data Validation (RADV) audit. Pharmacy is unfavorable \$4 million.</p> <p>Administrative expenses are unfavorable by \$23 million due to additional spending in purchased services (\$22 million). Non-Ops is favorable by \$2.8 million due to the increase in our unrealized gain position.</p> <p><u>Opportunity and Risks</u></p> <p>Opportunities</p> <ul style="list-style-type: none"> <li>• Continued shared risk to dual risk conversion</li> <li>• CBAS utilization lower than expected due to return to in-center care</li> <li>• LACC RAF improvement through provider &amp; member engagement</li> <li>• LACC membership increase from Medi-Cal disenrollments</li> </ul> <p>Risks</p> <ul style="list-style-type: none"> <li>• Continued uncertainty with the impact of COVID-19</li> <li>• COVID-19 testing costs including potential retroactive SB510 ruling</li> <li>• Higher costs for ECM &amp; Major Organ Transplant cost, <ul style="list-style-type: none"> <li>◦ Losses will be limited by the risk corridor, however pre and post transplant is not covered by the risk corridor</li> </ul> </li> <li>• Higher medical cost trends than assumed in the forecast</li> <li>• Retroactive rate actions including final UIS/Satisfactory Immigration Status (SIS) blend</li> <li>• IHSS and other Coordinated Care Initiative (CCI) reconciliations</li> </ul> <p><b><u>Motion FIN 105.0323</u></b>  <b>To accept the Financial Reports for December 2022, as submitted.</b></p>	<p><b>Approved unanimously by roll call. 5 AYES</b></p>
<ul style="list-style-type: none"> <li>• Monthly Investment Transactions Reports</li> </ul>	<p>Ms. Montgomery referred to the investment transactions reports included in the meeting materials (<i>a copy of the report is available by contacting Board Services</i>). This report is to comply with the California Government Code as an informational item. L.A. Care's total investment market value as of December 31, 2022 was \$1.7 billion.</p>	



AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>• \$1.51 billion managed by Payden &amp; Rygel and New England Asset Management (NEAM)</li> <li>• \$74 million in Local Agency Investment Fund</li> <li>• \$156 million in Los Angeles County Pooled Investment Fund</li> </ul>	
<ul style="list-style-type: none"> <li>• Quarterly Internal Policy Reports</li> </ul>	<p>Ms. Montgomery referred to the 1<sup>st</sup> Quarter Expenditure Reports required by L.A. Care Internal Policies for FY 2022-23 included in the meeting materials. <i>(A copy of the report is available by contacting Board Services)</i>. L.A. Care internal policies require reports on expenditures for business related travel expenses incurred by employees, members of the Board of Governors, Stakeholder Committees, and members of the Public Advisory Committees. The Authorization and Approval Limits policy requires reports for executed vendor contracts for all expenditures and the Procurement Policy requires reports for all sole source purchases over \$250,000. These are informational items, and do not require approval.</p> <ul style="list-style-type: none"> <li>• Policy AFS-004 (Non-Travel Expense Report)</li> <li>• Policy AFS-027 (Travel Expense Report)</li> <li>• Policy AFS-006 (Authorization and Approval Limits)</li> <li>• Policy AFS-007 (Procurement)</li> </ul>	
Public Comments on the Closed Session agenda items.	There were no public comments.	
<b>ADJOURN TO CLOSED SESSION</b>	<p>The Joint Powers Authority Finance &amp; Budget Committee meeting adjourned at 1:47 p.m.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the items that the Committee will discuss in closed session. There was no public comment on the Closed Session items, and the meeting adjourned to closed session at 1:48 pm.</p> <p><b>CONTRACT RATES</b> Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>• Plan Partner Rates</li> <li>• Provider Rates</li> <li>• DHCS Rates</li> </ul> <p><b>REPORT INVOLVING TRADE SECRET</b> Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Technology, Business Plan Estimated date of public disclosure: <i>February 2025</i></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>RECONVENE IN OPEN SESSION</b>	The meeting reconvened in open session at 1:53 pm. Ms. Haydel advised the public that no reportable action from the closed session.	
<b>ADJOURNMENT</b>	The meeting adjourned at 1:54 pm.	

