



**REGULAR MEETING OF THE GOVERNING BOARD
OF THE
INLAND EMPIRE HEALTH PLAN**

June 5, 2023 - 9:00 AM

Board Report #338

**Dr. Bradley P Gilbert Center for Learning and Innovation
9500 Cleveland Avenue - Board Room
Rancho Cucamonga, CA 91730**

If disability-related accommodations are needed to participate in this meeting, please contact Board Services at (909) 296-3584 during regular business hours of IEHP (M-F 8:00 a.m. – 5:00 p.m.)

PUBLIC COMMENT AT INLAND EMPIRE HEALTH PLAN GOVERNING BOARD MEETINGS:

The meeting of the Inland Empire Health Plan Governing Board is open to the public. A member of the public may address the Board on any item on the agenda and on any matter that is within the Board's jurisdiction. Requests to address the Board must be submitted in person to the Secretary of the Governing Board prior to the start of the meeting and indicate any contributions in excess of \$250.00 made by them or their organization in the past twelve (12) months to any IEHP Governing Board member as well as the name of the Governing Board member who received contribution. The Board may limit the public input on any item, based on the number of people requesting to speak and the business of the Board.

All public record documents for matters on the open session of this agenda can be viewed at the meeting location listed above, IEHP main offices at 10801 6th Street, Suite 120, Rancho Cucamonga, CA 91730 and online at <http://www.iehp.org>.

Any member of the public may observe the scheduled proceedings by using the information listed below:

<https://youtube.com/live/P2IJglr9gQU?feature=share>

AGENDA

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Changes to the Agenda
- V. Public Comments on Matters on the Agenda
- VI. Conflict of Interest Disclosure

AGENDA

VII. Adopt and Approve of the Meeting Minutes from the May 8, 2023, Regular Meeting of the Governing Board of the Inland Empire Health Plan and IEHP Health Access

VIII. IEHP

CONSENT AGENDA

ADMINISTRATION (Jarrod McNaughton)

1. Ratify and Approve Amendment 38 to the Local Initiative Primary Contract (#04-35765) with the California Department of Health Care Services
2. Ratify and Approve Amendment 45 to the Local Initiative Primary Contract (#04-35765) with the California Department of Health Care Services
3. Approve the Memorandum of Understanding with Loma Linda University, School of Allied Health Professions.
4. Approve the Purchase of Real Property Located at 83240 Highway 111, Indio, CA 92201, and Delegate Signing Authority to the Chief Executive Officer

FINANCE DEPARTMENT (Keenan Freeman)

5. Property and Casualty and Management, Cyber, and Fiduciary Liability Insurance Policy Renewal Update
6. Approve the Eleventh Amendment to the Professional Services Agreement with Varis, LLC.
7. Approve the Award of Request for Proposal #22-04161 to, and Delegation of Authority to Approve, the Professional Services Agreements with Kardent Design and Brahmhatt Architects, Inc.
8. Approve the Award of Request for Proposal #22-04162 to, and Delegation of Authority to Approve the Professional Services Agreement with, IMEG Corp.
9. Approve the Annual Renewal of Workers' Compensation Insurance and Crime Insurance Policies

HEALTH SERVICES DEPARTMENT (Takashi Wada, M.D.)

10. Approve the First Amendment to the Professional Services Agreement with Health Management Associates, Inc.
11. Approve the Memorandum of Understanding with the County of Riverside on behalf of its Riverside County Sheriff's Department Homeless Outreach Team

AGENDA

12. Delegation of Authority to Approve the Memoranda of Understanding for the Healthy School Program
13. Approve the Fourth Amendment to the Memorandum of Understanding with Riverside University Health System – Behavioral Health.
14. Approve the Memorandum of Understanding with Riverside County, Department of Social Services
15. Approve the Fifth Amendment to the Professional Service Agreement with Inland Southern California 211+
16. Approve the Sixth Amendment to the Professional Service Agreement with Gallagher Benefit Services, Inc.
17. Delegation of Authority to Approve the Professional Services Agreement with Bienestar is Well-Being
18. Ratify and Approve the Second Amendment to the Contract with San Bernardino County and Delegation of Authority to Approve Agreements and Amendments related to the COVID Equity Grant Program

INFORMATION TECHNOLOGY DEPARTMENT (Vinil Devabhaktuni)

19. Delegation of Authority to Approve the Fourth Amendment to the Professional Services Agreement with Agility Software Solutions
20. Approve the Fifth Amendment to the Professional Services Agreement with Digital Reboot, Inc.
21. Approve Purchase Requisitions for Abnormal Software Solutions with CDW Government, LLC
22. Delegation of Authority to Approve the Master Services Agreement with CSG Forte Payments, Inc. and any Subsequent Documents, Amendments, Statements of Work, Orders and Requisitions related hereto

OPERATIONS DEPARTMENT (Susie White)

23. Approve the Award of Request For Proposal #23-04796 Covered California Print Fulfillment Services to, and Delegation of Authority to Approve the Professional Services Agreement with, Zelis Healthcare, LLC.

PROVIDER NETWORK DEPARTMENT (Keenan Freeman)

24. Ratify and Approve the Twentieth Amendment to the Hospital Per Diem Agreement with Barstow Community Hospital – Barstow

25. Ratify and Approve the Fifth Amendment to the Professional Services Agreement with HUBMD P.C. - Redlands
26. Ratify and Approve the Sixth Amendment to the Hospital Per Diem Agreement for Behavioral Health Services with Vista Behavioral Health, LLC dba Pacific Grove Hospital – Riverside
27. Approval of the Standard Templates
 - 1) Master Behavioral Health Agreement (All LOBs) template
 - 2) Master Community Support Services Attachment A – Day Rehabilitation Programs
 - 3) Master Community Support Services Attachment A – Personal Care and Homemaker Services
 - 4) Master Community Support Services Attachment A – Respite Services
28. Approval of the Evergreen Contracts
 - 1) Unicare Community Health Center Inc – Participating Provider Agreement – Behavioral Health
 - 2) Chaparral Medical Group Inc - Admitter Agreement
 - 3) Manikanda Raja MD Inc - Admitter Agreement
 - 4) Children’s Hospital of Orange County dba CHOC Children’s Specialists – Specialist - Participating Provider Agreement
 - 5) Eldorado Care Center - Skilled Nursing Facility Provider Agreement
 - 6) Providence Healthcare of Mt Rubidoux LLC - Skilled Nursing Facility Provider Agreement
 - 7) Briana Nicole Esparza dba Enrich Life Counseling - Behavioral Health Participating Provider Agreement
 - 8) Citrus Crest Family Counseling Inc - Behavioral Health Participating Provider Agreement
 - 9) Leslie Miles dba Milestone Marriage and Family Therapy Professional Corporation - Behavioral Health Participating Provider Agreement
 - 10) Tiffany Knowlton - Behavioral Health Participating Provider Agreement
 - 11) Family Health Care of Corona dba Michael Baluyut - Capitated Primary Care Provider Agreement
 - 12) Richard F Jones DO FAAFP dba Jones and Jones Medical Associates - Capitated Primary Care Provider Agreement (Medicare Only)
 - 13) Autism Intervention Professionals LLC - Behavioral Health Participating Provider Agreement
 - 14) Autism Spectrum Consultants Inc - Behavioral Health Participating Provider Agreement
 - 15) Counseling Solutions for Children and Families Psychology Corporation - Behavioral Health Participating Provider Agreement
 - 16) Alaa Latif MD Inc dba Hope Cancer Clinic - Specialist Participating Provider Agreement
 - 17) GN Medical Associates Inc dba CareConnect Medical Group - Specialist Participating Provider Agreement
 - 18) Streng Bassi Begum and Jiang Medical Corporation Db a Foothills Infectious Disease Medical Group Inc - Specialist Participating Provider Agreement
 - 19) Walter E Stevens JR MD - Specialist Participating Provider Agreement

20) Alexander Wong OD – Vision Participating Provider Agreement

21) Stanley T Kawai dba Stanley T Kawai OD - Vision Participating Provider Agreement

POLICY AGENDA AND STATUS REPORT ON AGENCY OPERATIONS

ADMINISTRATION (Jarrod McNaughton)

29. Chief Executive Officer Update

FINANCE DEPARTMENT (Keenan Freeman)

30. Review of the Audited Financial Statements for Calendar Year 2022

31. Review of the Monthly Financials

32. Approve the Leadership Retirement Retention Program

QUALITY DEPARTMENT (Edward Juhn, M.D.)

33. Approve the Funding for the 2023-24 Leadership Quality Achievement Program for IEHP Leaders

IX. IEHP Health Access - *No Business*

X. Comments from the Public on Matters not on the Agenda

XI. Board Member Comments

XII. Closed Session - *No Business*

XIII. Adjournment

The next meeting of the IEHP Governing Board will be held on July 10, 2023, at the Inland Empire Health Plan.

ADMINISTRATION

1. RATIFY AND APPROVE AMENDMENT 38 TO THE LOCAL INITIATIVE PRIMARY CONTRACT (#04-35765) WITH THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) ratify and approve Amendment 38 to the Local Initiative Primary Contract (#04-35765) with the California Department of Health Care Services (DHCS) for the provision of Medi-Cal Health Plan Services effective July 1, 2019.

Contact:

Jarrold McNaughton, Chief Executive Officer

Background:

In March 1993, DHCS issued a State Strategic Plan for Medi-Cal Managed Care (Plan). The Plan was designed to transfer the delivery of care for the majority of the Medi-Cal population from a predominately fee-for-service payment system to a capitated managed care system. Riverside and San Bernardino counties were designated as two (2) of the twelve (12) counties in the State to initiate the Medi-Cal Managed Care Program.

Riverside and San Bernardino counties are organized as a Two-Plan Model Managed Care Program. In Two-Plan Model counties, there is a Local Initiative (county organized) and a Commercial Plan in which DHCS contracts with both health plans. These health plans provide the Medi-Cal population freedom of choice in selecting medical services. They also allow for competition between the two systems in terms of services and cost. IEHP is the Local Initiative Medi-Cal Managed Care Plan in Riverside and San Bernardino counties.

Each Plan in the Two-Plan Model Managed Care Program entered into a contract with DHCS in order to receive funds from the State to provide health care services to the Medi-Cal population.

Discussion:

IEHP received Amendment 38 to its DHCS Local Initiative Primary Contract for Medi-Cal Health Plan Services.

The Amendment's effective date is July 1, 2019, or until approved by the Department of General Services (DGS), if DGS approval is required. The retroactive effective date is due to the updated Bridge Period from July 1, 2019, to December 31, 2020. The Amendment adds Capitation Payment rates that are now split into rates for Satisfactory Immigration Status (SIS) Members and Unsatisfactory Immigration Status (UIS) Members, and includes new corresponding rate tables that split each existing category into a SIS version and UIS version for the amended Bridge Period.

The term of this Agreement in its entirety is September 1, 2004, to December 31, 2020. All other items and conditions of the Agreement remain in full force and effect.

CONSENT AGENDA

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	Tiffany McGinnis 4/28/2023	NA	M. Popka 5/2/2023	S. White 5/4/2023	S. White 5/4/2023

ADMINISTRATION

2. RATIFY AND APPROVE AMENDMENT 45 TO THE LOCAL INITIATIVE PRIMARY CONTRACT (#04-35765) WITH THE CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) ratify and approve Amendment 45 to the Local Initiative Primary Contract (#04-35765) with the California Department of Health Care Services (DHCS) for the provision of Medi-Cal Health Plan Services effective January 1, 2023.

Contact:

Jarrold McNaughton, Chief Executive Officer

Background:

In March 1993, DHCS issued a State Strategic Plan for Medi-Cal Managed Care (Plan). The Plan was designed to transfer the delivery of care for the majority of the Medi-Cal population from a predominately fee-for-service payment system to a capitated managed care system. Riverside and San Bernardino counties were designated as two (2) of the twelve (12) counties in the State to initiate the Medi-Cal Managed Care Program.

Riverside and San Bernardino counties are organized as a Two-Plan Model Managed Care Program. In Two-Plan Model counties, there is a Local Initiative (county organized) and a Commercial Plan in which DHCS contracts with both health plans. These health plans provide the Medi-Cal population freedom of choice in selecting medical services. They also allow for competition between the two systems in terms of services and cost. IEHP is the Local Initiative Medi-Cal Managed Care Health Plan in Riverside and San Bernardino counties.

Each health plan in the Two-Plan Model Managed Care Program entered into a contract with DHCS in order to receive funds from the State to provide health care services to the Medi-Cal population.

Discussion:

IEHP received Amendment 45 to its DHCS Local Initiative Primary Contract for Medi-Cal Health Plan Services.

The Amendment's effective date is January 1, 2023, or until approved by the Department of General Services (DGS), if DGS approval is required. The purpose of the Amendment is to incorporate changes and new requirements for Population Health Management, Dyadic Care Services and Family Therapy Benefit, Risk Sharing Mechanisms, and include additional aid codes.

The term of this Agreement in its entirety is September 1, 2004, to December 31, 2023. All other items and conditions of the Agreement remain in full force and effect.

CONSENT AGENDA

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	T. McGinnis 4/25/2023	N/A	M. Popka 4/26/2023	S. White 5/5/2023	Make Selection 5/5/2023

ADMINISTRATION

3. APPROVE THE MEMORANDUM OF UNDERSTANDING WITH LOMA LINDA UNIVERSITY, SCHOOL OF ALLIED HEALTH PROFESSIONS

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the Memorandum of Understanding (MOU) with Loma Linda University, School of Allied Health Professions' (SAHP) Health Informatics, Information Management, and Administration Department (University) for the provision of providing Team Members a 30% discount on tuition for bachelor's and master's degree programs, for a three (3) year agreement. There is no cost associated with this MOU.

Contact:

Jarrold McNaughton, Chief Executive Officer

Background:

The University has been training highly skilled and dedicated healthcare professionals from diverse religious, ethnic and cultural backgrounds since 1966. Here students learn to nurture their intellectual curiosity and develop as active, independent learners. IEHP currently has an agreement with LLU, School of Public Health, but this agreement will allow a broader range of degrees and certificate programs to IEHP Team Members that are interested in different opportunities to work in healthcare. Allied Health Professions involve the delivery of healthcare or services pertaining to the identification, evaluation, prevention and rehabilitation of diseases and disorders; and are in high demand.

Discussion:

In addition to a wide range of academic degrees, the University offers general education courses, professional certificates, continuing education courses and life support education. This service will impact IEHP by helping Team Members interested in continuing their education to do so at a local university and with a 30% discount. This discount applies to Team Members only and is not extended to any family member.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	N/A	N/A	E. Hernandez 5/9/2023	M. Palafox 5/12/2023	I. Napoli 5/12/2023

ADMINISTRATION

4. APPROVE THE PURCHASE OF REAL PROPERTY LOCATED AT 83240 HIGHWAY 111, INDIO, CA 92201, AND DELEGATE SIGNING AUTHORITY TO THE CHIEF EXECUTIVE OFFICER

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) 1) approve funding of the real property purchase in an amount not to exceed \$4,825,000, which includes \$4,625,000 for the purchase price plus \$200,000 in transactional, due diligence and closing costs; 2) approve release of \$100,000 as an earnest money deposit for the real property purchase; 3) authorize the Chief Executive Officer or his designee to, after legal review and approval, execute the purchase agreement and any other pertinent documents related to this transaction.

Contact:

Jarrod McNaughton, Chief Executive Officer

Background:

In March 2023, the Governing Board granted initial approval for designation of the Chief Executive Officer, Chief Financial Officer, Vice President of Property Management and Development, and Lee & Associates (real estate broker) as IEHP's negotiators for the potential acquisition of real property located at 83240 Highway 111, Indio, CA 92201; and, in May 2023, members of the negotiating team engaged seller in extensive talks on the purchase price of the property. As a result of those negotiations, a tentative agreement on a purchase price was reached, which is now being presented to the Governing Board for approval. The property is owned by PV Ocean View LLC. and IEHP seeks to pursue this real estate acquisition to establish a Community Resource Center (CRC) for the Low Desert region in Indio.

Discussion:

IEHP seeks to pursue this real estate acquisition for the following reasons:

- In 2015, the first CRC in San Bernardino was launched and solidified IEHP's long term investment in the community as a local resource for health, wellness education, and health care enrollment efforts. CRCs were added in Riverside and Victorville in 2017 and 2018, respectively.
- Given the success of the initial three CRC sites, IEHP is looking to add a CRC in the city of Indio to serve the needs of our members in the Low Desert region.
- The approximately 20,520 square foot building is a free-standing single user vacant commercial space to be used for a new Low Desert CRC allowing for similar programs and services to the Victorville site including the integration of in-house partners for resources and referrals to allow for multiple needs to be served in a single location. The goal is that those who participate in CRC programs and services will improve overall health and wellness, as well as improve their healthcare experience.
- The location is on the main Low Desert thoroughfare, Highway 111, with public transit stops within close proximity providing easy access to our members.

- Owning the facility versus leasing allows for the longer amortization of up-front improvement costs versus a fixed period lease as well as increased flexibility for programming with the potential use of outdoor space.

The information below delineates key components of the Purchase Agreement:

1. Seller: PV Ocean View LLC
2. Buyer: Inland Empire Health Plan
3. Description of Property: 83240 Highway 111, Indio, CA 92201, consisting of an approximately 20,520 RSF commercial building located on approximately 1.89 acres of land including all parking.
4. Purchase Price: \$4,625,000
5. Earnest Money Deposit: \$100,000 (“Deposit”) shall be deposited with Fidelity National Title Company (“Title Company”) as earnest money, which is fully refundable during the Due Diligence period and applied to the Purchase Price at Closing. The Deposit shall be applied toward the purchase price should the Buyer decide to move forward with the transaction following the Due Diligence period (subject to no Seller default and no material adverse change to the Property between the end of the Due Diligence period and the Closing) and the approval by the Governing Board of IEHP.
6. Due Diligence: Buyer shall have a Due Diligence period of 60 days commencing upon execution of the Agreement.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	K. Freeman	NA	A. Wang 5/17/23	J. Mansour 05/16/23	J. McNaughton 5/16/23

FINANCE DEPARTMENT

5. PROPERTY AND CASUALTY AND MANAGEMENT, CYBER, AND FIDUCIARY LIABILITY INSURANCE POLICY RENEWAL UPDATE

Recommended Action:

Review and File

Contact:

Keenan Freeman, Chief Financial Officer

Background:

On March 6, 2023 under Minute Order #23-047, the Governing Board delegated authority to the Chief Executive Officer or his designee to approve and sign policy documents for insurance renewals of Property and Casualty policies for Policy Period March 29, 2023 through March 28, 2024 and Management, Cyber, and Fiduciary Liability policies for Policy Period April 1, 2023 through March 31, 2024 for an estimated total cost not to exceed \$3.4 million. The estimated total cost covers applicable taxes and fees and a 20% contingency on the Property & Casualty policies for procuring coverage for any additional Business Personal Property and/or auto acquisitions throughout the policy year.

Discussion:

The grid below summarizes the final results of IEHP’s insurance renewal process.

Insurance Policy	Insurance Carrier/Broker	Expiring Program ⁽¹⁾	Renewal Program ⁽¹⁾	Coverage/Deductible Change(s)
Commercial General Liability	Zurich	\$52,864	\$58,947	No changes
Commercial Auto Liability	Zurich	\$29,508	\$30,713	No changes
Commercial Property	Zurich	\$100,655	\$112,384	Includes up to \$25 million in primary flood coverage depending on property location. Flood deductible is location specific.
Commercial Umbrella Liability (\$40 million)	Zurich	\$32,017	\$33,835	Primary \$10 million coverage; includes Communicable Diseases coverage.
	Liberty Mutual	\$43,587	\$44,844	Excess \$15 million coverage; includes Communicable Diseases coverage.
	CNA	\$25,000	\$26,250	Excess \$15 million coverage; excludes Communicable Diseases coverage.
DIC - Earthquake (\$100 million)	Arrowhead ⁽²⁾	\$328,796	\$418,000	Excess \$25 million flood coverage instead of full policy limits. Increased Deductible minimum (Earthquake/Earthquake Sprinkler Leakage: \$100K, Flood: \$250K)
Total - Property & Casualty		\$612,427⁽³⁾	\$724,973	
Primary D&O/EPL (\$5 million shared)	Starr	\$363,395	\$376,114	No changes
Excess D&O/EPL (\$5 million)	AWAC	\$203,500	\$215,000	No changes
Excess D&O Side A (\$5 million)	RSUI	\$58,215	\$50,000	No changes

CONSENT AGENDA

Insurance Policy	Insurance Carrier/Broker	Expiring Program ⁽¹⁾	Renewal Program ⁽¹⁾	Coverage/Deductible Change(s)
Primary MCE&O (\$5 million)	TDC	\$254,350	\$283,895	No changes
Excess MCE&O (\$5 million)	AWAC	\$167,800	\$175,000	No changes
Excess MCE&O (\$10 million)	Ironshore	\$154,810	\$161,455	No changes
Total - Management Liability		\$1,202,070	\$1,261,464	
Primary Cyber (\$10 million)	Beazley	\$525,000	\$525,000	Increased sublimits for Bricking and Reputational Harm (\$1 million to \$5 million). Increased sublimit for Cryptojacking (\$250K to \$5 million).
Excess Cyber (\$10 million)	Allianz	\$455,000	\$446,250	Increased sublimits for Bricking and Reputational Harm (\$1 million to \$5 million).
Total - Cyber Liability		\$980,000	\$971,250	
Fiduciary Liability (\$5 million)	Hudson Insurance	\$15,762	\$16,036	Coverage procured through Alliant Services.
Total		\$2,810,259	\$2,973,723	

⁽¹⁾ Premiums do not include taxes and fees.

⁽²⁾ There are multiple insurance carriers involved in the Earthquake tower to spread the risk among partners. The ones involved in the renewal policy are: Steadfast (20%), QBE (25%), Everest (12.5%), GSIC of AZ (10%), Lexington (20%), and Transverse (12.5%).

⁽³⁾ Expiring annual premiums include pro-rated premium in the amount of \$16,370 for adding the 2050 Massachusetts Avenue building to the Commercial Property, Commercial General Liability, and DIC-Earthquake policies.

Highlighted insurance coverage changes are listed below:

- Property and Casualty policies:
 - Commercial Property policy will also offer up to \$25 million in primary flood coverage depending on property location. Flood deductible is location specific.
 - DIC-Earthquake policy will offer \$25 million in excess flood coverage instead of offering full policy limits.
 - Increased deductible minimum for Earthquake/Earthquake Sprinkler Leakage (from \$50K to \$100K) and flood (from \$50K to \$250K) under the DIC-Earthquake policy.
- Cyber Liability policies: Increased coverage for Bricking, Reputational Harm, and Cryptojacking.

The final renewal premium for 2023-2024 is 5.8%, or \$163,464, higher than the expiring premium for the insurance policies discussed above.

Expiring Premium	Renewal Premium	Dollar Difference	% Increase (Decrease)
\$2,810,259	\$2,973,723	\$163,464	5.8%

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None		N/A	N/A	C. Chio	K. Freeman 05/12/23

FINANCE DEPARTMENT

6. APPROVE THE ELEVENTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH VARIS, LLC.

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the Eleventh Amendment to the Professional Services Agreement (Agreement) with Varis, LLC (Varis) for the provision of Diagnosis-Related Group Overpayment Identification Services effective July 1, 2023, through December 31, 2023.

Contact:

Keenan Freeman, Chief Financial Officer

Background:

IEHP primarily pays inpatient hospital claims for Medicare members using CMS’s reimbursement method, referred to as “inpatient prospective payment system” or “Medicare DRG payment system.” Additionally, a small amount of Medi-Cal claims are also contracted at these rates. This payment method categorizes inpatient cases into diagnosis-related groups, referred to as “DRG.”

IEHP is limited in its ability to detect erroneously billed DRG claims due to coding, processing, or calculation errors, regardless of source. As a result, hospital billing errors can go undetected.

Varis possesses the required expertise to screen hospital claims, correspond with hospitals and review medical records to substantiate accurate DRG billing and payment. Varis has been providing services to IEHP since 2011.

Discussion:

Under the Eleventh Amendment, Varis shall continue to perform claims review of acute inpatient claims to substantiate accurate DRG billing and payment beginning July 1, 2023, through December 31, 2023. All other items and conditions of the Agreement remain in full force and effect.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	J. Haines 5/12/23	J. Phay 5/15/23	M. Popka 5/15/23	K. Dibrell 5/15/23	K. Freeman 5/12/23

FINANCE DEPARTMENT

7. APPROVE THE AWARD OF REQUEST FOR PROPOSAL #22-04161 TO, AND DELEGATION OF AUTHORITY TO APPROVE, THE PROFESSIONAL SERVICES AGREEMENTS WITH KARDENT DESIGN AND BRAHMBHATT ARCHITECTS, INC.

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the award of Request for Proposal #22-04161 (RFP #22-04161) to, and authorize the Chief Executive Officer (CEO) or his designee to negotiate and, after legal review and approval, sign Professional Services Agreements (Agreements) with Kardent Design (Kardent) and Brahmhatt Architects, Inc. (Brahmhatt) for the provision of Architectural Tenant Improvement Design Services for an amount not to exceed \$500,000 for each vendor for a term of one year. The combined total amount payable under these Agreements shall not exceed \$1,000,000.

Contact:

Keenan Freeman, Chief Financial Officer

Background:

IEHP requires as-needed and on-call, architectural tenant improvement design services to prepare field verification, space planning, interior/exterior design development and construction documentation, specifications and drawings, rough order of magnitude (ROM) costs, and construction administration for planned construction projects.

On February 23, 2023, IEHP issued Request for Proposal (RFP) #22-04161 for Architectural Tenant Improvement Design Services on Bonfire, its public third-party bidding website. The bid closed on March 16, 2023. As a result, fifty (50) bidders indicated interest, with two (2) submitting proposals. In an effort to increase the number of bidders, IEHP extended the bid close date to April 11, 2023. As a result, no other bidders submitted a proposal.

First Round Scoring: Company Profile and Evaluation Criteria:

Bidder	Score (out of 70)
Brahmbhatt Architects	44.27
Kardent Design	47.02

Second Round Scoring: Pricing

Bidder	Score (out of 30)
Brahmbhatt Architects	30
Kardent Design	29.04

Final Scoring:

Bidder	Score (out of 100)
Brahmbhatt Architects	79.27
Kardent Design	76.07

Due to the volume of planned construction projects for Calendar Year (CY) 2023 and 2024, and the need for on call services for any general tenant improvement projects, IEHP has selected both Brahmbhatt and Kardent as the most qualified and responsive vendors for Architectural Tenant Improvement Design Services.

Discussion:

Due to the volume of planned construction projects, IEHP seeks approval to award RFP# 22-04161 to both Brahmbhatt and Kardent.

IEHP requests Delegation of Authority to enter into an Agreements with Brahmbhatt and Kardent for a term of one (1) year The cost of each Agreement shall not exceed \$500,000

The combined cost of these Agreements shall not to exceed \$1,000,000 for one (1) year.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	Jordan Haines 05/12/23	Teri Picarone 5/12/23 Shawn Marie Cox 5/12/23	M. Popka 05/15/23	Richard Fleig 05/12/23	K. Freeman 05/17/23

FINANCE DEPARTMENT

8. APPROVE THE AWARD OF REQUEST FOR PROPOSAL #22-04162 TO, AND DELEGATION OF AUTHORITY TO APPROVE THE PROFESSIONAL SERVICES AGREEMENT WITH, IMEG CORP.

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the award of Request for Proposal #22-04162 (RFP #22-04162) and authorize the Chief Executive Officer (CEO) or his designee to negotiate and, after legal review and approval, sign a Professional Services Agreement (Agreement) with IMEG Corp for the provision of Mechanical, Electrical, Plumbing and Structural Tenant Improvement Design Services for an amount not to exceed \$500,000 for a term of one (1) year effective June 23, 2023 through June, 22, 2024

Contact:

Keenan Freeman, Chief Financial Officer

Background:

IEHP requires as-needed and on-call mechanical, electrical, plumbing, and structural (MEPS) tenant improvement design services to prepare engineered designs, specifications, drawings, rough order of magnitude (ROM) costs, and construction administration for planned construction projects.

On March 7, 2023, IEHP issued Request for Proposal (RFP) #22-04162 for Mechanical, Electrical, Plumbing and Structural Tenant Improvement Design Services on Bonfire, its public third-party bidding website. The bid closed on March 20, 2023, with 14 bidders indicating interest, with one (1) submitting a proposal. In an effort to increase the number of bidders, IEHP extended the bid close date until April 12, 2023. As a result, no other bidders submitted a proposal.

First Round Scoring: Company Profile and Evaluation Criteria:

Bidder	Score (out of 70)
IMEG Corp.	40.18

Second Round Scoring: Pricing

Bidder	Score (out of 30)
IMEG Corp.	30

Final Scoring:

Bidder	Score (out of 100)
IMEG Corp.	70.18

Based on the total combined score of 70.18, IEHP Selected IMEG Corp. as the most qualified and responsive vendor for Mechanical, Electrical, Plumbing and Structural Tenant Improvement Design Services.

Discussion:

IEHP seeks approval to award RFP #22-04162 to IMEG Corp, and Delegation of Authority to enter into an Agreement for as-needed and on-call mechanical, electrical, plumbing, and structural (MEPS) tenant improvement design services to prepare engineered designs, specifications, drawings, rough order of magnitude (ROM) costs, and construction administration for planned construction projects with IMEG Corp for a term of one (1) year.

The cost of this Agreement shall not to exceed \$500,000 for one (1) year.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	Jordan Haines 05/12/23	Charlene 5/12/23 Shawn Marie Cox 5/12/23	M. Popka 05/16/23	Richard Fleig 05/12/23	K. Freeman 05/17/23

FINANCE DEPARTMENT

9. APPROVE THE ANNUAL RENEWAL OF WORKERS’ COMPENSATION INSURANCE AND CRIME INSURANCE POLICIES

Recommended Action

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the renewal of the Workers’ Compensation Insurance policy with American Zurich Insurance Company (Zurich) and Crime Insurance policy with National Union Fire Insurance Company of Pittsburgh, PA (AIG) for Policy Period July 1, 2023, through June 30, 2024, with the total insurance costs and a collateral trust not exceeding \$1,956,640 and \$1,300,000, respectively.

Contact

Keenan Freeman, Chief Financial Officer

Background

Alliant Services (Alliant) was contracted by IEHP to procure required Workers’ Compensation and Crime insurance policies based on IEHP’s risk exposure. American Zurich Insurance Company (Zurich) and National Union Fire Insurance Company (AIG) are the incumbent carriers for IEHP Workers’ Compensation and Crime insurance policies, respectively, with policy period expiring June 30, 2023.

Discussion

Based on the extensive marketing results of various carriers from prior year renewal, Alliant and IEHP have focused our current renewal efforts on negotiating with the incumbents’ renewal proposals.

The tables below summarize the recommended coverage and deductible and the costs for Workers’ Compensation and Crime insurance renewals.

Insurance Policy	Insurance Carrier	Renewal Program (Coverage/Deductible)	Expiring Program (Coverage/Deductible)
Workers' Compensation	American Zurich Insurance Company (Zurich)	Workers’ Comp: Statutory, Employer’s Liability coverage: \$2 million. Deductible: \$500,000	Workers’ Comp: Statutory, Employer’s Liability coverage: \$2 million. Deductible: \$350,000
Crime	National Union Fire Insurance Company of Pittsburgh, PA (AIG)	Coverage: \$10 million Deductible: \$2,500	Coverage: \$10 million Deductible: \$2,500

Item	Renewal	Expiring
Workers' Compensation Premium ⁽¹⁾	\$ 655,786	\$ 619,915
Claim handling fees ⁽²⁾	32,550	48,069
20% contingency ⁽³⁾	137,667	0

CONSENT AGENDA

Item	Renewal	Expiring
Claim losses ⁽⁴⁾	1,090,453	1,031,540
Loss Fund Escrow Account ⁽⁵⁾	0	0
Workers' Compensation Insurance Costs	\$1,916,456	\$1,699,524*
Crime Policy Premium	37,884	36,437
Estimated taxes and fees	2,300	0
Crime Insurance Costs	\$40,184	\$36,437
Total Insurance Costs	\$1,956,640	\$1,735,961
Collateral Trust account ⁽⁶⁾	1,300,000	0
Total Amount	\$3,256,640	\$1,735,961

*The Workers' Compensation expiring insurance cost is subject to reconciliation based on actual data at the end of coverage period.

- (1) The premium for Workers' Compensation policy is subject to reconciliation based on actual data at the end of the coverage period. Any amount in excess of \$3,256,640 will be presented to the Governing Board of IEHP for approval.
- (2) The estimated claim handling fees are based on the projected number of claims for 2023-24 policy period.
- (3) The 20% contingency will be used to cover any additional amounts that IEHP may owe resulting from payroll reconciliation, incurred losses and the associated claims handling fees, fees associated with Collateral Trust and Loss Fund Escrow accounts, and any other applicable taxes and fees.
- (4) The estimated losses are based on the average of claims incurred in the past six years below \$350,000.
- (5) IEHP is required to maintain a Loss Fund Escrow account, which will be utilized to fund the deductible portion of Workers' compensation claims. The account was initially set up since 2018-19 policy year and currently has a balance of \$60,000. In the event if IEHP decides to change insurance carrier at the next renewal, the escrow account will remain in effect until all outstanding claims for all policy periods are closed. Any remaining amount will then be refunded to IEHP.
- (6) IEHP is required to have Collateral Trust account(s) in the event IEHP fails to pay the deductible portion on Workers Compensation claims. Currently, IEHP has a balance of \$3,450,000 in a Collateral Trust account for prior policy periods since July 1, 2018. Similar to the Loss Fund Escrow account, the Collateral Trust account will remain in effect until all outstanding claims for all policy periods are closed. Any remaining amount will then be refunded to IEHP.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	K. Freeman	N/A	A. Wang 05/26/23	C. Chio	K. Freeman 05/30/23

HEALTH SERVICES DEPARTMENT

10. APPROVE THE FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH HEALTH MANAGEMENT ASSOCIATES, INC.

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the First Amendment to the Professional Services Agreement (Agreement) with Health Management Associates, Inc. (HMA) for the provision of consulting services for oversight and monitoring plan for Pharmacy Benefit Management (PBM) compliance with Dual Eligible Special Needs Plan (DSNP). The costs for this Amendment are covered by the existing compensation and no additional funds are required. The total amount payable under this Agreement remains unchanged for an amount not to exceed \$73,010 through October 31, 2023.

Contact:

Takashi Wada, M.D., Chief Medical Officer

Background:

Health Management Associates, Inc. has been providing technical assistance and consulting services to IEHP since 2012. Consulting services have included the following:

- Market analysis for regulatory and operational frameworks, diversification principles and criteria, and operational readiness;
- Procurement of Health Home Program implementation support services;
- Health Homes Program and support services to transition to CalAIM Enhance Care Management/Community Supports (formally known as In Lieu of Services) (ECM/ILOS); and
- Support in the design, develop and launch a Covered California product.

IEHP has continued its relationship with HMA due to their experience and current consulting work on implementing a new Line of Business (LOB) (Covered California). In addition, HMA has history with other California Medi-Cal plans of IEHP’s size. IEHP also needed a more targeted review of how its Pharmacy Department is organized, and the skill set to oversee the regulations of DSNP RX.

The Governing Board had previously approved the Professional Service Agreement as follows:

Date Approved	MO#	Purpose	Term Expiration	Cost
12/12/2023	22-391	Professional Service Agreement	10/31/2023	\$73,010
Total Cost to date:				\$73,010
New Cost				n/a
Total Cost				\$73,010

Discussion:

In accordance with the scope of this Agreement, HMA performed an assessment of IEHP’s Pharmacy and Formulary oversight and monitoring processes and found a significant knowledge gap for the DSNP product. In response, IEHP intends to engage HMA to develop a Part D training program for IEHP team members in compliance with DSNP Pharmacy and Formulary requirements as defined by the Centers for Medicare and Medicaid Services (CMS).

This First Amendment will incorporate the additional Part D Training program to the Scope of Services. The training costs of \$35,000 are covered by the existing compensation and no additional funds are required. The total cost of this Agreement remains unchanged for an amount not to exceed \$73,010 through October 31, 2023.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	C. Aguirre 5/03/2023	T. Rankins 5/09/2023	M. Popka 5/12/23	J. Kendrick 5/10/2023	T. Wada 05/05/23

HEALTH SERVICES DEPARTMENT

11. APPROVE THE MEMORANDUM OF UNDERSTANDING WITH THE COUNTY OF RIVERSIDE ON BEHALF OF ITS RIVERSIDE COUNTY SHERIFF’S DEPARTMENT HOMELESS OUTREACH TEAM

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) Approve the Memorandum of Understanding (MOU) with the County of Riverside on behalf of its Riverside County Sheriff’s Department Homeless Outreach Team (H.O.T.) to provide data sharing regarding housing and homeless services effective through May 1, 2027.

Contact:

Takashi Wada, M.D., Chief Medical Officer

Background:

Riverside County Sheriff’s Department H.O.T. provides outreach and referral to housing and homeless services to unsheltered individuals and families. Medi-Cal managed care health plans such as IEHP are responsible for a broad range of care coordination and case management services for Medi-Cal beneficiaries. This includes coordination and referral of resources for client social support issues. This service will impact IEHP by assuring Members robust health care and supportive services across the full continuum of providers and care settings, and that such services are not duplicated. The parties desire to implement a collaborative approach between the Riverside County Sheriff’s Department H.O.T. and IEHP so they may offer the broadest care possible to their shared clients/members in Riverside County.

Discussion:

IEHP has historically had MOUs in place with County of Riverside. The action of this item is to have a specific MOU in place with Riverside County’s Sheriff Department H.O.T. The MOU will allow IEHP and Riverside County Sheriff’s Department H.O.T. to communicate and coordinate care for shared Members. Staff will participate in Interdisciplinary Care Team Case Conferences as needed. Increased collaboration between IEHP and Riverside County Sheriff’s Department H.O.T. will enhance goodwill with the community and increase efficiency in addressing Members’ needs. IEHP’s Mission, Vision, and Values is fortified in the MOU through continued commitment to Members, Providers, and Partners.

There is no cost associated with this MOU. The MOU term will be through May 1, 2027.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	N/A	N/A	M. Popka 05/15/23	S. LaMaster 03/02/23	T. Wada 05/05/23

HEALTH SERVICES DEPARTMENT

12. DELEGATION OF AUTHORITY TO APPROVE THE MEMORANDA OF UNDERSTANDING FOR THE HEALTHY SCHOOL PROGRAM

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) Authorize the Chief Executive Officer (CEO) or his designee to, after legal review and approval, sign Memoranda of Understanding (MOU) related to the Healthy School Program through June 30, 2026. No compensation will be exchanged between parties.

Contact:

Takashi Wada, M.D., Chief Medical Officer

Background:

Since 2017, IEHP's Health Navigator Team has collaborated with Local Educational Agencies (LEAs), such as San Bernardino City Unified School District and Colton Unified School District, to launch the Healthy School Program (HSP), to provide targeted services and supports to identified students and their families. This Program empowers IEHP Members to use preventive services such as mental health & wellness resources, well child exams, immunizations, etc. and receive care for their chronic conditions. Additionally, the Health Navigators provide healthcare access navigation, and connect families with community resources and internal IEHP departments based on Members' identified needs. The Health Navigators also promote appropriate utilization of health care services such as: the afterhours Nurse Advice Line, Urgent Care Clinics, and Primary Care Providers to ensure Members receive the care they need at an appropriate time and place.

Discussion:

In alignment with the statewide initiative, the Student Behavioral Health Incentive Program (SBHIP), the Healthy School Program is expanding to additional LEAs in the Inland Empire. This expansion allows IEHP to partner with the following LEAs in connecting disconnected systems of care, identifying, and bridging care gaps and improving coordination of care for students' access care in various systems.

1. Ontario-Montclair Unified School District
2. Provisional Accelerated Learning Academy
3. Rialto Unified School District
4. San Bernardino City Unified School District
5. Victor Valley Union High School District
6. Riverside County Office of Education Alt. Ed.
7. Hemet Unified School District
8. Nuvview Unified School District
9. Leadership Military Academy
10. Palm Springs Unified School District

CONSENT AGENDA

To accomplish the Healthy School Program model and goals, IEHP seeks delegation of authority to enter into MOUs with the LEAs identified above, through June 30, 2026. No compensation will be exchanged between parties.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	L. Herrera 5/03/2023	N/A	M. Popka 5/09/23	A. Rai 5/09/2023	T. Wada 05/05/23

HEALTH SERVICES DEPARTMENT

13. APPROVE THE FOURTH AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING WITH RIVERSIDE UNIVERSITY HEALTH SYSTEM – BEHAVIORAL HEALTH

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the Fourth Amendment to the Memorandum of Understanding (MOU) with Riverside University Health System – Behavioral Health (RUHS-BH) for the provision of coordinating the delivery of behavioral health care services to Riverside County beneficiaries, for a term extension through December 31, 2023.

Contact:

Takashi Wada, M.D., Chief Medical Officer

Background:

RUHS-BH provides specialty mental health services and substance use treatment services to IEHP Members who reside in Riverside County. Since 1998, IEHP has worked with the RUHS-BH to develop a County specific, all-inclusive MOU that appropriately establishes physical and specialty mental health care services for Medi-Cal and Medicare Dual Choice recipients. Periodically, the MOU undergoes a review and update process to incorporate new changes to State regulations. This ensures that the responsibility is current, and that Medi-Cal and Medicare Dual Choice recipients do not experience a lapse in services to be rendered to them under the county specific MOU.

IEHP has had an MOU in place with RUHS-BH for these services since 2018.