Respectfully submitted by:

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

APPROVED BY:

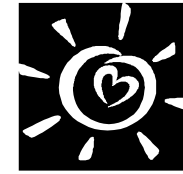
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Stephanie Booth, MD, *Chairperson*  
Date Signed \_\_\_\_\_

# BOARD OF GOVERNORS

## Compliance & Quality Committee Meeting

### Meeting Minutes – February 16, 2023

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



**L.A. Care**  
HEALTH PLAN

#### Members

Stephanie Booth, MD, *Chairperson*

Al Ballesteros, MBA

Hilda Perez

G. Michael Roybal, MD

\* *Absent*

#### Senior Management

Augustavia J. Haydel, *General Counsel*

Thomas Mapp, *Chief Compliance Officer*

Sameer Amin, MD, *Chief Medical Officer*

Katrina Miller Parrish, MD, FAAFP, *Chief Quality and Information Executive*

Michael Sobetzko, *Senior Director, Risk Management and Operations Support, Compliance*

Elysse Tarabola, *Senior Director, Regulatory Compliance, Compliance*

Victor Hurtado, *Executive Director, Medicare Product*

Tara Nelson, *Senior Director, Utilization Management,*

Angie Lageson, *Director, Provider Contracts and Relationship Management*

Marco Avila, *Director, Medicare Product Management*

Diane Lee, *Director, Pharmacy Compliance*

Demetra Crandall, *Director, Customer Solution Center Appeals and Grievances*

Michael Devine, *Director, Special Investigations Unit*

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AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	<p>Chairperson Stephanie Booth, MD, called the L.A. Care Compliance &amp; Quality Committee and the L.A. Care Health Plan Joint Powers Authority Compliance &amp; Quality Committee meetings to order at 2:00 p.m.</p> <p>She announced that members of the public may address the Committee on each matter listed on the agenda before the Committee’s consideration of the item by submitting their comments via text, voicemail, or email. There were no members of the public present either in person attending virtually by WebEx or telephone.</p>	