The Governing Board had previously approved the current MOU and Amendments as follows:

Date Approved	MO#	Purpose	Term Expiration	Cost
08/28/2018	18-93	Memorandum of Understanding with Riverside University Health System – Behavioral Health	06/31/2023	\$N/A
12/14/2020	20349	Memorandum of Understanding with RUHS BH Amendment #1 to change the schedule of sending invoices and receiving payment for Eating Disorder cases.	06/31/2023	N/A
03/11/2019	1944	Memorandum of Understanding with RUHS BH Amendment #2 –	12/31/2021	\$153,000

Date Approved	MO#	Purpose	Term Expiration	Cost
		Addendum to add Health Home services.		
03/14/2022	22-048	Memorandum of Understanding with RUHS BH Amendment #3 – Updated Dispute Resolution language in accordance with APL 21-013.	06/30/2023	N/A
Total Cost to date:				\$153,000
New Cost				\$0
Total Cost				\$153,000

Discussion:

In June 2023, DHCS will release a new MOU template and updated guidelines on content to include in the MOU regarding behavioral health care services, which must be effective January 1, 2024. To align with these new guidelines, IEHP and RUHS-BH will execute a MOU utilizing the new template. In the interim, the current MOU term will need to be extended through December 31, 2023.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	N/A	N/A	M. Popka 5/12/2023	A. Holmes 5/12/2023	T. Wada 5/05/2023

HEALTH SERVICES DEPARTMENT

14. APPROVE THE MEMORANDUM OF UNDERSTANDING WITH RIVERSIDE COUNTY, DEPARTMENT OF SOCIAL SERVICES

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the Memorandum of Understanding (MOU) with Riverside County, Department of Social Services (DPSS) for the provision of accessible, comprehensive health care and case management services for Medi-Cal eligible foster youth under IEHP's Open Access program for five (5) years, through June 30, 2028. There is no cost associated with this MOU.

Contact:

Takashi Wada, M.D., Chief Medical Officer

Background:

Since 2002, IEHP has partnered with Riverside County DPSS for foster youth health care and case management for Medi-Cal eligible foster youth enrolled in its Open Access program. Under this partnership, IEHP provides the basic services that all IEHP Medi-Cal members receive, such as, but not limited to, doctor visits, hospitalization, immunizations, and emergency services; no youth enrolled in this program is turned away because of a pre-existing medical or mental health condition. In turn, Riverside County DPSS serves as the central point of information in response to daily operational issues as they occur, and provides IEHP with updates, as needed, of children in placement and if there are any changes to their placement.

The current MOU between IEHP and Riverside County DPSS will term on June 30, 2023.

Discussion:

Under this new MOU, IEHP and Riverside County DPSS will continue providing health care and case management services for Medi-Cal eligible foster youth. Currently, there are over 3,000 foster youth from Riverside County enrolled in the Open Access program, which is a significant increase from the enrollment numbers of 2002. This MOU will update contractual terms, account for the increasing number of foster youths enrolled in the Open Access program and solidify IEHP's compliance with the California Department of Health Care Services' (DHCS) Foster Care measures, which requires both the protection and preservation of foster youths' health and timely access of medical care within 30 days of placement. Additionally, this MOU will help IEHP remain in compliance with the following State and Federal requirements:

- California Assembly Bills (AB):
 - AB 2083: Foster Youth: Trauma-Informed System of Care: Requires counties and their partners to serve children and youth in foster care who experienced severe trauma.
 - AB 403: Public Social Services – Foster Care Placement, Funding: Ensures that the day-to-day physical, mental, and emotional needs of all children and youth in foster care are met, have the greatest chance to grow up in permanent and supportive homes, and have the opportunity to grow into self-sufficient and successful adults.

CONSENT AGENDA

- Medicaid for Children and Youth: Early and Periodic Screening, Diagnostic, and Treatment Benefit (EPSDT)
 - A mandatory service under the Federal Medicaid Program as defined under the Social Security Act of 1935 § 1905(r), 42 U.S.C. 1396d (2022).

There is no cost associated with this MOU.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	N/A	N/A	M. Popka 5/12/2023	H. Waters 5/12/2023	T. Wada 5/5/2023

HEALTH SERVICES DEPARTMENT

15. APPROVE THE FIFTH AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT WITH INLAND SOUTHERN CALIFORNIA 211+

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the Fifth Amendment to the Professional Services Agreement (Agreement) with Inland Southern California 211+ for the provision of providing accessible program information throughout all of Riverside and San Bernardino Counties for an additional amount not to exceed \$470,000 and a one (1) year term extension through June 30, 2024. The total amount payable under this Agreement shall not exceed \$1,597,428.50 through June 30, 2024.

Contact:

Takashi Wada, M.D., Chief Medical Officer

Background:

The Connect IE web-based platform was launched in January 2019 to provide a social care network for the community to find social service programs and community-based organizations to coordinate their efforts.

Inland Southern California 211+ has played a significant role in the current success of Connect IE. Activities thus far have included supplying data on hundreds of nonprofit agencies and thousands of their programs, continual data updates by direct Application Programming Interface (API) connection to the 211 data, using 211’s connections to local providers to engage platform utilization, and supplying weekly expertise to steer the project from the unique 211 perspective. Inland Southern California 211+ has supported the launch of the Community Information Network by enrolling community members into the Community Information Network (CIN) coalition and providing training, engagement, and support to Community Base Organizations and healthcare users. IEHP has contracted with Inland Southern California 211+ since January 1, 2019, for services.

The Governing Board had previously approved the Professional Service Agreement as follows:

Date Approved	MO#	Purpose	Term Expiration	Cost
08/07/2019	16-64	Professional Service Agreement	06/30/2020	\$120,609
08/01/2020	16-64	First Amendment to the Professional Service Agreement for term extension and additional funds	12/31/2020	\$60,305

Date Approved	MO#	Purpose	Term Expiration	Cost
01/01/2021	21-5	Second Amendment for term extension and additional funds.	12/31/2021	\$244,852
03/14/2022	22-045	Third Amendment for term extension and additional funds.	12/31/2022	\$467,775
01/01/2023	22-392	Fourth Amendment for term extension and additional funds.	06/30/2023	\$233,887.50
Total Cost to date:				\$1,127,428.50
New Cost				\$470,000.00
Total Cost				\$1,597,428.50

Discussion:

Approving this Fifth Amendment will allow for Inland Southern California 211+'s continued support in the following three areas:

1. Provide 211 database API connection to and from Connect IE.
2. Lead the process, with the Inland Empire Health Information Organization (IEHIO), to expand the CIN by engaging, and supporting community members.
3. Utilize 211 as the 'front door' for performing Social Determinant of Health assessments, and enrolling residents into the Connect IE CIN to shift away from a reactive approach to providing person-centered care.
4. Connect IE and the Community Information Network will support IEHP in meeting CalAIM requirements around Closed Loop Referrals. The Community Information Network assists in the collection of accurate contact and demographic information, tracks referrals to social services, provides closed loop bi-directional referrals, and provides data on Social Determinants of Health

The fees associated with this Fifth Amendment Include:

Dates	Deliverables	Cost (not to exceed)
July 2023 - June 2024	Monthly payment up to \$35,000 for 1,000 CIN Enrollments	\$420,000
December 2023 and June 2024	Biannual payment of \$25,000 for technology enhancement (API connection) upon meeting milestone of (6,00/12,000) CIN Enrollments	\$50,000
TOTAL COSTS JULY 2023- JUNE 2024		\$470,000
TOTAL NOT TO EXCEED AGGREGATE AMOUNT		\$1,597,428.50

The additional cost of this Fifth Amendment shall not exceed \$470,000 through June 30, 2024.
 The total cost (including this request) of this Agreement shall not exceed \$1,597,428.50 through June 30, 2024.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	Lidia Herrera 05/12/2023	Holli Clear 05/12/2023	Make Selection [enter date]	Gabriel Uribe 05/12/2023	T. Wada 05/09/2023

HEALTH SERVICES DEPARTMENT

16. APPROVE THE SIXTH AMENDMENT TO THE PROFESSIONAL SERVICE AGREEMENT WITH GALLAGHER BENEFIT SERVICES, INC.

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the Sixth Amendment to the Professional Service Agreement (Agreement) with Gallagher Benefit Services, Inc. (Gallagher) for the provision of Pharmacy Benefit Consulting for an additional amount not to exceed \$168,000 and extend the term through June 30, 2024. The total amount payable under this Agreement shall not exceed \$1,194,000 through June 30, 2024.

Contact:

Takashi Wada, M.D., Chief Medical Officer

Background:

IEHP requires this service to build and maintain the pharmacy processes adherent with Centers for Medicare & Medicaid Services (CMS), California Department of Health Care Services (DHCS), California Department of Managed Health Care (DMHC) and National Committee for Quality Assurance (NCQA) requirements. In addition to regulatory compliance, this service will impact IEHP by supporting IEHP Pharmacy Department with the expert insights on topics including but not limited to pharmacy industry pricing, contracting, and pharmacy operation.

IEHP has contracted with Gallagher since December 2019 for general pharmacy consultation services. Pharmacy Department processed an informal bid and received quotes from 3 vendors. Based on experience, performance (as they are main consultant for various California health plans) and consulting model, Pharmacy selected Gallagher.

The Governing Board had previously approved the amendments to the Agreement as follows:

Date Approved	MO#	Purpose	Term Expiration
12/04/2019	16-64	PSA – General pharmacy consultation support	10/31/2020
09/01/2020	16-64	First Amendment to extend general pharmacy consultation support	10/31/2021
06/17/2021	16-64	Second Amendment to include one-time PBM RFP Procurement Consultation Services	05/17/2022
12/08/2021	16-64	Third Amendment to extend general pharmacy consultation support	10/31/2022
04/11/2022	22-142	Fourth Amendment to extend the scope of work to include New PBM Vendor Implementation Support, DSNP Application and Project Plan Development Support, and General Consultation Services	03/31/2023

Date Approved	MO#	Purpose	Term Expiration
03/06/2023	23-053	Fifth Amendment to extend general pharmacy consultation support	06/30/2023

Discussion:

This Sixth Amendment will add an additional scope by which Gallagher will provide support to IEHP for its implementation of the pharmacy benefit for Covered California, CMS Pharmacy Benefit Manager (PBM) oversight training and procedure implementation, and other regulatory, compliance and operational support. Additionally, Gallagher will also provide and perform gratuitous services by conducting a PBM market check for IEHP’s Medicare and Covered California lines of business in 2024 for the 2025 PBM financial guarantee. Gallagher will partner with its consultancy firm, BluePeak Advisors (a division of Gallagher) to provide the services under this Sixth Amendment.

While Gallagher continues to be a valued partner, IEHP intends to survey the market for Pharmacy Benefit Consulting services prior to the end of this Agreement term.

IEHP requires these services to build and maintain the pharmacy processes adherent with CMS, DHCS, DMHC and NCQA regulatory requirements. The services will provide an internal impact to IEHP’s Mission, Vision, and Value: bringing focus and accountability and never wavering in our commitment to our Providers and Partners.

The additional cost of this Sixth Amendment shall not exceed \$168,000. The total cost (including this request) of this Agreement shall not exceed \$1,194,000 through June 30, 2024.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	C. Aguirre 5/09/23	T. Rankins 05/22/23	Make Selection [enter date]	M. Blatt 5/09/23	T. Wada 5/05/23

HEALTH SERVICES DEPARTMENT

17. DELEGATION OF AUTHORITY TO APPROVE THE PROFESSIONAL SERVICES AGREEMENT WITH BIENESTAR IS WELL-BEING

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) authorize the Chief Executive Officer (CEO) or his designee to, after legal review and approval, sign the Professional Services Agreement (Agreement) with Bienestar is Well-Being (Bienestar) for the provision of logistical services for coordinating the delivery of food to IEHP's Community Health food distribution sites, for an amount not to exceed \$506,614 for a one (1) year term commencing on July 1, 2023 or soon thereafter.

Contact:

Takashi Wada, M.D., Chief Medical Officer

Background:

IEHP's timely connection of Members with healthcare and community resources to close care gaps is essential. Food insecurity is a real issue many IEHP Members face daily. By providing fresh produce and directly engaging with Members on a consistent basis, across multiple sites in both counties, IEHP lives up to its vision of communities enjoying optimal care and vibrant health.

Bienestar was selected through a justified single source procurement as this service is difficult to obtain from existing participants in the food distribution space. Other potential vendors in this food delivery service space do not have the expertise in food transportation and logistics management required for transporting fresh, nutritious food across the Inland Empire. Comparatively, Bienestar, an organization that is already managing weekly fresh food distributions to over 10 different food distributions across California, has the extensive transportation and logistics experience necessary to effectively move food donations across the Inland Empire. As a local non-profit, they also understand the Inland Empire communities IEHP serves and has relationships in place to ramp-up quickly.

Discussion:

IEHP currently has six (6) active food distribution sites in the communities of Redlands, San Bernardino and Trona in San Bernardino County, and Hemet, Perris and Riverside in Riverside County, receiving and distributing over 100,000 pounds of fresh produce to thousands of families weekly. Each site receives on average 300-500 IEHP families at each distribution creating the opportunity for direct Member engagement. These distributions therefore become a critical community health component that would contribute to IEHP's 2023 care quality strategy. Through the provision of sustainable access to healthy nutritious food, via food distributions, Bienestar provides communities with the ability to address food insecurity and its associated root causes. The proposed distribution sites under Bienestar would cover the current six (6) active sites, and expand to serve additional communities, such as Ontario in San Bernardino County, and Moreno Valley in Riverside County.

This service will positively impact IEHP by 1) providing opportunities for direct Member engagement which can be used to close care gaps and reduce overutilization of services (per IEHP’s 2023 strategic tactics); 2) improving Member affinity towards IEHP via the goodwill associated with food support; and 3) improving Inland Empire communities’ social environments through the provision of fresh produce.

Associated costs related to this Agreement are outlined in the table below:

Annual Cost For Site Coordination	
Description:	Cost
Direct Costs	
Labor	\$251,170.00
Transportation	\$109,200.00
Program Logistics	\$25,000.00
Sub Total	\$385,369.40
Indirect Costs:	
12% of all Direct costs for coverage of costs associated with indirect staff & communications that are not readily identifiable as direct costs	\$46,244.33
Sub Total	\$431,613.73
Program Set Up Fee	\$75,000.00
TOTAL NOT TO EXCEED AMOUNT	\$506,613.73

The cost of this Agreement shall not to exceed \$506,614 for a one (1) year term commencing on July 1, 2023, or soon thereafter.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
New Expenditure	L. Herrera, J Haines, 05/23/2023	Ray Hsieh, 05/16/2023	M. Popka 05/16/2023	C. Armendariz, 05/17/2023	T. Wada 05/22/2023

HEALTH SERVICES DEPARTMENT

18. RATIFY AND APPROVE THE SECOND AMENDMENT TO THE CONTRACT WITH SAN BERNARDINO COUNTY AND DELEGATION OF AUTHORITY TO APPROVE AGREEMENTS AND AMENDMENTS RELATED TO THE COVID EQUITY GRANT PROGRAM

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) ratify and approve the Second Amendment to the Contract with San Bernardino County for the receipt and administration of COVID Equity Grant funds for an additional one (1) year term through May 31, 2024 and authorize the Chief Executive Officer or his designee to, after legal review and approval, execute Agreements and Amendments with community partners related to the COVID Equity Grant program.

Contact:

Takashi Wada, M.D., Chief Medical Officer

Background:

The CDC implemented a national grant funded initiative to address COVID-19 Health Disparities. The County of San Bernardino received a portion of the COVID Equity Grant and partnered with IEHP to be the administrator of a \$3,300,000 grant. On March 14, 2022, the Governing Board delegated authority to IEHP to receive and administer these grant funds for COVID-19 response activities, and thereafter IEHP and the County of San Bernardino entered into an agreement on April 1, 2022, to receive those funds (“Contract”). Upon receipt of the grant funds, IEHP partnered with Motivating Leadership Action Opportunity (MALO) and ambassadors within the community to provide COVID vaccine outreach, education, and promotion.

The Contract was previously approved as follows:

Date Approved	MO#	Purpose	Term Expiration	Grant Funds Paid to IEHP
03/14/2022	22-047	Contract for COVID Equity Grant Funds	05/31/2023	\$3,300,000
05/14/2022	22-047	1 st Amendment to Section V. Fiscal Provision, Paragraph D, Replace Attachment A – Scope of Work, Replace Attachment F, Budget	05/31/2023	N/A
Total Cost to date:				\$3,300,000
New Cost				N/A
Total Cost				\$3,300,000

Discussion:

San Bernardino County approved a one (1) year term extension to this Contract for IEHP's continued administration of existing grant funds. Over the next year, IEHP will be reallocating funds to existing scopes of work as follows:

- Media Buy (*reducing original budgeted amount*)
- COVID Education Event Sponsorships (*reallocating funds to account for 10 additional Sponsorships*)
- Vaccine Clinic Promotion/Support (*reallocating funds to account for a Family Expo event and a July event*)

Additionally, IEHP is requesting an extension of the delegation of authority to enter into Funding Agreements and Ambassador Agreements, or amend existing Funding Agreements and Ambassador Agreements, with CBOs related to COVID vaccine education and outreach, through May 31, 2024. No additional funds need to be allocated from the original budget allocated for these Agreements.

IEHP seeks approval to extend the term of the Contract with San Bernardino County for the provision of administrating COVID Equity Grant funds through May 31, 2024. There is no cost associated with this Second Amendment. The total amount of grant funds awarded to IEHP under this Contract remains at \$3,300,000.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	M. Martinez 05/23/2023	N/A	M. Popka [enter date]	\M. Coffey 05/16/2023	T. Wada 05/15/2023

INFORMATION TECHNOLOGY DEPARTMENT

19. DELEGATION OF AUTHORITY TO APPROVE THE FOURTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH AGILITY SOFTWARE SOLUTIONS

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) Authorize the Chief Executive Officer (CEO) or his designee to, after legal review and approval, sign the Fourth Amendment to the Professional Services Agreement (Agreement) with Agility Software Solutions (Agility) for the provision of professional services for an additional amount not to exceed \$106,050.00 through July 31, 2023. The total compensation payable under the Agreement shall not exceed \$1,749,930.00 through July 31, 2023.

Contact:

Vinil Devabhatuni, Chief Digital and Information Officer

Background:

IEHP has contracted with Agility for professional resource services since May of 2022. Agility was selected as the vendor to provide professional resource services to IEHP due to the skillset and experience of the consultants assigned to support IEHP in IT infrastructure services. Sourcing of the Agreement was via California Multiple Award Schedules (CMAS) agreement 3-21-05-1019.

Over the past 16 months, IEHP has utilized these skilled resources to support the completion of IT Infrastructure projects in the areas of VMware, Linux, Middleware, Storage, Unified Communications, Network Collaboration and Security.

In addition to professional resources, Agility was awarded software licensing and hardware purchase agreements through competitive quotes and Request For Proposal in the amount of \$4,900,000.00

The following agreements were previously approved as follows:

Date Approved	MO#	Purpose	Term Expiration	Cost
May 2022	16-64	Professional Services Agreement for resources for IT Infrastructure support	August 25, 2023	\$64,500.00

Date Approved	MO#	Purpose	Term Expiration	Cost
July 2022	16-64	The First Amendment to the Professional Services Agreement for a term extension and include a Rate Table.	February 28, 2023	\$78,480.00
August 2022	22-277	Delegation of Authority to approve the Second amendment to the Professional Services Agreement for the provision of professional services extending the term of the agreement.	July 31, 2023	\$1,500,900.00
October 2022	22-277	Delegation of Authority to approve the Third amendment to the Professional Services Agreement for the provision of professional services amending the scope for additional resource roles and increased the travel allocation in the fee schedule.	July 31, 2023	No additional Cost
Total Cost to date:				1,643,880.00
New Cost				\$106,050.00
Total Cost				\$1,749,930.00

Discussion:

A recent reconciliation of the utilization of resource hours found that more resource hours were utilized in the months of February, March and April than expected. IEHP is therefore requesting the addition of 707 resource hours at the rate of \$150.00 per hour, for a total additional cost of \$106,050.

Hence, IEHP seeks Delegation of Authority to enter into a Fourth amendment to the Agreement with Agility for an additional amount not to exceed \$106,050.00. The total amount payable under this Agreement shall not exceed \$1,749,930.00 through July 31, 2023.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	S. Chiu 05/14/23	W. Yanes 05/16/23	M. Popka 05/15/23	J. Maass 5/12/2023	V. Devabhaktuni 5/18/2023

INFORMATION TECHNOLOGY DEPARTMENT

20. APPROVE THE FIFTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH DIGITAL REBOOT, INC.

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) Approve the Fifth Amendment to the Professional Services Agreement (Agreement) with Digital Reboot Inc. for the provision of project management and advisory services for an additional amount not to exceed \$258,000 and extend the term through December 31, 2023. The total amount payable under this Agreement shall not exceed \$986,000 through December 31, 2023.

Contact:

Vinil Devabhatuni, Chief Digital and Information Officer

Background:

Digital Reboot has been providing IEHP with advisement services for digital transformation to enable IT modernization through the development and implementation of industry standard ITIL processes and providing InfoSec advisory services since December 9, 2021.

Digital Reboot was selected as a result of a Single Source procurement methodology justified due to the specific professional and technical expertise and deep familiarity with IEHP’s existing processes and systems, The continuity of services provided represents a significant cost and time savings compared to onboarding a new vendor for the same services.

The Governing Board had previously approved the Agreement and subsequent amendments as follows:

Date Approved	MO#	Purpose	Term Expiration	Cost
December 2021	16-64	Approved the Professional Services Agreement with Digital Reboot for the provision of professional services for the IT Modernization – IT Information Library (ITIL) Phase 1.	May 11, 2022	\$65,000
January 2022	16-64	Approved the First Amendment to the Agreement for the addition of Information Security Advisory Services Phase 2.	August 19, 2022	\$67,000

Date Approved	MO#	Purpose	Term Expiration	Cost
March 2022	22-057	Approved the Second Amendment to the Agreement for the continuation of IT modernization enablement and advisory services Phase 3.	August 31, 2022	\$170,000
August 2022	22-274	Approved the Third Amendment to the Agreement for continued enablement and ongoing improvement of implemented ITIL, InfoSec, and IAM/PAM services.	December 31, 2022	\$168,000
December 2022	22-397	Approved the Fourth Amendment to the Agreement for continued provision of IT modernization and modernization services.	June 30, 2023	\$258,000
Total Cost to date:				\$728,000
New Cost:				\$258,000
Total Not to Exceed Cost:				\$986,000

Discussion:

In this Fifth Amendment, Digital Reboot will provide IEHP with professional services to provide the necessary implementation planning for expanded Disaster Recovery (DR) strategies and Business Continuity (Phase IV). IEHP requires the requested services because having a disaster recovery program in place will allow IEHP to be compliant with state regulatory requirements and support business operations in the event of a recovery situation.

The following table provides a breakdown of the expenses and monthly costs associated with these additional professional services, through December 31, 2023.

Description	Monthly Rate	Month
IT Professional Services (not to exceed 40 hours per week)	\$40,000	7/2023
IT Professional Services (not to exceed 40 hours per week)	\$40,000	8/2023
IT Professional Services (not to exceed 40 hours per week)	\$40,000	9/2023
IT Professional Services (not to exceed 40 hours per week)	\$40,000	10/2023
IT Professional Services (not to exceed 40 hours per week)	\$40,000	11/2023

CONSENT AGENDA

Description	Monthly Rate	Month
IT Professional Services (not to exceed 40 hours per week)	\$40,000	12/2023
Travel Related Expenses (must be preapproved by IEHP in writing prior to travel or travel-related purchase(s).	Not to Exceed \$18,000	
NOT TO EXCEED AMOUNT	\$258,000	

As such, IEHP is requesting approval of the Fifth Amendment, for an additional term effective July 1, 2023, through December 31, 2023, for an additional cost of \$258,000. The total compensation payable under this Agreement shall not exceed \$986,000 through December 31, 2023.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	S. Chiu 5/10/2023	S. Cox 5/15/2023	M. Popka 5/12/2023	J. Maass 5/09/2023	V. Devabhaktuni 5/17/2023

INFORMATION TECHNOLOGY DEPARTMENT

21. APPROVE PURCHASE REQUISITIONS FOR ABNORMAL SOFTWARE SOLUTIONS WITH CDW GOVERNMENT, LLC

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the purchase requisition for the Abnormal Security software application for an amount not to exceed \$201,320.00 for a three (3) year term with CDW Government, LLC (CDW-G).

Contact:

Vinil Devabhatuni, Chief Digital and Information Officer

Background:

IEHP has contracted with CDW-G since April 11, 2022, for the procurement of hardware, IT software solutions, and skilled technical professional resources through competitively priced cooperative agreements in support of the following IEHP IT projects:

- Standardization of deployed technology to create seamless interoperability and improved security for onsite and offsite accessibility of Team Members. CDW-G provided equipment and resources to effectuate this implementation.
- IT infrastructure improvement. CDW-G provided skilled resources to implement, maintain and support Telecom and VOIP Systems, manage information security vulnerabilities, and to monitor, maintain and troubleshoot the IT Services application landscape, including but not limited to SIP, Cisco Unified Call Manager (PCCE) Cisco Call Manager, Cisco Unity, IPCC, UCCX, UCCEW, CUCI, CAD and Finesse, and associated technologies.
- Digital technology modernization to improve key areas such as Member and Provider Portals, Community services and Health Services, and provide technology features that enable engagement and experience. IEHP purchased the Adobe Experience Cloud Solution through CDW-G.

The following agreements were previously approved as follows:

Date Approved	MO#	Purpose	Term Expiration	Cost
April 11, 2022	22-146	Funding for Procurement and Issuance of New Laptop Equipment through Co-Op Sourcewell CDWG Tech Catalog 081419-CDW	N/A	\$7,126,860
October 11, 2022	22-331	SOW 04128 for a Mid-Level Network Engineer Resource through Co-Op Sourcewell IT Managed	April 12, 2023	\$156,000

Date Approved	MO#	Purpose	Term Expiration	Cost
		Services and Staff Augmentation Solutions Contract #071321-CDW		
October 11, 2022	22-331	SOW 04267 for a Senior Project Manager through Co-Op Sourcewell IT Managed Services and Staff Augmentation Solutions Contract #071321-CDW	April 12, 2023	\$156,000
October 11, 2022	22-331	Delegation of Authority to approve additional Statements of Work for professional resources up to \$1M	December 31, 2023	\$0
November 14, 2022	Under 22-331	SOW 04300 for Info Security Analyst and System Administrator Resources through Co-Op Sourcewell IT Managed Services and Staff Augmentation Solutions Contract #071321-CDW	May 13, 2023	\$275,600
November 14, 2022	22-368	Adobe Experience Cloud solution software through Co-Op Sourcewell CDWG Tech Catalog 081419-CDW	November 13, 2025	\$850,000
April 10, 2023	Under 22-331	First Amendment to SOW 04300 for professional resources term extension and funding through Co-Op Sourcewell IT Managed Services and Staff Augmentation Solutions Contract #071321-CDW	December 31, 2023	\$291,000
Total Cost to date:				\$8,855,460
New Cost:				\$201,320
Remaining Funds Available of Delegation of Authority for Professional Resources of \$1,000,000:				\$433,200
Total Not to Exceed Vendor Cost:				\$9,489,980

Discussion:

IEHP is seeking to purchase the Abnormal Security software application through CDWG. The Abnormal Security software application provides an artificial intelligence (AI) platform that

connects to Software as a Service (SaaS) applications via application programming interfaces (APIs) to create a platform context across every identity using every activity. By utilizing behavioral AI, the Abnormal Security software application can learn the baseline normal behavior and use the AI driven anomaly detection to evaluate the risk of every event by auto remediating the threat to protect data from compromised emails as a result of phishing, malware, and other cybersecurity threats before they turn into attacks. In addition, the AI platform will provide the IT security team visibility into any changes across third party applications, employee, and vendor accounts allowing them to monitor and identify problems. The solution will also allow the IT security team to streamline the process by using automated workflows therefore reducing the number of hours spent doing this process manually.

The Abnormal Security software application supports IEHP’s Strategic Plan Goal 2 – Systems security initiative, to improve security posture by establishing controls in place to enhance IT cybersecurity. The application serves two purposes/gaps in the current environment by 1) reducing the amount of spam and targeted marketing emails that inundates IEHP on a daily basis and 2) provides a layer of email security for phishing emails that Microsoft and other DLP tools are unable to filter. Both of these features were tested in multi-month proof of concept and the product met IEHP’s requirements. As such IEHP is seeking implementation of the application to improve security presence.

CDW-G was selected as the vendor to provide the Abnormal Security software application with IEHP through the Sourcewell Co-Op #081419-CDW.

IEHP requests the Board to approve the purchase of the Abnormal Security software application with CDW-G to mitigate the risk of cybersecurity threats, for an amount not to exceed \$201,320.00 for a three (3) year term.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	S. Chiu 5/16/2023	S. Cox 5/16/2023	M. Popka 5/18/2023	J. Maass 5/16/2023	V. Devabhaktuni 5/19/2023

INFORMATION TECHNOLOGY DEPARTMENT

22. DELEGATION OF AUTHORITY TO APPROVE THE MASTER SERVICES AGREEMENT AND ANY SUBSEQUENT DOCUMENTS, AMENDMENTS, STATEMENTS OF WORK, ORDERS, AND REQUISITIONS RELATED HERETO WITH CSG FORTE PAYMENTS, INC.

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) authorize the Chief Executive Officer (CEO) or his designee to, after legal review and approval, sign the Master Services Agreement (MSA), and any subsequent documents, amendments, statements of work, orders, and requisitions with CSG Forte Payments, Inc. (CSG Forte) for the provision of payment solution services for an amount not to exceed \$210,000 for a term of five (5) years.

Contact:

Vinil Devabhaktuni, Chief Information Officer

Background:

IEHP requires this service to enable merchant credit card services for premium billing payment for the launch of IEHP's Covered California (CCA) plan.

On January 30, 2023, the Governing Board approved the award of Request for Proposal (RFP) #22-04471 Business Process as a Service (BPaaS) Services and delegation of authority to enter into an Agreement with FirstSource Health Plan and Health Care Services, LLS. (FirstSource). IEHP entered into a three (3) year Agreement with FirstSource effective April 27, 2023.

It was a priority for IEHP to select a vendor with existing experience with CCA plans while posing the least operational and implementation risk. In the area of eligibility and premiums, FirstSource's BPaaS services provide expertise, existing connectivity with CalHEERS (Covered California's enrollment system) and integrated premium processing services for Member premiums. While FirstSource is responsible for configuring and premium payment processing such as producing related notices, invoices, and processing premium based eligibility updates; IEHP is responsible for contracting directly with a vendor for merchant services for credit or debit card payment processing since funds will be processed into IEHP's bank.

Accordingly, CSG Forte was selected through a single source procurement due to its existing integration into the application, Health Trio, which FirstSource uses for premium BPaaS payment services. Health Trio's existing connectivity and workflow is able to process CCA binder and premium payments with CSG Forte. Utilizing the existing proven, tested connectivity will avoid implementation delays and potential system compatibility issues. Additionally, CSG Forte meets the regulatory requirement for accepting electronic payments. Utilizing an alternate vendor would require a significant amount of time to set up new integrations and processes, which would put IEHP at risk for meeting the November 1, 2023, payment processing date.

Discussion:

CSG Forte provides payment processing and related services including but not limited to:

- Transaction processing services including delivery of reports and transaction results files
- ACH/EFT processing services
- U.S. credit card processing services
- Account verification and authentication services
- User and system security services

Payments for these payment processing services are based upon anticipated Membership volumes and services utilization. Accordingly, IEHP has budgeted \$40,000 per year for these services, plus a \$10,000 contingency to account for volume changes and/or cost adjustments.

The implementation of the CCA Plan requires IEHP to enable credit card, debit card, and ACH transactions for membership premiums. These services will go into effect upon CCA Member enrollment in November 2023.

Hence, to ensure our readiness and to utilize previously vetted and proven processes, IEHP is requesting Delegation of Authority to authorize the Chief Executive Officer (CEO) or his designee to, after legal review and approval, sign the approval of the MSA, and any documents, Amendments, Statements of Work, Orders, and Requisitions with CSG Forte for these payment solution services. The cost of the MSA shall not exceed \$210,000 for a five-year term.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
New Expenditure	S. Chiu 5/23/2023	M. Maury 5/24/2023	M. Popka 5/26/23	J. Maass 5/23/2023	V. Devabhaktuni

OPERATIONS DEPARTMENT

23. APPROVE THE AWARD OF REQUEST FOR PROPOSAL #23-04796 COVERED CALIFORNIA PRINT FULFILLMENT SERVICES TO, AND DELEGATION OF AUTHORITY TO APPROVE THE PROFESSIONAL SERVICES AGREEMENT WITH, ZELIS HEALTHCARE, LLC.

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the award of Request For Proposal (RFP) #23-04796 to, and authorize the Chief Executive Officer (CEO) or his designee to, after legal review and approval, sign the Professional Services Agreement (Agreement) with, Zelis Healthcare, LLC (Zelis) for Covered California print fulfillment services for an amount not to exceed \$860,000 for a term of three (3) years.

Contact:

Susie White, Chief Operating Officer

Background:

IEHP requires print fulfillment services from an experienced and capable vendor who will provide Covered California (CCA) Print Fulfillment Services within regulatory required timelines, including but limited to print on demand, inventory management and tracking, accepting data extracts and mapping to templates, and template file management and effective dating.

On May 5, 2023, IEHP issued RFP #23-04796 Covered California Print Fulfillment Services on Bonfire, its public third-party bidding website. IEHP broadcasted the bid to several hundred vendors using Bonfire’s built-in features. The RFP closed on May 19, 2023, with two (2) bidders, MPX and Zelis, submitting proposals by the deadline.

Each proposal was thoroughly reviewed by Evaluation Committee members, who scored the Technical Proposal consisting of (1) Company Profile (2) Scope of Services – Bidder Response Questions, and (3) IT Security capabilities, in a consensus format. Results of consensus scoring revealed the ranking below.

First Round - Technical Proposal Scoring (Out of 65):

Bidder	Score	Rank
MPX	45.95	1
Zelis	45.43	2

Financial Planning and Analysis conducted a review of each vendor’s price proposal to determine the most cost-effective vendor. They determined that Zelis was the most cost-effective vendor. The ranking below represents the combination of the Technical score and Pricing score.

Final Scoring - Technical Proposal and Pricing (Out of 100):

Bidder	Score	Rank
Zelis	75.43	1
MPX	75.13	2

With such a slight difference in Final Scores, the Evaluation Committee considered additional criteria such as Lockbox experience, relationship with IEHP’s bank of choice, scalability, integration capabilities, and end-to-end payment accountability, in recommending Zelis for award.

Discussion:

The primary goal of the CCA Print Fulfillment Services program is to contract with a vendor who will provide CCA Print Fulfillment Services to IEHP within regulatory required timelines. To meet these required timelines, IEHP’s plan/timeline for implementation is as follows:

- i. ID Cards must be in production by October 1, 2023
- ii. Premium Billing/Invoicing available for lockbox testing by July 1, 2023
- iii. General Correspondence by October 1, 2023

As noted above, the Evaluation Committee's overall solution ranking was comprised of the technical proposal response, company experience, demonstration, and pricing scores. However, other key factors were considered in the decision to award RFP #23-04796 to Zelis, including:

- 1. Security – as IEHP continues our focus on the security of our member data, it is critical that our partners play a role in supporting a secure infrastructure. The results of the SOC2 security assessment presented Zelis with the security structure that met IEHP’s needs.
- 2. Lockbox – Zelis presented dynamic capabilities to test and integrate a lockbox solution to meet IEHP Covered CA regulatory timelines.

Cost Breakdown:

		Zelis
ID Cards	<i>Card Size --></i>	<i>30mm</i>
Member ID Printing		4,950
Member ID Postage		8,486
Envelope		529
Web Portal		24,000
Total - Member ID Cards		37,965
Member Materials		
Member Materials		258,927
Member Materials		
Postage		455,361
Envelope		28,365
Total - Member Materials		742,653
Total		780,617

CONSENT AGENDA

10% contingency added as quantities are estimated and could be higher. This will increase the budget to \$860,000.

As such, IEHP Is requesting the Governing Board approve the award of RFP #23-04796 to Zelis for the Covered California Print Fulfillment Services, and authorize the Chief Executive Officer (CEO), or his designee, to negotiate, and after legal review and approval, sign a new Agreement.

The cost of this Agreement shall not exceed \$860,000 for an initial term of three (3) years.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
New Expenditure	S. Chiu 5/25/23	W. Yanes 5/25/23	M. Popka 5/29/23	R. Lim 5/25/23	S. White [enter date]

PROVIDER NETWORK DEPARTMENT

24. RATIFY AND APPROVE THE TWENTIETH AMENDMENT TO THE HOSPITAL PER DIEM AGREEMENT WITH BARSTOW COMMUNITY HOSPITAL – BARSTOW

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) ratify and approve the Twentieth Amendment to the Hospital Per Diem Agreement with Barstow Community Hospital, effective May 1, 2023.

Contact:

Keenan Freeman, Chief Financial Officer

Background:

Barstow Community Hospital is currently a contracted Hospital in the IEHP Network.

Discussion:

The Amendment is to extend the term through June 30, 2023.

All other items and conditions of the Agreement remain in full force and effect.

Fiscal Impact:

Included in CY2023 Budget

Financial Review:

N/A

Reviewed by Counsel:

Yes

PROVIDER NETWORK DEPARTMENT

25. RATIFY AND APPROVE THE FIFTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH HUBMD P.C. - REDLANDS

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) ratify and approve the Fifth Amendment to the Professional Services Agreement with HUBMD P.C., effective February 1, 2023.

Contact:

Keenan Freeman, Chief Financial Officer

Background:

HUBMD P.C. is currently a contractor in the IEHP Network.

Discussion:

The Amendment is to replace the Attachments A-Scope of Services-General, B-Schedule of Fees, A-2-Scope of Services-Virtual Post Discharge Care, and B-2-Schedule of Fees-Virtual Post Discharge Care.

All other items and conditions of the Agreement remain in full force and effect.

Fiscal Impact:

Included in CY2023 Budget

Financial Review:

N/A

Reviewed by Counsel:

Yes

PROVIDER NETWORK DEPARTMENT

26. RATIFY AND APPROVE THE SIXTH AMENDMENT TO THE HOSPITAL PER DIEM AGREEMENT FOR BEHAVIORAL HEALTH SERVICES WITH VISTA BEHAVIORAL HEALTH, LLC DBA PACIFIC GROVE HOSPITAL – RIVERSIDE

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) ratify and approve the Sixth Amendment to the Hospital Per Diem Agreement for Behavioral Health Services with Vista Behavioral Health, LLC dba Pacific Grove Hospital, effective April 1, 2023.

Contact:

Keenan Freeman, Chief Financial Officer

Background:

Vista Behavioral Health, LLC dba Pacific Grove Hospital is currently a contracted Hospital in the IEHP Network.

Discussion:

The Amendment is to extend the term through May 31, 2023.

All other items and conditions of the Agreement remain in full force and effect.

Fiscal Impact:

Included in CY2023 Budget

Financial Review:

N/A

Reviewed by Counsel:

Yes

PROVIDER NETWORK DEPARTMENT

27. APPROVAL OF THE STANDARD TEMPLATES

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) ratify and approve the IEHP Standard Template Agreements, referenced below in section (d), and authorize the Chief Executive Officer or his designee to execute the templates, wherein the body of the document remains unchanged except for the identifying information of the individual provider and non-material changes per individual provider requirements.

Contact:

Keenan Freeman, Chief Financial Officer

Background:

IEHP contracts with physicians and other providers using Governing Board approved Standard Template Agreements. On a periodic basis, IEHP reviews the IEHP Direct Standard Templates and updates are made to the templates, as necessary. The Governing Board has authorized the Chief Executive Officer to sign the Agreement in lieu of having the Chair of the Governing Board execute the documents.

Discussion:

The following standard templates are being presented to the Governing Board for ratified approval, effective January 1, 2023:

- 1) Master Behavioral Health Agreement (All LOBs) template

The following standard templates are being presented to the Governing Board for ratified approval, effective July 1, 2023:

- 2) Master Community Support Services Attachment A – Day Rehabilitation Programs
- 3) Master Community Support Services Attachment A – Personal Care and Homemaker Services
- 4) Master Community Support Services Attachment A – Respite Services

Fiscal Impact:

Included in CY2023 Budget

Financial Review:

N/A

Reviewed by Counsel:

Yes

PROVIDER NETWORK DEPARTMENT

28. APPROVAL OF THE EVERGREEN CONTRACTS

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the listed Evergreen Contracts for an additional one (1) year to five (5) year term.

Contact:

Keenan Freeman, Chief Financial Officer

Background:

An Evergreen Contract is a contract that automatically renews on the same terms and subject to the same conditions as the original agreement unless sooner terminated in accordance with the terms and conditions.