**APPROVED**

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
APPROVAL OF MEETING AGENDA	The Meeting Agenda was approved as submitted.	Approved unanimously by roll call. 3 AYES (Booth, Perez, and Roybal)
PUBLIC COMMENT	There was no public comment.	
APPROVAL OF MEETING MINUTES	The January 19, 2023 meeting minutes were approved as submitted.	Approved unanimously by roll call. 3 AYES
CHAIRPERSON REPORT	<p>Chairperson Booth gave the following report:  She said that one thing that she is going to be asking to discuss in the not distance too distant future, is the need to continue having more frequent meetings. That is all she needs to say about that and will ask to add it on the agenda at the next Compliance &amp; Quality Committee meeting. There are many ways that L.A. Care is working to improve the services that it provides to both members as well as providers. L.A. Care is stretched thin right now due to COVID-19, because people are not working or they are afraid to get COVID-19. Staff is down. L.A. Care is working really hard to try to meet its goals, to support the safety net, and care for its members. L.A. Care and the Board want to make sure that they get the best care available. That is very important to her. She wanted to say a few words about that.</p>	
ANNUAL COMMITTEE CHAIR ELECTION	<p>G. Michael Roybal, MD, asked Chairperson Booth if she would like to continue as Chair of the committee. Chairperson Booth responded that she would accept the nomination. No other members were nominated.</p> <p><b>Board Member Booth was elected as the Committee Chair by unanimous vote.</b></p>	Approved unanimously by roll call. 3 AYES
CHIEF COMPLIANCE OFFICER REPORT	<p><i>(Board Chairperson Al Ballesteros joined the meeting at 2:11 p.m.)</i></p> <p>Thomas Mapp, Chief Compliance Officer, and the Compliance Department staff presented the Chief Compliance Officer Report <i>(a copy of the written report can be obtained from Board Services)</i>.</p> <p>Victor Hurtado, Executive Director, Medicare Product, and Dwayne Broussard, Senior Manager, Medicare Enrollment, gave a report about L.A. Care's Cal MediConnect (CMC) transition to Dual Eligible Specials Needs Plan</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>(DSNP). L.A. Care has managed a 92% retention rate from Medicare Medi-Cal Plan to DSNP as of January 2023. L.A. Care has reported daily un alignment figures to the Department of Health Care Services (DHCS), pending Medi-Cal enrollment file to ensure un-align members fall out. Delay of Medi-Cal enrollment files may show a temporary enrollment with another MCP.</p> <ul style="list-style-type: none"> <li>• DSNP un-alignment Summary: <ul style="list-style-type: none"> <li>- Active Unaligned D SNP members <ul style="list-style-type: none"> <li>o Rollover 122</li> <li>o Net new 159</li> </ul> </li> </ul> </li> </ul> <p>Board Member Hilda Perez asked if she was a member that was going to be affected by this transition, would she be receiving a notification letting her know that she will be in a DSNP. She would like to know how would an elderly person respond to this transition and keep their coverage. Mr. Hurtado responded that as part of their communication sent out a 90 day transition notice and a 60 day transition notice. If they were L.A. Care members they would have received a notification through its annual notice of change and L.A. Care made calls to make them aware. The call to action is that members do not need to do anything and the transition would be seamless for them under L.A. Care.</p> <p>Marisol Fernandez, <i>Senior Manager, Customer Solution Call Center</i>, gave a brief report about calls received by the L.A. Care Customer Solution Center. Below are the top 5 call reasons from members:</p> <ul style="list-style-type: none"> <li>• Over The Counter Health Benefit Inquiry</li> <li>• Telephonic Request (interpreter service)</li> <li>• Pharmacy</li> <li>• ID Card related inquiries</li> <li>• Benefits</li> </ul> <p>Ms. Nelson gave a report about Continuity of Care (CoC).</p> <ul style="list-style-type: none"> <li>• 403 total CoC requests</li> <li>• L.A. Care maintains a log of all CoC requests and validates that the Participating Provider Group (PPG) addresses and completes all requests</li> <li>• L.A. Care reaches out to PPG around the 30 day turnaround time on any open items to ensure timely completion</li> </ul> <p>Mr. Broussard reported: Enrollment system process issues:</p> <ul style="list-style-type: none"> <li>• Maintenance enrollment transaction code discrepancy</li> </ul>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>• Legacy CMC cancellation effective date</li> <li>• Legacy CMC Member ID</li> </ul> <p>Primary Care Physicians (PCP) Auto assignment Process:</p> <ul style="list-style-type: none"> <li>• Clarify PCP assignment for rollover members to DSNP</li> </ul> <p>Ms. Lageson and Ms. Avila gave a report about L.A. Care Members Access to Care Issues.</p> <p>PPGs:</p> <ul style="list-style-type: none"> <li>• Delay in processing of Previous Authorizations by PPGs</li> <li>• Delays in Processing Eligibility Files</li> </ul> <p>Dental:</p> <ul style="list-style-type: none"> <li>• State eligibility portal displayed incorrect dental carrier information</li> <li>• Incorrect Dental Carrier phone number on Member ID Cards</li> </ul> <p>Beacon:</p> <ul style="list-style-type: none"> <li>• Delays in Processing Eligibility Files</li> <li>• Misinformation by Vendor Call Center Agents</li> <li>• Beacon online provider directory DSNP update delay</li> </ul> <p>Nations Benefit:</p> <ul style="list-style-type: none"> <li>• Misinformation by Vendor Call Center Agents</li> <li>• Delays in activating Over The Counter (OTC)/State Small Business Credit Initiative benefit</li> <li>• Long call center hold wait times with OTC vendor</li> </ul> <p>Chairperson Booth asked if that would get better time due to the changes that have been completed. Ms. Lageson stated that the number of calls are expected to go down. L.A. Care has a new vendor and it's a new line of business. The higher number of calls coming through was expected. The new health plan that was brought on board was also affecting those numbers. As the year goes on there should be less calls regarding those issues.</p> <p>Ms. Lee gave the following report:</p> <ul style="list-style-type: none"> <li>• Confusion amongst pharmacies on how to split bill appropriately to Magellan for Part B crossover claims</li> <li>• Magellan not granting overrides for refill too soon/vacation or other emergency situations</li> </ul> <p>Ms. Crandall gave a report about Appeals &amp; Grievances.</p> <ul style="list-style-type: none"> <li>• Total Grievances received: 1,599 (January 1 to January 20, 2023)</li> </ul>	