Discussion:

Renewal under the Evergreen Clause of the following Agreements effective, May 1, 2023:

Additional five (5) year term:

- 1) Unicare Community Health Center Inc – Participating Provider Agreement – Behavioral Health

Renewal under the Evergreen Clause of the following Agreements effective, July 1, 2023:

Additional one (1) year term:

- 2) Chaparral Medical Group Inc - Admitter Agreement
- 3) Manikanda Raja MD Inc - Admitter Agreement
- 4) Children’s Hospital of Orange County dba CHOC Children’s Specialists – Specialist - Participating Provider Agreement

Additional three (3) year term:

- 5) Eldorado Care Center - Skilled Nursing Facility Provider Agreement
- 6) Providence Healthcare of Mt Rubidoux LLC - Skilled Nursing Facility Provider Agreement

Additional five (5) year term:

- 7) Briana Nicole Esparza dba Enrich Life Counseling - Behavioral Health Participating Provider Agreement
- 8) Citrus Crest Family Counseling Inc - Behavioral Health Participating Provider Agreement
- 9) Leslie Miles dba Milestone Marriage and Family Therapy Professional Corporation - Behavioral Health Participating Provider Agreement
- 10) Tiffany Knowlton - Behavioral Health Participating Provider Agreement
- 11) Family Health Care of Corona dba Michael Baluyut - Capitated Primary Care Provider Agreement
- 12) Richard F Jones DO FAAFP dba Jones and Jones Medical Associates - Capitated Primary Care Provider Agreement (Medicare Only)
- 13) Autism Intervention Professionals LLC - Behavioral Health Participating Provider Agreement

- 14) Autism Spectrum Consultants Inc - Behavioral Health Participating Provider Agreement
- 15) Counseling Solutions for Children and Families Psychology Corporation - Behavioral Health Participating Provider Agreement
- 16) Alaa Latif MD Inc dba Hope Cancer Clinic - Specialist Participating Provider Agreement
- 17) GN Medical Associates Inc dba CareConnect Medical Group - Specialist Participating Provider Agreement
- 18) Streng Bassi Begum and Jiang Medical Corporation dba Foothills Infectious Disease Medical Group Inc - Specialist Participating Provider Agreement
- 19) Walter E Stevens JR MD - Specialist Participating Provider Agreement
- 20) Alexander Wong OD – Vision Participating Provider Agreement
- 21) Stanley T Kawai dba Stanley T Kawai OD - Vision Participating Provider Agreement

Fiscal Impact:

Included in CY2023 Budget

Financial Review:

N/A

Reviewed by Counsel:

Yes

ADMINISTRATION

29. CHIEF EXECUTIVE OFFICER UPDATE

Recommended Action:

Review and File

Contact:

Jarrod McNaughton, Chief Executive Officer

Discussion:

Chief Executive Officer update for the June 5, 2023, Governing Board Meeting.

Governing Board Meeting



CEO BOARD REPORT

June 5, 2023



MISSION MOMENT

- 2023 Mission Conference
- “Our Collective Call To Wholeness”



IEHP MONTHLY MEMBERSHIP REPORT

MONTH	FORECAST MEMBERSHIP	ACTUAL MEMBERSHIP	+ OR – FORECAST	+ OR – LAST MONTH
April 2023	1,649,502	1,674,280	24,778	14,713
May 2023	1,659,064	1,682,947	23,883	8,667
June 2023	1,668,626	1,691,033	22,407	8,086



2023 CITY COUNTY CONFERENCE

- IEHP participated in a panel of community health experts during the 2023 City County Conference, hosted by the San Bernardino County Transportation Authority.
- Panel moderated by Dora Barilla, President and Co-Founder, HC2 Strategies
- I was joined on the panel by:
 - **Cesar Armendariz** – *Senior Director of Community Health, IEHP*
 - **Michelle Decker** – *President and CEO, Inland Empire Community Foundation*
 - **Josh Dugas** – *Director of Public Health, County of San Bernardino*
- Proud of our partnership with these local agencies as we work together to advance the goal of vibrant health in our region.



UNIVERSITY OF LA VERNE SCHOLARSHIP DONATION

- IEHP has pledged \$1.5 million to launch the *IEHP Health Career Academy*, as part of the University's Ontario Education and Innovation Corridor initiative to address the critical shortage of frontline healthcare workers throughout the region.
- This seed-funding will support the creation of a certificate/licensure preparation program for critical frontline healthcare workers in three highly sought out fields: (1) Certified Nursing Assistants, (2) Medical Assistants and (3) Central Service Technicians.
- The University of La Verne's partnership with IEHP will fill critical employment needs and help address health disparities within one of the fastest-growing population centers in the United States. The *IEHP Health Career Academy* will help retain local talent in the region.



Artist rendering of the Ontario Education and Innovation Corridor



PANEL FOCUSES ON REDETERMINATION IMPACTS

- VP of Strategy Thomas Pham was a panelist on a webinar presented by The Value & Innovation Forum.
- The panel discussion focused on “Navigating the Complexities of Medicaid Redeterminations.” What processes have been implemented by states & what results have we seen? What are the implications for health equity? How will the process impact health care access for the general public?

**The Value & Innovation Forum Presents
Navigating the Complexities of Medicaid Redeterminations**

May 19, 2023 | 12 p.m. – 1 p.m. ET



**Moderator
Julie Rovner**
Chief Washington
Correspondent
KFF Health News



Jesse Baumgartner, MPH
Senior Research Associate
The Commonwealth Fund



Jennifer Wagner, JD
Director of Medicaid
Eligibility & Enrollment
Center on Budget &
Policy Priorities



Thomas Pham, MPH
Vice President of Strategy
Inland Empire Health Plan



**Keith Churchwell, MD, FACC, FACP,
FAHA**
President/Executive Vice President of
Yale New Haven Health






The Value & Innovation Forum is made possible through funding from Amgen.



CAHP PANEL FOCUSES ON DATA SHARING

- Vice President of Quality Genia Fick contributed her expertise as a presenter for the California Association of Health Plans' (CAHP) Improving Health Care Data Sharing and Exchange conference on May 19.
- Genia joined a panel of executives that discussed:
 - The challenges health plans face collecting regulatory data.
 - What they are doing to structure a data collection program.
 - Ways to collaborate cross functionally.
 - Going beyond compliance to use data.
 - How when we understand the unique differences our members experience as they navigate the health care system, impactful change can follow.
- Thank you, Genia, and CAHP for laying the groundwork for this important initiative.



California Association of
Health Plans



Governing Board Meeting

THANK YOU!

FINANCE DEPARTMENT

30. REVIEW OF THE AUDITED FINANCIAL STATEMENTS FOR CALENDAR YEAR 2022

Recommended Action:

Review and File

Contact:

Keenan Freeman, Chief Financial Officer

Background:

IEHP is mandated by the Department of Health Care Services (DHCS) and the Department of Managed Health Care (DMHC) to undergo a fiscal year-end annual audit of operations. IEHP is a large public entity, and as such, an outside independent audit is a prudent operational consideration. Under the scope of audit services, an independent auditor reviews IEHP’s internally prepared financial statements for conformity to accounting principles generally accepted in the United States of America.

The auditor performs the audit in accordance with auditing standards, which includes testing accounting records and procedures to render an opinion as to the fairness of the internally prepared financial statements.

Moss Adams LLP, Certified Public Accountants (CPAs) was approved by the Governing Board as IEHP’s independent financial auditor.

Discussion:

Each year the independent auditor presents their findings directly to the IEHP Governing Board.

Aparna Venkateswaran, CPA, Partner, and Ashley Merda, Business Assurance Manager, from Moss Adams, LLP will present their findings on the CY 2022 audit.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	H. Lien 05/09/23	N/A	N/A	L. Liu, 05/09/23	K. Freeman 05/10/23

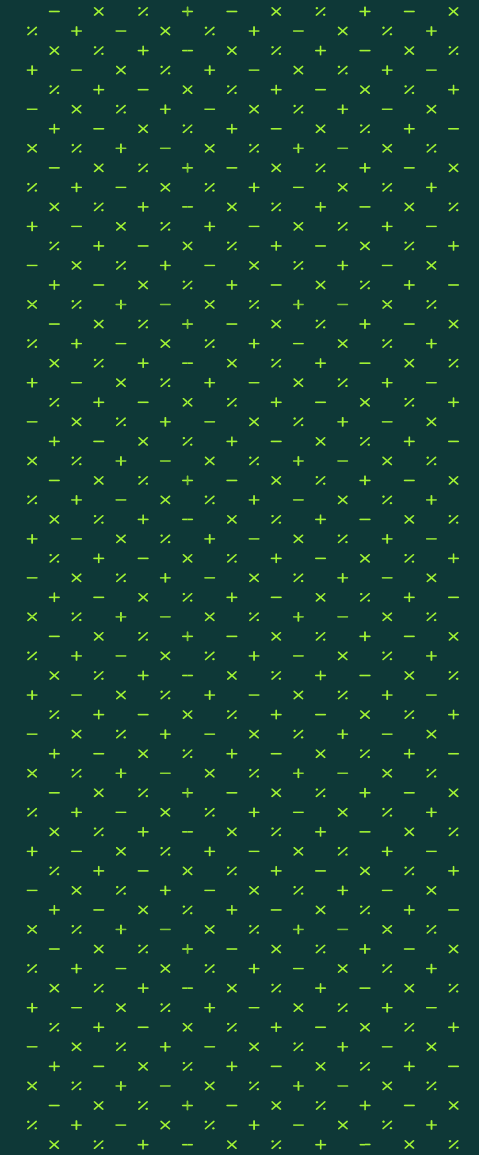


MOSSADAMS

Inland Empire Health Plan

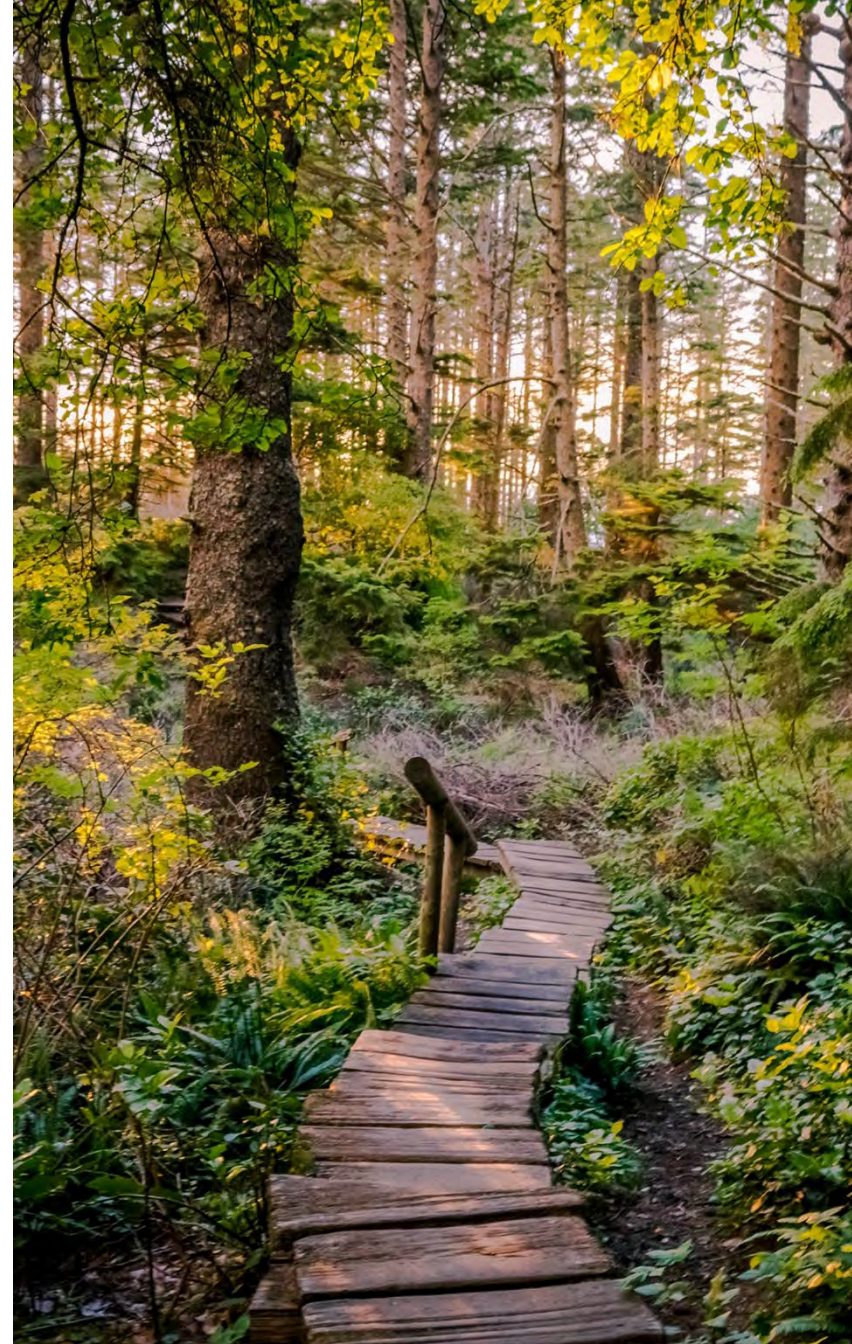
2022 AUDIT RESULTS

Discussion with the Governing Body



Agenda

1. Summary of Audit Process
2. Areas of Audit Emphasis
3. Matters Required to be Communicated with Those Charged with Governance
4. Your Service Team
5. About Moss Adams



Scope of Services

We have performed the following services for Inland Empire Health Plan:

Attest Services



- Annual financial statement audit as of and for the year ended December 31, 2022.

Nonattest Services



- Assist management with drafting the combined financial statements for the year ended December 31, 2022, excluding Management's Discussion and Analysis
- Assist management with completing the auditee portion of the Data Collection Form at future date.



Summary of Audit Process

- Our audit was generally performed in accordance with our initial plan. When the results of a planned audit procedure did not provide sufficient evidence or our original plan was based on an incorrect understanding of a transaction, process, or accounting policy of the entity, we made the necessary adjustments to our audit plan to incorporate the procedures necessary to support our opinion on the financial statements.
- We have completed our testing of all significant account balances and classes of transactions.
- We issued our independent auditor's report on April 26, 2023.



Significant Risks Identified

During the audit, we identified the following:

Significant Risks	Procedures
Capitation Revenue and Receivable	<ul style="list-style-type: none">• Tested internal controls for membership reconciliation• Developed independent expectations of revenue using membership data and rates• Obtained an understanding of managements reserve methodology and validated key inputs through our audit procedures• Verified subsequent receipt of cash and other substantive procedures
Medical Claims Payable and Claims Reserves and Other Medical Accrued Liabilities	<ul style="list-style-type: none">• Tested the internal controls for claims payments and provider capitation systems• Tested the data used by the actuary to estimate the claims liability• Tested the provider capitation accrual calculation and agree accrual to the subsequent payments• Reviewed the experience and qualifications of the actuary• Performed a retrospective review of the prior year claims liability• Gained an understanding of the nature of the amounts payable to the state of California and tested inputs into the estimates



Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

We are responsible for forming and expressing an opinion about whether the combined financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts. Our audit of the combined financial statements does not relieve you or management of your responsibilities.

The objectives of our audit are also to evaluate the presentation of the supplementary information in relation to the combined financial statements as a whole and report on whether the supplementary information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.



Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS), California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Districts, and standards applicable to financial audits contained in *Government Auditing Standards*. As part of an audit conducted in accordance with the standards noted above, we exercise professional judgment and maintain professional skepticism throughout the audit.



Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

Our audit of the financial statements included obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control or to identify deficiencies in the design or operation of internal control. Accordingly, we considered the entity's internal control solely for the purpose of determining our audit procedures and not to provide assurance concerning such internal control.



Matters to Be Communicated to the Governing Body

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

We are also responsible for communicating significant matters related to the financial statement audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

The supplementary information was subject to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Significant Accounting Practices:

Our views about qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures

MOSS ADAMS COMMENTS

The quality of the entity's accounting policies and underlying estimates are discussed throughout this presentation. There were no changes in the entity's approach to applying the critical existing accounting policies. IEHP adopted provisions of Government Accounting Standards Board, Statement No. 87, *Leases* (immaterial impact on financial statements)

- Significant management estimates impacted the combined financial statements including the following: **medical claims payable and claims reserves, net pension liability, due to/from DHCS, which includes actuarially determined accruals for incurred but not reported (IBNR) medical claims as well as non-IBNR medical costs, and depreciable lives of capital assets.**



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Significant Accounting Practices (continued):

Our views about qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures

MOSS ADAMS COMMENTS

Certain financial statement disclosures are particularly sensitive because of their significance to financial statements users. We call your attention to the following notes:

- Note 3 – Premium Revenue
- Note 4 – Cash, Cash Equivalents, and Restricted Cash
- Note 6 – Medical Services Contracts
- Note 9 – Defined Benefit Pension Plan
- Note 10 – Commitments and Contingencies
- Note 12 – Subsequent Events



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Significant Unusual Transactions

MOSS ADAMS COMMENTS

No significant unusual transactions were identified during our audit of the entity's financial statements.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Significant Difficulties Encountered During the Audit

We are to inform those charged with governance of any significant difficulties encountered in performing the audit. Examples of difficulties may include significant delays by management, an unreasonably brief time to complete the audit, unreasonable management restrictions encountered by the auditor or an unexpected extensive effort required to obtain sufficient appropriate audit evidence.



MOSS ADAMS COMMENTS

No significant difficulties were encountered during our audit of the entity's financial statements.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Disagreements With Management

Disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the entity's financial statements, or the auditor's report.



MOSS ADAMS COMMENTS

There were no disagreements with management.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Circumstances that affect the form and content of the auditor's report



MOSS ADAMS COMMENTS

There were no circumstances that affected the form and content of the auditor's report.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Other findings or issues arising from the audit that are, in the auditor's professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process



MOSS ADAMS COMMENTS

There were no other findings or issues arising from the audit to report.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Uncorrected Misstatements

MOSS ADAMS COMMENTS

No uncorrected misstatements noted.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Material, Corrected Misstatements

Material, corrected misstatements that were brought to the attention of management as a result of audit procedures.



MOSS ADAMS COMMENTS

No material misstatements were identified as a result of our audit.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Representations requested of management

We requested certain representations from management that are included in the management representation letter dated April, 26, 2023



MOSS ADAMS COMMENTS

Signed representation letter is available upon request.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Management's consultation with other accountants

When we are aware that management has consulted with other accountants about significant auditing or accounting matters, we discuss with those charged with governance our views about the matters that were the subject of such consultation.



MOSS ADAMS COMMENTS

We are not aware of instances where management consulted with other accountants about significant auditing or accounting matters.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

Significant issues arising from the audit that were discussed, or the subject of correspondence with management



MOSS ADAMS COMMENTS

No significant issues arose during the audit that have not been addressed elsewhere in this presentation.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

AU-C 240, *Consideration of Fraud in a Financial Statement Audit*

AU-C 250, *Consideration of Laws and Regulations in an Audit of Financial Statements*

AU-C 265, *Communicating Internal Control Related Matters Identified in an Audit*

AU-C 550, *Related Parties*

AU-C 560, *Subsequent Events and Subsequently Discovered Facts*

AU-C 570, *The Auditor's Consideration of An Entity's Ability to Continue as a Going Concern*

AU-C 600, *Audits of Group Financial Statements (Including the Work of Component Auditors)*

MOSS ADAMS COMMENTS

Nothing to note other than there were no material weaknesses noted and no significant deficiencies to communicate.



Matters to Be Communicated to the Governing Body

MATTERS TO BE COMMUNICATED

AU-C 701, *Communicating Key Audit Matters in the Independent Auditor's Report*

AU-C 705, *Modifications to the Opinion in the Independent Auditor's Report*

AU-C 706, *Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report*

AU-C 720, *The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*

AU-C 730, *Required Supplementary Information*

AU-C 930, *Interim Financial Information*

AU-C 935, *Compliance Audits*

MOSS ADAMS COMMENTS

Nothing to note.





**THANK
YOU**



FINANCE DEPARTMENT

31. REVIEW OF THE MONTHLY FINANCIALS

Recommended Action:

Review & File

Contact:

Keenan Freeman, Chief Financial Officer

Discussion:

Monthly Financials for Period Ending April 30, 2023.

FINANCE DIVISION

April 2023

MONTHLY FINANCIALS

Presented June 5, 2023



Actual vs Budget - Consolidated

	April Month-to-Date			April Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Total Revenue	\$ 579,426,055	\$ 597,393,817	\$ (17,967,762)	\$ 2,304,582,000	\$ 2,297,055,740	\$ 7,526,260
Total Medical Costs	\$ 497,953,744	\$ 542,045,190	\$ 44,091,446	\$ 2,017,737,860	\$ 2,080,955,892	\$ 63,218,032
Total Operating Expenses	\$ 32,305,039	\$ 39,145,729	\$ 6,840,690	\$ 128,629,669	\$ 144,233,204	\$ 15,603,535
Total Non Operating Income (Expense)	\$ 6,506,023	\$ 3,307,670	\$ 3,198,353	\$ 26,631,655	\$ 13,491,800	\$ 13,139,855
Non-Medi-Cal/Medicare Expenses	\$ 2,765,741	\$ 2,666,667	\$ (99,074)	\$ 3,016,934	\$ 2,666,667	\$ (350,267)
Net Surplus (Deficit)	\$ 52,907,554	\$ 16,843,903	\$ 36,063,653	\$ 181,829,192	\$ 82,691,777	\$ 99,137,415

Highlights for the Month:

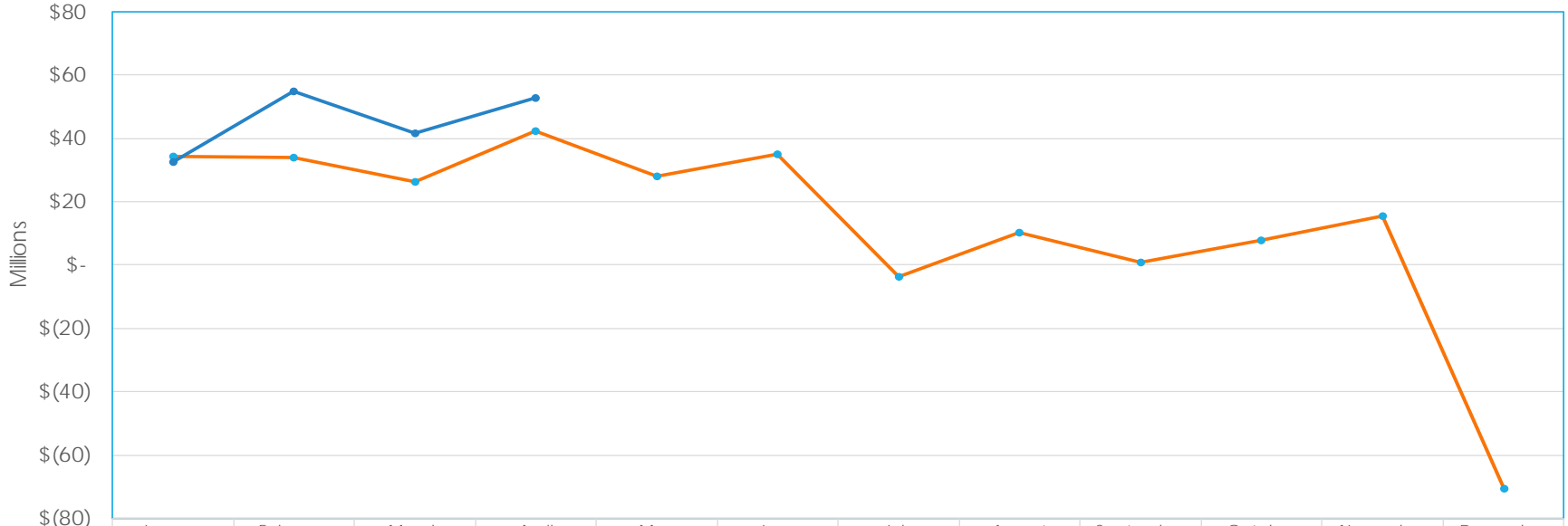
- The unfavorable revenue variance compared to budget is primarily due to unfavorable SBHIP targeted intervention and assessment funding budgeted in current month and earned and recorded in prior month, unbudgeted ECM and MOT risk corridor reserves, and lower-than-expected maternity revenue partially offset by higher-than-expected member months.
- The favorable medical cost variance compared to budget is primarily due to favorable SBHIP expense, facility with lower-than-expected bed days and IBNR restatements, professional claims primarily due to claims cost and IBNR restatements, favorable capitation expense, and lower-than-expected medical G&A partially offset by higher-than-expected other claims primarily due to IBNR restatements.
- The favorable operating expense variance compared to budget is primarily due to delays in IT projects and underutilized expenses.
- The favorable non-operating income (expense) variance compared to budget is primarily due to higher-than-expected interest income.

There is Other Income/Expenses that are not attributed to a specific line of business, but included on a consolidated basis (e.g. Interest Income, Investment Income (Expense), Leased Asset Revenue, Non-Medi-Cal/Medicare Expenses, etc.)



Net Surplus Year-Over-Year - Consolidated

Consolidated
Net Surplus by Month (Actuals)



	January	February	March	April	May	June	July	August	September	October	November	December
CY 2022	34,514,158	34,071,643	26,205,224	42,547,572	27,986,001	35,108,715	(3,784,423)	10,139,343	870,424	7,744,485	15,524,213	(70,757,110)
CY 2023	32,473,283	54,889,579	41,558,775	52,907,554								



Actual vs Budget – Medi-Cal

	April Month-to-Date			April Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Total Revenue	\$ 520,515,633	\$ 539,628,838	\$ (19,113,205)	\$ 2,063,063,360	\$ 2,064,664,917	\$ (1,601,557)
Total Medical Costs	\$ 444,776,024	\$ 491,447,788	\$ 46,671,764	\$ 1,807,694,809	\$ 1,878,109,450	\$ 70,414,641
Total Operating Expenses	\$ 28,220,593	\$ 34,558,299	\$ 6,337,706	\$ 112,320,244	\$ 126,631,815	\$ 14,311,571
Total Non Operating Income (Expense)	\$ 2,901,702	\$ 2,868,670	\$ 33,032	\$ 11,459,727	\$ 11,383,511	\$ 76,216
Net Surplus (Deficit)	\$ 50,420,718	\$ 16,491,421	\$ 33,929,297	\$ 154,508,034	\$ 71,307,162	\$ 83,200,872

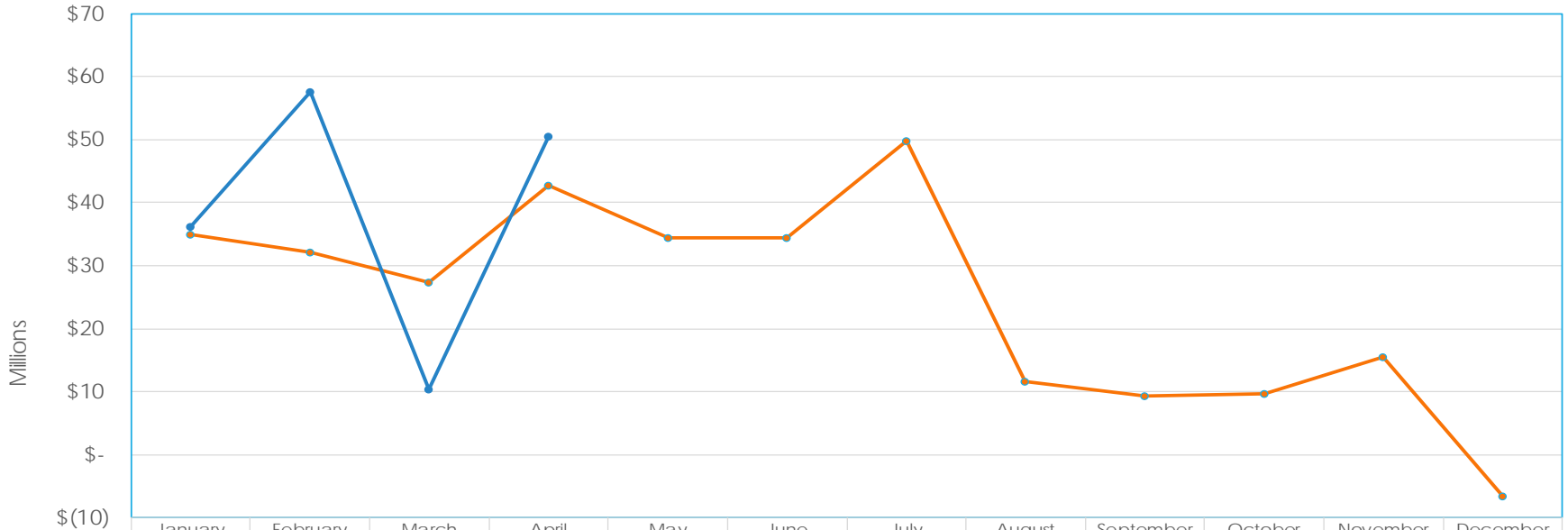
Highlights for the Month:

- The unfavorable revenue variance compared to budget is primarily due to unfavorable SBHIP targeted intervention and assessment funding budgeted in current month and earned and recorded in prior month, unbudgeted ECM and MOT risk corridor reserves, and lower-than-expected maternity revenue partially offset by higher-than-expected member months.
- The favorable medical cost variance compared to budget is primarily due to favorable SBHIP expense, facility with lower-than-expected bed days and IBNR restatements, professional claims primarily due to claims cost and IBNR restatements, favorable capitation expense, and lower-than-expected medical G&A partially offset by higher-than-expected other claims primarily due to IBNR restatements.
- The favorable operating expense variance compared to budget is primarily due to delays in IT projects and underutilized expenses.



Net Surplus Year-Over-Year – Medi-Cal

Medi-Cal
Net Surplus by Month (Actuals)



	January	February	March	April	May	June	July	August	September	October	November	December
— CY 2022	35,015,218	32,050,633	27,326,166	42,688,965	34,478,870	34,369,644	49,722,516	11,607,211	9,373,891	9,607,594	15,474,724	(6,562,707)
— CY 2023	36,140,304	57,576,188	10,370,825	50,420,718								



Actual vs Budget - DSNP

	April Month-to-Date			April Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Total Revenue	\$ 58,535,548	\$ 57,764,980	\$ 770,568	\$ 234,743,715	\$ 232,390,823	\$ 2,352,892
Total Medical Costs	\$ 53,962,604	\$ 50,597,401	\$ (3,365,203)	\$ 214,348,542	\$ 202,846,442	\$ (11,502,100)
Total Operating Expenses	\$ 4,084,446	\$ 4,587,430	\$ 502,984	\$ 16,309,425	\$ 17,601,389	\$ 1,291,964
Total Non Operating Income (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Surplus (Deficit)	\$ 488,498	\$ 2,580,148	\$ (2,091,650)	\$ 4,085,748	\$ 11,942,992	\$ (7,857,244)

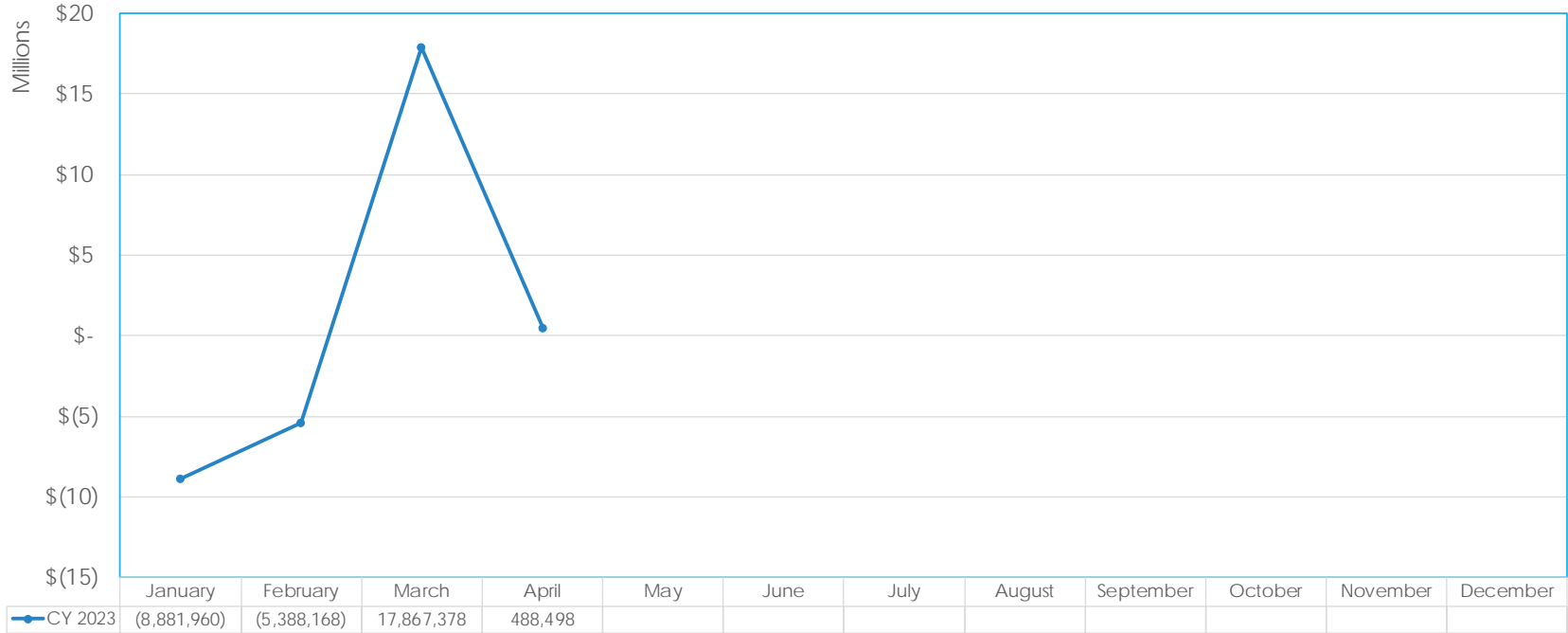
Highlights for the Month:

- The unfavorable medical cost variance compared to budget is primarily due to higher-than-expected facility claims primarily due to claims cost and IBNR restatements.



Net Surplus Year-Over-Year - DSNP

DSNP
Net Surplus by Month (Actuals)



Actual vs Budget - CMC

	April Month-to-Date			April Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Total Revenue	\$ 374,875	\$ -	\$ 374,875	\$ 6,774,924	\$ -	\$ 6,774,924
Total Medical Costs	\$ (784,884)	\$ -	\$ 784,884	\$ (4,305,491)	\$ -	\$ 4,305,491
Total Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non Operating Income (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Surplus (Deficit)	\$ 1,159,759	\$ -	\$ 1,159,759	\$ 11,080,415	\$ -	\$ 11,080,415

Highlights for the Month:

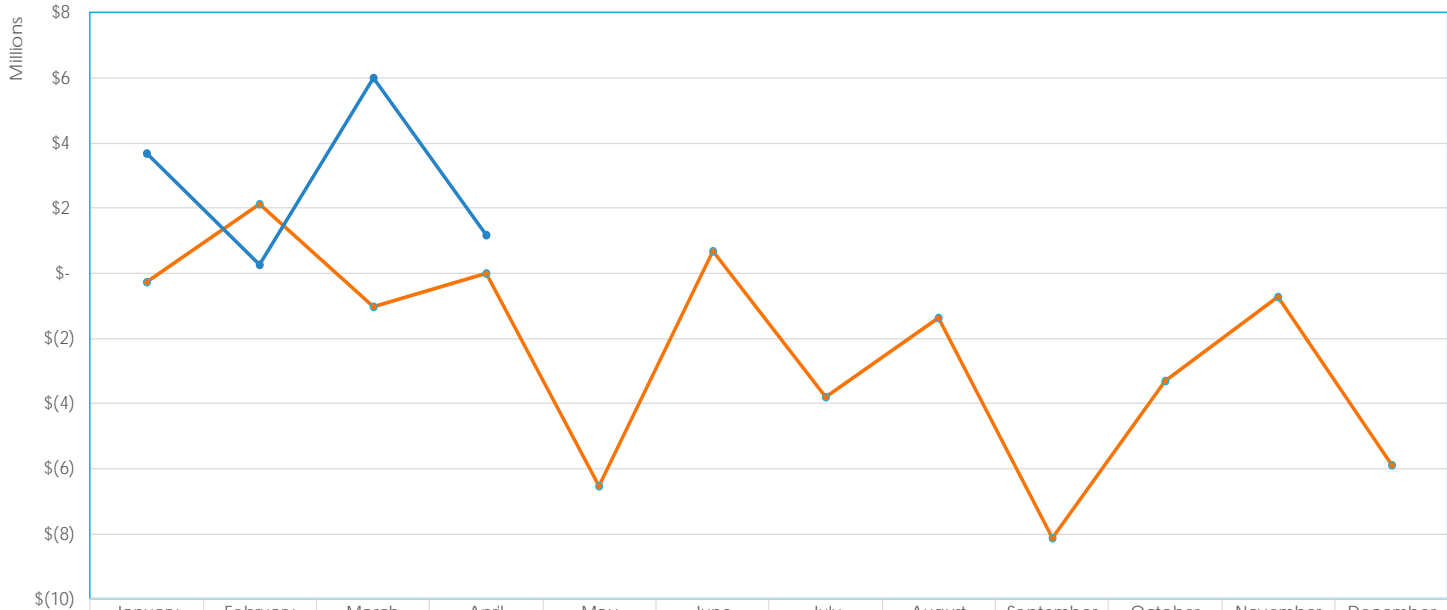
- The favorable medical cost variance compared to budget is primarily due to release of high dollar claims accrual and IBNR restatement.

Note: The CMC line of business ended December 31, 2022 and all subsequent activity pertains to prior period dates of service.



Net Surplus Year-Over-Year - CMC

CMC
Net Surplus by Month (Actuals)



	January	February	March	April	May	June	July	August	September	October	November	December
CY 2022	(278,881)	2,115,459	(1,028,438)	11,671	(6,527,522)	687,240	(3,783,239)	(1,362,457)	(8,141,666)	(3,293,820)	(709,001)	(5,881,050)
CY 2023	3,672,639	249,736	5,998,282	1,159,759								



Balance Sheet – Current Month vs Prior Month

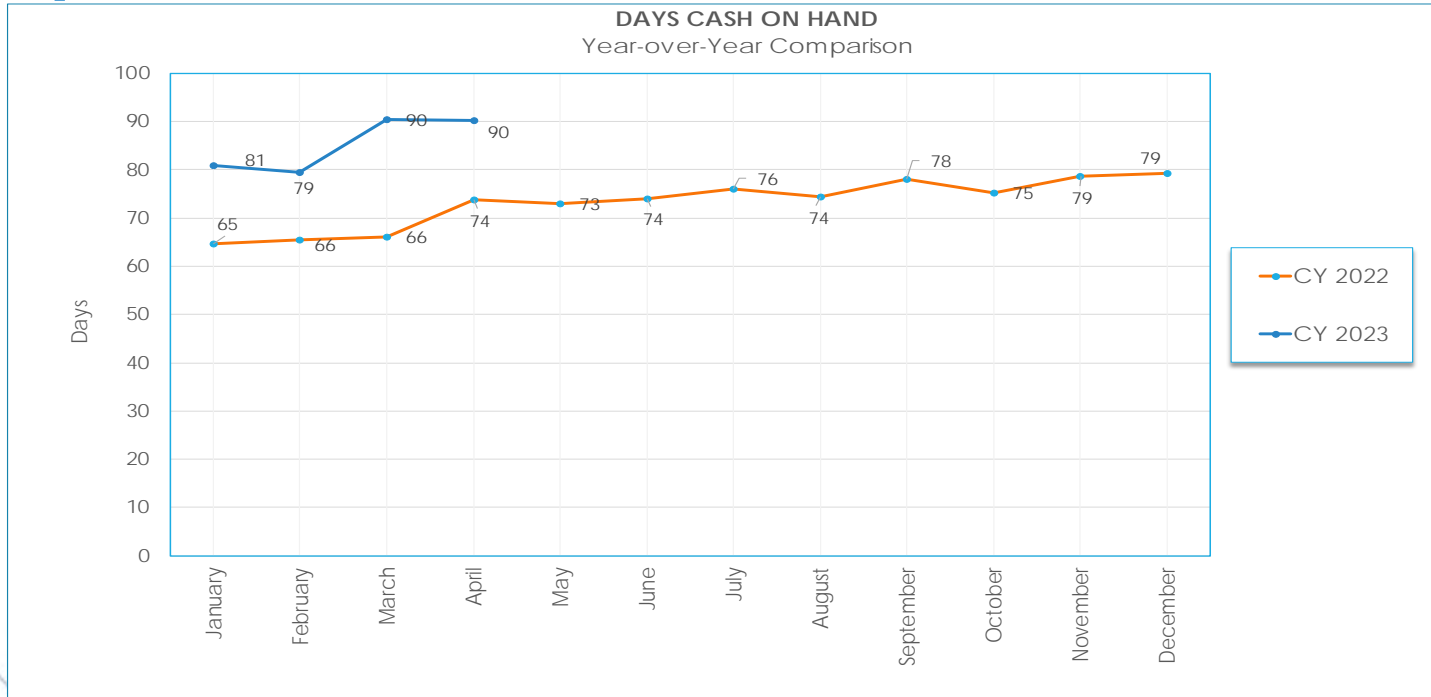
	Apr-23	Mar-23	Variance
<u>Assets and Deferred Outflows</u>			
Current Assets	\$ 2,366,409,550	\$ 2,354,096,152	\$ 12,313,398
Long Term Receivables	\$ 62,859	\$ 66,258	\$ (3,400)
Capital Assets	\$ 234,544,580	\$ 225,097,506	\$ 9,447,074
Deferred Outflows of Resources	\$ 70,903,506	\$ 70,898,979	\$ 4,527
Net Other Assets	\$ -	\$ -	\$ -
Total Assets and Deferred Outflows	\$ 2,671,920,495	\$ 2,650,158,895	\$ 21,761,599
<u>Liabilities, Deferred Inflows, and Net Position</u>			
Current Liabilities	\$ 1,130,756,874	\$ 1,165,866,007	\$ (35,109,134)
Long-Term Liabilities	\$ 47,037,492	\$ 43,071,054	\$ 3,966,438
Deferred Inflows	\$ 585,673	\$ 588,933	\$ (3,259)
Net Position	\$ 1,493,540,455	\$ 1,440,632,901	\$ 52,907,554
Total Liabilities, Deferred Inflows, and Net Position	\$ 2,671,920,495	\$ 2,650,158,895	\$ 21,761,599

Highlights for the Month:

- Increase in Current Assets is primarily due to Cash primarily due to lower claims payments.
- Increase in Capital Assets is primarily due to GASB 96 leases net of accumulated amortization.
- Decrease in Current Liabilities is primarily due to \$68M DSNP advance payment received in prior month and recognized in the current month as revenue partially offset by IBNP adjustment, P4P Hospital Quality, GASB 96 leases, and other activities.



Days Cash on Hand



Highlights for the Month:

Note: Days Cash on Hand calculation excludes pass-thru receipts and payments effective January 2023.