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	<ul style="list-style-type: none"> <li>• Large percent of grievances relating to access to care with our supplemental vendors</li> <li>• No issues with issuing integrated grievances or appeals.</li> </ul> <p>Mr. Sobetzko provided an update on L.A. Care’s 2023 Issues Inventory. The Issue Inventory continues to be updated and going through a clean-up process:</p> <ul style="list-style-type: none"> <li>• 2022 Issues that are remediated will be part of the IA follow up review process.</li> <li>• 88 Issues being tracked from 2022 and into 2023 <ul style="list-style-type: none"> <li>- Two Need further follow up</li> <li>- 30 are in process of remediation</li> <li>- 51 are remediated</li> <li>- Five New Issues</li> </ul> </li> </ul> <p>Chairperson Booth said that she thought L.A. Care was caught up with the facility site reviews, was doing pretty well getting rid of the back log. Sameer Amin, MD, <i>Chief Medical Officer</i>, responded that L.A. Care is doing well, but the question is whether or not it is aligned with the backlog plan. There are still some that need to be addressed. Chairperson Booth asked why would DHCS consider this back log now. Dr. Amin said that L.A. Care is in good grace with DHCS as it continues to clear up that backlog.</p> <p>Todd Gower, <i>Consultant</i>, gave a report about L.A. Care’s 2022 Internal Audit.</p> <p>Mr. Devine gave an update about the Special Investigations Unit: Fraud, Waste, &amp; Waste activities. Mr. Mapp asked Mr. Devine about L.A. Care’s chances of recovering some of the money that was paid related to Minas Kochumian, MD. Mr. Devine responded that money should come back based on whether or not they take a plea.</p> <p>Mr. Mapp reported on the Compliance &amp; Quality reporting calendar. He also announced that Elysse Tarabola, <i>Senior Director, Regulatory Compliance</i>, and Chelsea Hertler, <i>Manager, Regulatory Compliance</i>, will be leaving L.A. Care.</p> <p>Board Member Perez thanked them for their hard work and helping the committee. She wished them luck. Board Member Perez said that there are people in the community that are uninsured or not insured. They go to doctor practices or urgent care clinics and are charged for services, but if they go to a different doctor office it will be a different charge. She asked if these offices are regulated. John Baackes, <i>Chief Executive Officer</i>, responded that fees charged by providers are not regulated. He said that the money provided by Medicare or Medi-Cal providers is regulated based on the contract that they sign with health plans like L.A. Care.</p>	