Acronyms & Definitions

BHT – Behavioral Health Treatment for members under the age of 21

CalAIM – California Advancing and Innovating Medi-Cal

CMC – Cal MediConnect (part of the Duals Demo Pilot)

CMS – Centers for Medicare & Medicaid Services

CY– Calendar Year

DHCS – Department of Health Care Services

DSNP – Dual Eligible Special Needs Plan (Medicare and Medi-Cal)

EAE – Exclusively Aligned Enrollment

ECM – Enhanced Care Management

G&A – General & Administrative

GASB 96 – Governmental Accounting Standards Board issued Statement No. 96, Subscription-based Information Technology Arrangements

HHIP – Housing and Homelessness Incentive Program

HQAF – Hospital Quality Assurance Fee

IBNR – Incurred But Not Reported

IT – Information Technology

LTC – Long Term Care

MCE – Adult Medi-Cal Expansion population

MLR – Medical Loss Ratio

MOT – Major Organ Transplant

P4P – Pay for Performance

SBHIP – Student Behavioral Health Incentive Program

SPD – Seniors and Persons with Disabilities



ADMINISTRATION

32. APPROVE THE LEADER RETIREMENT RETENTION PROGRAM

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the Leader Retirement Retention Program for the provision of a 5% retirement benefit for eligible leaders, including the Chief Executive Officer.

Contact:

Keenan Freeman, Chief Financial Officer

Background:

The goal of the Leader Retirement Retention Program is to increase retention of IEHP's leadership staff to continue mission critical activities of the organization including a successful entrance into Covered California, progress of strategic goals and initiatives and continued advocacy and administration of the Medi-Cal program to IEHP's providers and members. Recruitment is a costly and time-consuming activity which delays operations and organizational growth.

Over the last three (3) years, IEHP's recruitment costs and fees to identify, evaluate and recruit leaders are close to \$1 million. The current market for top talent is competitive due to retirements and moves by executives across the industry in both private and public health plans which poses potential future increased recruitment expenses.

IEHP does not currently offer retention bonuses or executive level retirement programs to incentivize leaders to remain with the organization. Among local public health plans, retirement benefits and incentive structures vary with offerings such as Supplemental Executive Retirement Plans (SERPs), employer contributions and employer matches ranging from 3%-12.2% with some offering CalPERS employer paid contributions on top of these benefits. On the other end of the market spectrum, private sector healthcare executives and leaders receive benefits well beyond those offered by public employers which increases their total compensation. It is significant to note these extremes as IEHP taps into both pools of the public and private sectors nationwide when searching for talent.

The unique nature of IEHP's business as one of the largest Medi-Cal health plans in the nation and second in the State serving close to 1.6 million members operating in one of the most dynamic markets in the world requires IEHP to be highly selective in choosing its leadership team. This Program is designed to make IEHP competitive in a highly volatile market to ensure IEHP will continue to operate at the highest level in this industry.

Discussion:

Eligibility to the program is limited to IEHP leaders, defined as a team member with a title of Director or above and including the Chief Executive Officer, who were first eligible for California Public Employees' Retirement System (CalPERS) pension benefits on or after January 1, 2013. IEHP will contribute an amount equivalent to five percent (5%) of an eligible leader's base pay

POLICY AGENDA

into their 401(a) retirement account to be vested after five (5) years of continuous service with IEHP in a leadership role. Vesting shall begin on July 1, 2023 for existing eligible leaders or on the first day of employment for eligible leaders employed after July 1, 2023. If an eligible team member leaves IEHP prior to fully vesting in the Program and later returns in an eligible leadership role, the team member will resume the vesting period with the prior IEHP accumulated service. The Program will be administered by IEHP’s existing recordkeeper, Voya.

The annual estimated cost of the Program is \$1.1 million with a total cost after the fifth (5th) year of \$5.5 million. The total expected participation as of June 2023 is 78 leaders. The funds for the Program are included in the CY 2023 Budget which was previously approved by the Governing Board on May 8, 2023. The funds will be accrued in each eligible leader’s retirement account but will remain unavailable to the leader for a period of five (5) years. In the event a leader separates from employment or loses eligible status during the five (5) vesting period, the accrued funds will be reabsorbed by IEHP and used to pay the administrative costs of the Program and the remainder will be distributed to the pool of eligible participants.

Staff recommends APPROVAL of the Leaders Retirement Retention Program.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	N/A	N/A	A. Wang 5/23/2023	A. Wang 5/23/2023	K. Freeman 5/25/2023



IE  **HP**

Inland Empire Health Plan

Live Wholeheartedly.

Leader Retirement Retention Program

Keenan Freeman, Chief Financial Officer

PURPOSE

- Increase retention of IEHP's leadership staff to continue mission critical activities
 - Covered California
 - IEHP Strategic Goals and Initiatives
 - Serve IEHP providers and 1.6 million members
- Decrease recruitment costs and fees (approx. \$1 mill from 2020-2023)
- Increase competitiveness of leadership compensation to be commensurate with other plans



PROGRAM GUIDELINES

- Employer contribution of 5% into Eligible Leader's 401(a) retirement account to be vested after five (5) years' continuous service with IEHP
- Eligibility – All leaders (Director and above, including CEO) who were first eligible for CalPERS benefits on or after January 1, 2013
 - Vesting to begin 7/1/23 for existing Leaders
 - Vesting begins on first day of employment for Leaders employed after 7/1/23
- A Leader who leaves IEHP prior to vesting in the Program and who later returns to IEHP will resume the vesting period with the prior accumulated service
- Administered by Voya, IEHP's existing recordkeeper



FISCAL IMPACT

- Average cost accrual per year is \$1.1 million
- Total cost after the 5th year is \$ 5.5 million
- Expected participation: 78 leaders (as of June 2023)
 - Open eligible positions: 11
- Nonvested dollars will be applied to the administrative costs of the program and redistributed to remaining participants



REQUESTED BOARD ACTION

- **APPROVE** the Leader Retirement Retention Program
- Eligibility will include all Leaders (Directors and above), including the Chief Executive Officer





Questions?



QUALITY DEPARTMENT

33. APPROVE THE FUNDING FOR THE 2023-24 LEADERSHIP QUALITY ACHIEVEMENT PROGRAM FOR IEHP LEADERS

Recommended Action:

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the Funding for the 2023-24 Leadership Quality Achievement Program for IEHP Leaders. The budget amount for this program is set at \$4,400,000, with a payment distribution in July 2024.

Contact:

Edward Juhn, Chief Quality Officer

Background:

Today, IEHP currently offers a 5% Team Member Bonus Program to all IEHP employees and includes a mix of process improvement, customer service, mission connection and quality performance goals. However, with the recent emphasis on Quality measure outcome performance from key regulators and accreditation bodies, including the Department of Healthcare Services, Department of Managed Healthcare, Covered CA, and the National Committee for Quality Assurance (NCQA), IEHP is recommending an additional Leadership Quality Achievement Program offered to Directors and above to:

- Enhance collective accountability on Quality measure performance
- Strategically align synergistic opportunities among department leaders
- Promote cross-functional collaboration

In addition to aligning this program with the Quality goals of IEHP's regulatory agencies, similar achievement award programs are supported by Mercer's market data in healthcare and healthcare payor organizations.

Discussion:

This new Leadership Quality Achievement Program will focus on both quality measure improvement and measure achievement, not guarantees, with a focus on measures prioritized by the Department of Healthcare Services in the Managed Care Accountability Set (MCAS).

Key program details are noted below.

Leader Eligibility: IEHP Leaders defined as Directors and above, hired in the qualifying leadership role before October 1st, 2023, and remaining in the qualifying leadership level on June 30th, 2024, would be eligible for this achievement program.

Value: A maximum achievement payout of 15% of a leader's annual salary would be based on Quality measure performance.

- Annual Salary Period: January 1, 2023, through December 31, 2023.

- Leaders with less than a year of service will have their payout prorated based on the performance period.

Measures: The 15% Achievement Program will be spread evenly across 7 measures. Each Quality measure will hold a value of 2.14%.

Quality Measures	DHCS	DMHC	Covered CA	NCQA
Timeliness of Prenatal Care	x	x	x	x
Timely Postpartum Care	x	x	x	x
Child and Adolescent Well Care Visits	x	x	x	
Well-Child Visits in the First 30 Months of Life (0-15 Months)	x		x	
Well-Child Visits in the First 30 Months of Life (15-30 Months)	x		x	
Childhood Immunizations Combo 10	x	x	x	x
Immunizations for Adolescents	x	x	x	x

DHCS: Department of Healthcare Services Managed Care Accountability Set Minimum Performance Measure
DMHC: Department of Managed Health Care Health Equity and Quality Measure
Covered CA: Covered California Quality Rating System Measure
NCQA: National Committee for Quality Assurance Health Plan Rating Measure

Goals: Each measure will have 2 defined goals, each with a value of 1.07%:

- **Improvement Goal:** Defined as closing the gap between IEHP’s 2022 rate and the Achievement Goal by at least 75%.
- **Achievement Goal:** Defined as meeting the defined benchmark target for the measure, set at the *next highest* national Medicaid percentile cut point (that is at least 1 percentage point higher than IEHP’s prior year rate). National Medicaid benchmarks are published by the National Committee for Quality Assurance (NCQA) in the Quality Compass in September of each year.

POLICY AGENDA

The chart below summarizes the goals set for each of the 7 measures included in this program. Note that the 2023 Improvement and 2023 Achievement Goals are subject to change when the NCQA Quality Compass benchmarks are published in Sept 2023.

Quality Measures	IEHP 2022 Performance [^]	2023 Improvement Goal*	2023 Achievement Goal *
Timeliness of Prenatal Care	88.1%	90.9%	90 th percentile (91.9%)
Timely Postpartum Care	79.6%	80.9%	75 th percentile (81.3%)
Child and Adolescent Well Care Visits	46.6%	47.9%	50 th percentile (48.9%)
Well-Child Visits in the First 30 Months of Life (0-15 Months)	55.5%	57.9%	66 th percentile (58.7%)
Well-Child Visits in the First 30 Months of Life (15-30 Months)	62.8%	65.0%	50 th percentile (65.8%)
Childhood Immunizations Combo 10	28.9%	33.3%	50 th percentile (34.8%)
Immunizations for Adolescents	34.5%	38.0%	66 th percentile (39.2%)
Total Possible Achievement Payout:		7.5%	7.5%

[^]Interim MY 2022 rate as of 5/15/2023. Rates not final for MY 2022.

*Final 2023 Improvement & Achievement Goal Rates will be set once benchmarks are published by NCQA Quality Compass in Sept 2023

Key Dates:

- **Measurement Year:** The measurement year (or performance period) is defined as January 1, 2023, through December 31, 2023.
- **2023 National Benchmarks:** The 2023 benchmarks will be released by NCQA in September 2023. Once benchmarks are made available, the Achievement Goal rates will be set based on the achievement goal benchmark as noted in the table above.
- **Finalized Rates:** IEHP’s finalized 2023 rates will be reported to DHCS in June 2024.
- **Payout Dates:** The 2023-24 Quality Achievement Program payout will be distributed during the July 2024 payroll.

Other considerations: The Medi-Cal Redetermination process that begins in July 2023 and continues throughout the remainder of the program year could adversely impact program goal achievement. IEHP will closely follow the impacts of the Medi-Cal Redetermination process, including its impact on quality measure populations and performance. The program goals and structure may be revisited, if deemed necessary.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2023 Budget	K. Freeman 05/25/23	NA	A. Wang 05/25/23	G. Fick 05/24/23	E. Juhn 05/24/2023



Leadership Quality Achievement Program



Background

- IEHP currently offers a 5% Team Member (TM) Bonus Program to all IEHP employees:

IEHP 5% Team Member Bonus Program

Domain	Measure	Goal	Bonus %
Member Satisfaction	Rating of Health Plan	4 Star Rating	1%
Provider Satisfaction	Overall Provider Satisfaction Composite	90 th percentile	1%
Mission Connection	Growth / Development Courses Mission Moment Submissions	50% of team members 30% of team members	0.75% 0.25%
Process Improvement	i3 Goal- implemented improvement ideas	750 & <u>all</u> departments submitting	1%
Preventive Care	Timely Prenatal Care	4 Star Rating	0.5%
Chronic Care	Controlling High Blood Pressure	4 Star Rating	0.5%
Total Possible Earnings			5.0%



Objective

- In addition to the TM Bonus, the **15% Leadership Quality Achievement Program** will be offered to Directors and above to:
 - Enhance collective accountability on Quality measure performance
 - Strategically align priorities among department leaders
 - Promote cross-functional collaboration
- The new program will focus on 2023 Quality measure **improvement** and **achievement**
- The identified Quality measures will be aligned with the **priorities of our regulatory and accreditation agencies** including:
 - Department of Healthcare Services (DHCS)
 - Department of Managed Health Care (DMHC)
 - Covered California (CCA)
 - National Committee for Quality Assurance (NCQA)



Program Details

- **Eligibility:**

- IEHP Leaders defined as Directors and above, hired before October 1st, 2023, and employed on June 30th, 2024

- **Value:**

- A **maximum payout of 15% of annual salary** based on Quality measure performance
 - Annual salary period: January 1, 2023 – December 31, 2023
 - Leaders with less than a year of service in the role of Director or higher will have their payout prorated based on the annual salary period

- **Payout Dates:**

- 2023 Leadership Quality Achievement Program payout will be distributed during July 2024 payroll consistent with the DHCS Quality reporting schedule



Program Measures

Quality Measures	Volume*	Regulator
Timeliness of Prenatal Care	19,255	<ul style="list-style-type: none"> DHCS, DMHC, CCA, NCQA
Timely Postpartum Care		
Child and Adolescent Well Care Visits	564,056	<ul style="list-style-type: none"> DHCS, DMHC, CCA
Well-Child Visits in the First 30 Months of Life (0-15 Months)	9,123	<ul style="list-style-type: none"> DHCS, CCA
Well-Child Visits in the First 30 Months of Life (15-30 Months)	24,340	<ul style="list-style-type: none"> DHCS, CCA
Childhood Immunizations Combo 10	23,548	<ul style="list-style-type: none"> DHCS, DMHC, CCA, NCQA
Immunizations for Adolescents	30,680	<ul style="list-style-type: none"> DHCS, DMHC, CCA, NCQA

* Based on 2022 Measure Denominators

DHCS: Department of Healthcare Services Managed Care Accountability Set Minimum Performance Measure

DMHC: Department of Managed Health Care Health Equity and Quality Measure

CCA: Covered California Quality Rating System Measure

NCQA: National Committee for Quality Assurance Health Plan Rating Measure



Program Payout Methodology

- The 15% payout will be spread evenly across 7 measures:
 - Each Quality measure will hold a value of 2.14%
- Each measure will have 2 defined goals based on:
 - **Improvement:** Value: 1.07%
 - **Achievement:** Value: 1.07%
- The total maximum payout (at 15%) for this Achievement program would be **\$4.4M***

Measure 1	Improvement	1.07%	} 2.14%	} 15%
	Achievement	1.07%		
Measure 2	Improvement	1.07%	} 2.14%	
	Achievement	1.07%		
Measure 3	Improvement	1.07%	} 2.14%	
	Achievement	1.07%		
Measure 4	Improvement	1.07%	} 2.14%	
	Achievement	1.07%		
Measure 5	Improvement	1.07%	} 2.14%	
	Achievement	1.07%		
Measure 6	Improvement	1.07%	} 2.14%	
	Achievement	1.07%		
Measure 7	Improvement	1.07%	} 2.14%	
	Achievement	1.07%		

*Assuming the number of current eligible Directors and above remain the same at the time of payout



Achievement Goals

- Defined as the next highest national Medicaid percentile cut point that is at least 1 percentage point above IEHP’s baseline rate
- Final Achievement goals will be set based on updated NCQA benchmarks to be published Sept 2023

Quality Measures	IEHP 2022 Performance^	50th Percentile Rate*	66th Percentile Rate*	75th Percentile Rate*	90th Percentile Rate*
Timeliness of Prenatal Care	88.1%	85.4%	87.8%	88.9%	91.9%
Timely Postpartum Care	79.6%	77.4%	80.0%	81.3%	84.2%
Child and Adolescent Well Care Visits	46.6%	48.9%	53.5%	57.4%	62.7%
Well-Child Visits in the First 30 Months of Life (0-15 Months)	55.5%	55.7%	58.7%	61.2%	67.6%
Well-Child Visits in the First 30 Months of Life (15-30 Months)	62.8%	65.8%	69.8%	72.2%	78.1%
Childhood Immunizations Combo 10	28.9%	34.8%	39.4%	42.1%	49.8%
Immunizations for Adolescents Combo 2	34.5%	35.0%	39.2%	41.1%	48.4%

^IEHP baseline rate: Interim MY 2022 rate as of 5/15/2023. Rates not final for MY 2022.
 *Benchmarks and cut points based on NCQA Quality Compass Medicaid benchmarks published Sept 2022; 2023 benchmarks to be published in Sept 2023



Achievement Goals

Quality Measures	IEHP 2022 Performance [^]	2023 Achievement Goal*
Timeliness of Prenatal Care	88.1%	90 th percentile (91.9%)
Timely Postpartum Care	79.6%	75 th percentile (81.3%)
Child and Adolescent Well Care Visits	46.6%	50 th percentile (48.9%)
Well-Child Visits in the First 30 Months of Life (0-15 Months)	55.5%	66 th percentile (58.7%)
Well-Child Visits in the First 30 Months of Life (15-30 Months)	62.8%	50 th percentile (65.8%)
Childhood Immunizations Combo 10	28.9%	50 th percentile (34.8%)
Immunizations for Adolescents	34.5%	66 th percentile (39.2%)

[^]Interim MY 2022 rate as of 5/15/2023. Rates not final for MY 2022.

*Benchmarks and Rates based on NCQA Quality Compass Medicaid benchmarks published Sept 2022; 2023 benchmarks to be published in Sept 2023



Improvement Goals

- Defined as 75% gap closure improvement based on prior year performance and the Achievement Goal

Quality Measures	IEHP 2022 Performance [^]	75% Improvement Goal	Achievement Goal*
Timeliness of Prenatal Care	88.1%	90.9%	91.9%
Timely Postpartum Care	79.6%	80.9%	81.3%
Child and Adolescent Well Care Visits	46.6%	47.9%	48.3%
Well-Child Visits in the First 30 Months of Life (0-15 Months)	55.5%	57.9%	58.7%
Well-Child Visits in the First 30 Months of Life (15-30 Months)	62.8%	65.0%	65.8%
Childhood Immunizations Combo 10	28.9%	33.3%	34.8%
Immunizations for Adolescents	34.5%	38.0%	39.2%

[^]Interim MY 2022 rate as of 5/15/2023. Rates not final for MY 2022.

*2023 Achievement Goal Rates will be set once benchmarks are published by NCQA Quality Compass in Sept 2023. This will adjust the Improvement Goal.



Leadership Quality Achievement Program Goals

Quality Measures	IEHP 2022 Performance [^]	2023 Improvement Goal*	2023 Achievement Goal*
Timeliness of Prenatal Care	88.1%	90.9%	90 th percentile (91.9%)
Timely Postpartum Care	79.6%	80.9%	75 th percentile (81.3%)
Child and Adolescent Well Care Visits	46.6%	47.9%	50 th percentile (48.9%)
Well-Child Visits in the First 30 Months of Life (0-15 Months)	55.5%	57.9%	66 th percentile (58.7%)
Well-Child Visits in the First 30 Months of Life (15-30 Months)	62.8%	65.0%	50 th percentile (65.8%)
Childhood Immunizations Combo 10	28.9%	33.3%	50 th percentile (34.8%)
Immunizations for Adolescents	34.5%	38.0%	66 th percentile (39.2%)
Total Possible Achievement Payout:		7.5%	7.5%

[^]Interim MY 2022 rate as of 5/15/2023. Rates not final for MY 2022.

*Final 2023 Improvement & Achievement Goal Rates will be set once benchmarks are published by NCQA Quality Compass in Sept 2023



Key Takeaways

- The Leadership Quality Achievement Program aims to **improve care outcomes** for IEHP Members
- Focuses on **meeting and exceeding** DMHC, DHCS, Covered CA, and NCQA requirements (and avoid sanctions)
- Enhances interdepartmental collaboration to **move the needle** on measures for Mothers and Children

Key Considerations

- Medi-Cal Redetermination process in 2023 could impact the measure population and program achievement goals
- IEHP will closely monitor Redetermination impact, and if necessary, revise program goals and structure and bring back to the Board for review and approval



REQUESTED BOARD ACTION

- **APPROVE** the Leadership Quality Achievement Program
- Eligibility will include all Leaders (Directors and above), including the Chief Executive Officer



Thank You
Questions?



Appendix:



2022-23 5% Team Member Bonus Methodology

Who is eligible:

- All IEHP team members who are employed as of March 31, 2023, through June 30, 2023, will be eligible to earn this bonus

What is the bonus:

- 6 pre-defined measures with set targets. Team members can earn a set percentage of their annual salary for each measure where the target is met. Maximum earnings up to 5% of a team member's annual salary.