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<p><b>CHIEF MEDICAL OFFICER REPORT</b></p>	<p>Dr. Amin reported:</p> <p>COVID-19 Update The Federal Government announced that on May 11, the federal public health emergency will end. It has been announced also that the State's Public Health Emergency will end on February 28, 2023. The termination of the public health emergencies will impact Medi-Cal redetermination as well as potentially other issues like the cost share for commercially covered individuals for in-home COVID-19 testing. L.A. Care may also see a rise of appeals and grievance cases as members and providers adjust to the impact and confusion associated with the conclusion of the public health emergency. Looking at the County and Statewide COVID-19 dashboards, L.A. Care are relieved to see the continued decline in the number of people hospitalized or whose death was associated with COVID-19. The trend began in the second week of January 2023 and continues. Local public health colleagues have also expressed a sense of relief as the COVID-19 Pandemic wains. L.A. Care did an assessment about new variants in the community and it does not currently see any immediate threat.</p> <p>National Committee for Quality Assurance Preparations and DHCS Audit L.A. Care teams are hard at work in preparation for the DHCS audit that will take place from February 27 to March 10. There are a few nuances that are unique for this year's preparations. It will be on-site and it looks like there will be a number of new auditors. He noted that there will be a focus on Utilization Management and care provided through the Department of Health Services.</p> <p>Regulatory Measures DHCS and Department of Managed Health Care are making a big push towards quality, equity and preventive services. Managed Care Accountability Set will be moving from 15 to 20 measures and there are now penalties if L.A. Care does not achieve the 50th percentile of national benchmark. L.A. Care needs to solidify its race and ethnicity data so that we can see what level of care and services are delivered to vulnerable communities. There is a heavy emphasis on addressing the decline in pediatric well visits and vaccinations during the pandemic. There are new Long Term Care measures, Quality Accountability, and Supplemental Payments that are coming into effect. Many will be managed jointly by DHCS and Los Angeles County Department of Public Health as these incentives are related to setting workforce staffing ratios at long term care and skilled nursing facilities as well as improving quality of care.</p> <p>Organizational Changes/Updates He announced an organizational change. Case Management, Utilization Management, and Managed Long Term Services and Supports will now be under the Health Services department. There is a leadership team that is being solidified around those teams to ensure that L.A. Care is doing right by its members. The Safety Nets Initiatives department will be reformatted to help create a Community Health department that will move</p>	



AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>forward Behavioral Health, Social Services, Community Supports, and Housing Support for L.A. Care members.</p> <p>Board Member Roybal asked how L.A. Care is doing with the Provider Quality Issues (PQI) back log. Dr. Amin responded that he touched bases with the Quality Information team about the PQI back log. He asked Katrina Miller Parrish, MD, FAAFP, <i>Chief Quality and Information Executive</i>, for an update. Dr. Parrish said that she does not have the official numbers on hand, but can say that L.A. Care is doing well and on track with back log for 2022. L.A. Care staffed up to try to clear it up by April. They received a new set of grievances that arrived in bulk fashion, have assigned a team to work on those issues. Board Member Roybal asked for updates for future meetings.</p>	
<p><b>ADJOURN TO CLOSED SESSION</b></p>	<p>The Joint Powers Authority Compliance &amp; Quality Committee meeting was adjourned at 3:35 pm.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the following items to be discussed in closed session. The JPA Compliance and Quality Committee meeting adjourned and the Compliance and Quality Committee adjourned to closed session at 3:36 P.M.</p> <p>PEER REVIEW Welfare &amp; Institutions Code Section 14087.38(o)</p> <p>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</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• THC- Orange County, LLC DBA Kindred Hospital – Los Angeles, et al. v. L.A. Care, L.A.S.C. 22STCV19872</li> <li>• KND Development 52, LLC d/b/a Kindred Hosp. Baldwin Park, et al. v. L.A. Care, AHLA Case No. unavailable</li> <li>• KND Development 52, LLC d/b/a Kindred Hosp. Baldwin Park, et al. v. L.A. Care, L.A.S.C. 23STCV01166</li> </ul> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680</li> <li>• Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF</li> </ul>	
<p><b>RECONVENE IN OPEN SESSION</b></p>	<p>The Committee reconvened in open session at 4:05 p.m.</p> <p>There was no report from closed session.</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ADJOURNMENT	The meeting was adjourned at 4:07 p.m.	

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

APPROVED BY:

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Stephanie Booth, MD, *Chairperson*      3/16/2023 | 9:38 PM PDT  
Date Signed: \_\_\_\_\_