Important dates:

- Performance Period: July 2022 – June 2023
- Bonus payout will be distributed during July 2023 payroll



Program Rationale

- The new 15% Leadership Quality Achievement Program for Directors and above is:
 - **Supported** by Mercer's **market data** on additional achievement awards offered in healthcare/healthcare payer organizations
 - Would be an award **tied to results, not tied to guarantees**



Program Measures Grid

Quality Measures	DHCS	DMHC	Covered CA	NCQA
Timeliness of Prenatal Care	X	X	X	X
Timely Postpartum Care	X	X	X	X
Child and Adolescent Well Care Visits	X	X	X	
Well-Child Visits in the First 30 Months of Life (0-15 Months)	X		X	
Well-Child Visits in the First 30 Months of Life (15-30 Months)	X		X	
Childhood Immunizations Combo 10	X	X	X	X
Immunizations for Adolescents	X	X	X	X

DHCS: Department of Healthcare Services Managed Care Accountability Set Minimum Performance Measure

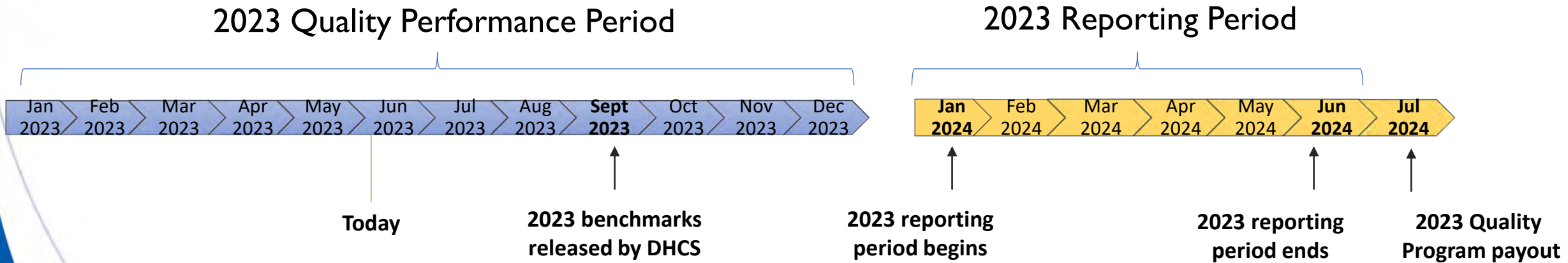
DMHC: Department of Managed Health Care Health Equity and Quality Measure

Covered CA: Covered California Quality Rating System Measure

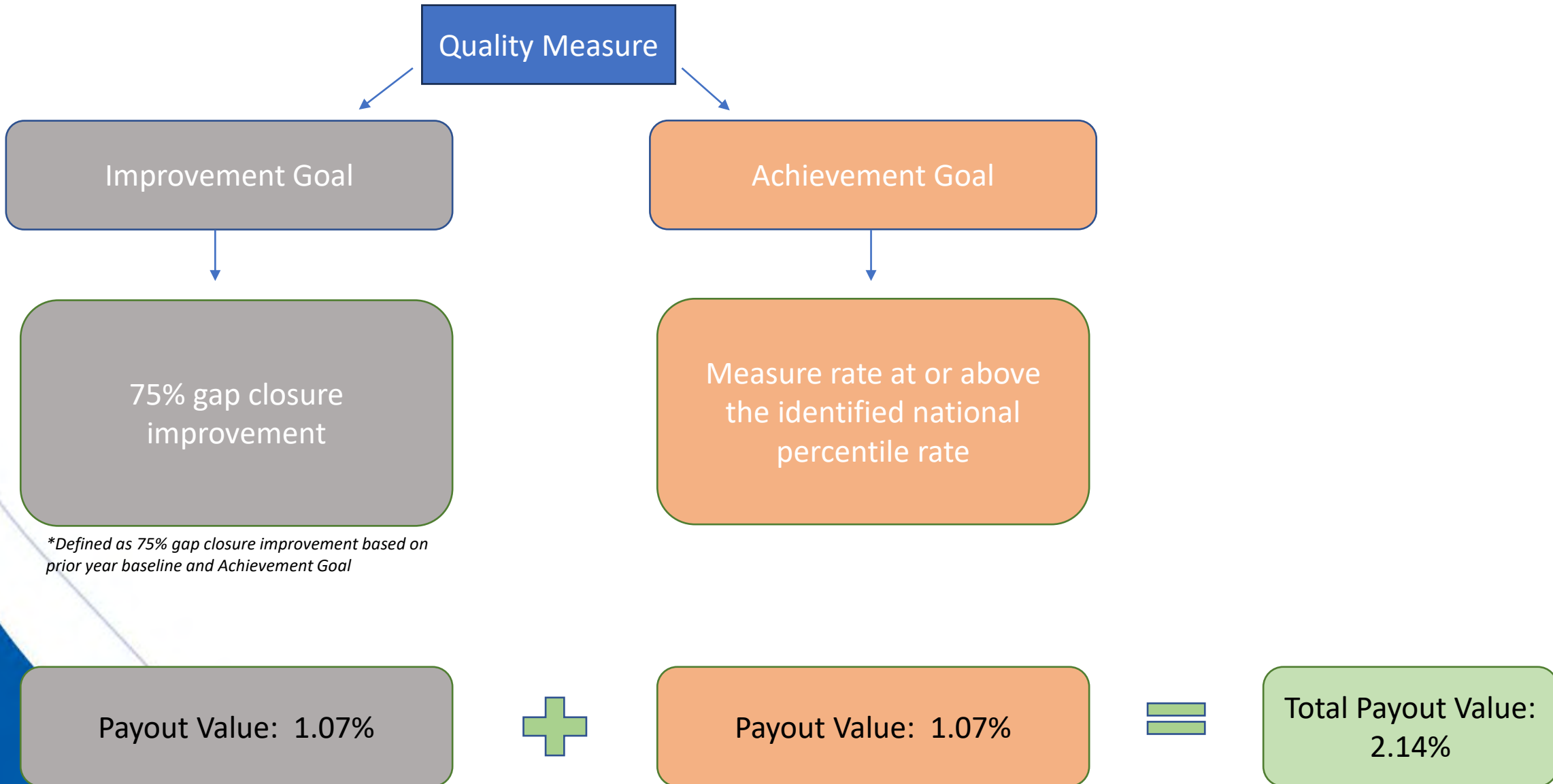
NCQA: National Committee for Quality Assurance Health Plan Rating Measure



Program Key Dates



Program Methodology Illustration



Improvement Goal Illustration

- 75% gap closure improvement based on MY 2022 baseline

Quality Measures	IEHP 2022 Performance [^] (Baseline)		51th Percentile Rate		
Childhood Immunizations Combo 10	28.9%		34.8%		
	Step 1	28.9%	Gap of 5.9%	34.8%	1) $34.8\% - 28.9\% = 5.9\%$
	Step 2		75% improvement of Gap = 4.4%		2) $5.9\% \times 0.75 = 4.4\%$
Improvement Goal: 33.4%	Step 3	28.9%	33.3%	34.8%	3) $28.9\% + 4.4\% = 33.3\%$

[^]Interim MY 2022 rate as of 5/15/2023. Rates not final for MY 2022.



**THE GOVERNING BOARD
OF THE
INLAND EMPIRE HEALTH PLAN AND IEHP HEALTH ACCESS**

Inland Empire Health Plan
Dr. Bradley P Gilbert Center for
Learning and Innovation – Board Room
9500 Cleveland Avenue
Rancho Cucamonga, CA 91730

DRAFT - MINUTES OF THE MAY 8, 2023, REGULAR MEETING

Governing Board Members Present:

Supervisor Curt Hagman
Supervisor Karen Spiegel
Supervisor Yxstian Gutierrez
Supervisor Dawn Rowe

Dan Anderson
Drew Williams

Governing Board Members Absent:

Eileen Zorn

Governing Board Member Vacancy:

None

Inland Empire Health Plan Employees and Legal Counsel Present:

Jarrold McNaughton, Chief Executive Officer
Keenan Freeman, Chief Financial Officer
Edward Juhn, Chief Quality Officer
Vinil Devabhaktuni, Chief Information Officer
Michelle Rai, Chief Communications &
Marketing Officer
Takashi Wada, Interim Chief Medical Officer
Susie White, Chief Operations Officer

Raymond Mistica, Esq. Deputy County Counsel
Anna Wang, Esq., General Counsel
Victoria Ostermann, Director of Government
Affairs
Annette Taylor, Secretary to the Governing Board
Stefanie Stubblefield, Board Specialist
Mandi Popka, Manager, Paralegal

IEHP Staff Absent: None

Guests: None

-
- I. Call to Order:
Chair Spiegel called the May 8, 2023, regular meeting of the Inland Empire Health Plan and the IEHP Health Access Governing Board to order at 9:01 a.m.
 - II. Pledge of Allegiance
 - III. Roll Call
 - IV. Agenda Changes: None
 - V. Public Comment: None
 - VI. Conflict of Interest Disclosure: None

** Chair Spiegel combined the vote of the April 10, 2023, IEHP and IEHP Health Access Meeting Minutes and May 8, 2023, IEHP Consent Items 1 – 28.*

- VII. Adopt and Approve the Meeting Minutes from April 10, 2023, Meeting of the Governing Board of the Inland Empire Health Plan and IEHP Health Access.

Action: On motion of Member Hagman and seconded by Member Anderson, the Meeting Minutes from April 10, 2023, Regular Meetings of the Governing Board of the Inland Empire Health Plan and IEHP Health Access were approved as presented. (Hagman/Anderson; Zorn absent)

VIII. IEHP:

Consent Agenda:

Action: On motion of Member Hagman and seconded by Member Anderson, Items 1 - 28 on the IEHP Consent Agenda were approved as presented. (Hagman/Anderson; Zorn absent)

Policy Agenda and Status Report on Agency Operations (Board Report #337)

ADMINISTRATION:

Jarrod McNaughton, Chief Executive Officer, presented the following Administrative section of the Status Report:

Item 29: Approve the Sixth Amendment to the Employment Agreement for the Chief Executive Officer

Action: On motion of Member Hagman and seconded by Member Anderson, Item 29 on the Policy Agenda was approved as presented. (Hagman/Anderson; Zorn absent)

Item 30: Chief Executive Officer Update

Mr. McNaughton presented the CEO Update for May 2023.

**Member Spiegel commented on update*

All Status Report items for the Administration Department were reviewed and accepted by the Governing Board

FINANCE DEPARTMENT (Keenan Freeman):

Keenan Freeman, Chief Financial Officer, presented the following Finance Department section of the Status Report:

Item 31: Review of the Monthly Finances:

Mr. Freeman presented the Monthly Financials for the period ending March 31, 2023.

Item 32: Approve the Revised Calendar Year 2023 Operations and Capital Budget

Mr. Freeman presented the Revised CY2023 Operations and Capital Budget

**Members Hagman, Gutierrez, Rowe Spiegel commented on update*

Action: On motion of Member Hagman and seconded by Member Rowe, Item 32 on the Policy Agenda was approved as presented. (Hagman/Rowe; Zorn absent)

All Status Report items for the Finance Department were reviewed and accepted by the Governing Board

HEALTH SERVICES DEPARTMENT (Takashi Wada, M.D.)

Dr. Wada, Chief Medical Officer, presented the following Health Services Department section of the Status Report:

Item 33: Community Health Worker Program Update

Dr. Wada introduced Community Health Worker Managers, Carmen Ramirez and Belinda Hernandez, who presented the program update.

**Members Spiegel and Hagman commented on update*

All Status Report items for the Health Services Department were reviewed and accepted by the Governing Board

IX. **IHEP Health Access:** *No Business*

X. **Comments from The Public on Matters Not on The Agenda:** None

XI. **Board Comments:** *Vice Chair Hagman attended the University of La Verne Scholarship Gala on May 6, 2023, and expressed his sincere appreciation to IEHP for partnering with the University in its endeavor.*

XII. **Closed Session:**

Since no reportable action was expected as a result of Closed Session, Chair Spiegel adjourned the May 8, 2023, IEHP and IEHP Health Access Governing Board Meeting at 10:46 a.m.

1. With respect to every item of business to be discussed in closed session pursuant to Government Code Section 54956.8:

Conference with Real Property Negotiators

Property: 83240 Highway 111, Indio, California, 92201

Agency Negotiator(s): Jarrod McNaughton, Chief Executive Officer

Keenan Freeman, Chief Financial Officer

Jack Mansour, Vice President, Property Management & Development

Maggie Montez, Lee & Associates

Negotiating Party: Greg Bradbury, Haagen Company

Under negotiation: Instruction to negotiator(s) concern price and terms of payment

Closed Session began at 10:48 a.m. and concluded at 11:01 a.m.

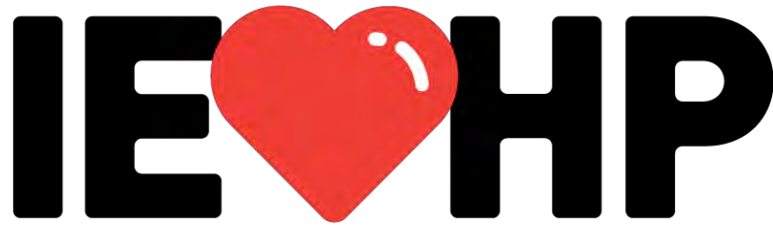
XIII. Adjournment

Chair Spiegel adjourned the May 8, 2023, IEHP and IEHP Health Access Governing Board meeting at 10:46 a.m.

The Approved Governing Board Minutes for May 8, 2023, will have a copy of the IEHP Board Report #337 attached

These Meeting Minutes were duly adopted and approved on June 5, 2023.

Annette M. Taylor
Secretary to the IEHP Governing Board



INLAND EMPIRE HEALTH PLAN

Professional Services Agreements, Contracts and Amendments

UNDER \$200,000

Whereby the Chief Executive Officer of IEHP applied his authority and approved purchases up to \$200,000 as authorized by the Governing Board through

Minute Order 16-64

(Services pursuant to a written contract from a single vendor for a period of one year based on the effective date of the contract)

And

TANGIBLE GOODS

Minute Order 16-65

(Purchase of all Goods and Non-Contracted Services in excess of \$500,000)

**Items on this summary report are being
processed in conjunction with the**

June 5, 2023

Governing Board Meeting



*Under \$200k Summary Report
as of June 5, 2023*

	Vendor	Purpose	Contract Amount	Budget	Effective Date	Department
1	211 San Diego	PSA for a proprietary assessment, the Comprehensive Social Continuum Assessment (CSCA)	\$80,000	Included in CY2023	05/24/23	Information Technology
2	Blood Bank of San Bernardino and Riverside Counties dba Lifestream Third Amendment	Therapeutic Phlebotomy Services	\$15,000	Included in CY2023	05/01/23	Health Services
3	Granicus	Master Subscription Agreement for a new Agenda Management System	\$9,900	Included in CY2023	05/22/23	Administration
4	Southern California Edison	PSA for an Interconnection Agreement for the Atrium Photovoltaic System	\$388,650	Included in CY2023	05/26/23	Finance
5	WalkMe, Inc. Renewal	PSA to extend the software agreement for one additional year	\$50,000	Included in CY2023	05/15/23	Information Technology



*Tangible Goods Summary Report
as of June 5, 2023*

No Items to Report

ADMINISTRATION

1. 2024 Board Conference Insights
2. Joint MCO Tax Letter

2024 Conference Menu for Board Members



2024 Potential Conferences

- Annual JP Morgan Healthcare Conference
- The Governance Institute
- Becker's Healthcare Annual Meeting
- Wall Street Journal – The Future of Everything
- AHIP Annual Conference



Annual JP Morgan Healthcare Conference

Date / Location:

- January 8-11, 2024
 - Westin St. Francis Hotel, San Francisco, CA

Overview / Main Topics:

- Topics covered: digital health, artificial intelligence, deep learning, gene editing and bioengineering, mental health, implantable technology, wearable technology, mobile/telehealth, behavioral science, funding and finance, startups and entrepreneurship, data analytics, preventative care, personalized care and more!



The Governance Institute

Dates / Locations:

- April 7-10, 2024
 - Fairmont Scottsdale Princess, Scottsdale, AZ
- September 8-11, 2024
 - The Broadmoor, Colorado Springs, CO

Overview / Main Topics:

- Opportunity to gain valuable insights, hear world-renowned speakers, and network with other healthcare organizations, learning best practices and success stories: Quality, Consumerism in Healthcare, Digital Age, Cybersecurity, Governance, Mental Health, Palliative Care and more.



Becker's Healthcare Annual Meeting

Date / Location:

- April 8-11, 2024
 - Hyatt Regency Hotel, Chicago, IL

Overview / Main Topics:

- Join hospital and health system executives and leaders to tackle the most pressing issues in healthcare at this premier industry event. Attendees are immersed in thought-provoking conversations on leadership, growth strategy, workforce development, patient safety, health equity and more.



Wall Street Journal – The Future of Everything

Date / Location:

- May 2024
 - New York, NY

Overview / Main Topics:

- The Future of Everything convenes leaders, scientists, entrepreneurs, artists, athletes and thinkers laying the foundation today for the world of tomorrow.
- It spans multiple stages and an interactive lab where attendees can engage with innovative products from the future.



AHIP Annual Conference

Date / Location:

- June 2024
 - Location: TBD

Overview / Main Topics:

- Experience what's next, now at AHIP 2024. The conference brings together the people, ideas, and solutions guiding greater health for years to come, focused on Equity, Care Management, Alternative Payment Models, Consumer Experience, Technology Trends and more!





May 8, 2023

Mark Ghaly, MD, MPH
Secretary, California Health & Human Services Agency
1215 O St.
Sacramento, CA 95815
Via email: Mark.Ghaly@chhs.ca.gov

RE: Managed Care Organization (MCO) Tax Funding

Dear Secretary Ghaly:

On behalf of healthcare leaders allied and dedicated to serving Medi-Cal beneficiaries in the Inland Empire, this *Alliance* writes to express support for securing and directing the Managed Care Organization (MCO) tax revenue to areas that will have the most impact for the important Medi-Cal program that serves 14 million people in California.

We understand that many conversations are taking place at the moment regarding the equitable distribution of tax funding. It is therefore incumbent upon us to share insight into the healthcare access challenges facing our state and the Inland Empire as you consider impactful language to direct funding where it is needed most and where we could see direct, measurable improvements.

While we are working handily to implement many new innovative healthcare policy changes to transform the Medi-Cal program, in the wake of the COVID-19 pandemic, please consider that base Medi-Cal program needs still exist. These needs are further exacerbated by regional disparities, necessitating that funding be used to augment efforts to address long-standing reimbursement and access needs, rather than create additional new or complex programs.

From the hospital, provider, and health plan viewpoint, we collectively understand the longstanding disparate challenges to accessing Medi-Cal services in our region. The Inland Empire is home to two of the largest counties in the United States. These counties represent the 4th and 1st largest counties, respectively, by geographic territory in the contiguous United States, with more than 2 million people relying on Medi-Cal for healthcare. Unique challenges relate to numerous remote geographies with provider shortages, and a large volume of small practices in the Medi-Cal network. This general lack of access has only been exacerbated by workforce shortages, lack of provider participation and limited member engagement opportunities. Meanwhile, there is a growing population of Medi-Cal enrollees in the region that relies on the program for their urgent and preventative healthcare needs.

To address equity issues for the state and within areas facing disparate challenges, like the Inland Empire, funding to support the Medi-Cal program to attract, incentivize and retain providers, primary and specialty, in rural and underserved communities would help improve

access for Medi-Cal members. In addition, we believe that any future rate increases must be equitably adjusted (through an agreed upon Social Driver of Health Index) to factor in local and regional variances to encourage additional providers to enroll in Medi-Cal, empower current providers to grow their level of participation in the program, and engage the most vulnerable members.

To address statewide equity concerns, we recommend directing a portion of funding to support statewide areas of greatest need, including:

- Areas with provider shortages:
 - To attract new providers, Health Professional Shortage Areas data correlated to funding could support network enhancement through incentives for attracting and retaining dedicated Medi-Cal providers in areas of greatest need, including desperately needed behavioral health providers and specialists.
 - To increase capacity for existing providers, funding should be directed to health plans with provider networks experiencing a high percentage of closed panels or not open to new patients or for those areas experiencing delays in specialty care.
- Areas with overall disparate health outcomes: Using Healthy Places Index data, to support areas where the HPI score is below the 50th percentile, would allow for the incentivization of regional improvement activities, Medi-Cal beneficiary engagement, Medi-Cal quality improvement scores and positive rank shifts.

This Alliance is committed to not resting until our communities in San Bernardino and Riverside counties receive optimal care through the Medi-Cal program. We hope you will consider our concerns. If you would like any more information, please feel free to reach out to me, Jarrod McNaughton, directly at (909) 890-2010 or by email at Mcnaughton-J@iehp.org.

Sincerely,



Alison Elsner
Chief Executive Officer
San Bernardino County
Medical Society



Lawrence Robinson, MD
President
Riverside County
Medical Association



**Jarrod McNaughton, MBA,
FACHE**
Chief Executive Officer
Inland Empire Health Plan



Jennifer Criukshank, RN, MBA
Chief Executive Officer
Riverside University Health
System



William Gilbert, MBA
Chief Executive Officer
Arrowhead Regional Medical
Center



Richard Hart, MD, DrPH
President
Loma Linda University Health