

County of Santa Cruz

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BOARD OF SUPERVISORS

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AGENDA: 2/6/01

January 30, 2001

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

RE: ANNUAL REPORT OF THE SANTA CRUZ-MONTEREY COUNTY
MANAGED MEDICAL CARE COMMISSION

Dear Members of the Board:

Attached is the Annual Report of the Santa Cruz-Monterey County Managed Medical Care Commission for calendar year 2000. I recommend that the Board accept and file this report and direct the Chairman to thank the members of the Commission for their efforts on the County's behalf.

Sincerely,

Tony Campos
TONY CAMPOS, Chairman
Board of Supervisors

TC:ted


cc: Santa Cruz-Monterey County Managed Medical Care Commission

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CENTRAL COAST ALLIANCE FOR HEALTH**375 Encinal Street ~ Suite A ~ Santa Cruz ~ CA ~ 95060****(831) 457-3850 ~ FAX (831) 466-4310**

DATE: January 29, 2001

TO: Terry Dorsey, Administrative Assistant

FROM: Alan McKay, Executive Director 

RE: ANNUAL REPORT OF THE SANTA CRUZ – MONTEREY
MANAGED MEDICAL CARE COMMISSION: 2000

Pursuant to Section 2.38.170 of the County Code, please find attached the annual report of the Santa Cruz – Monterey Managed Medical Care Commission for 2000, as approved by the Commission at its January 24, 2001 meeting. A copy of this report will also be provided to the CAO.

Please contact me at (831) 457-3850 extension 4300 if you have any questions.

Thank you.

CENTRAL COAST ALLIANCE FOR HEALTH

375 Encinal Street ~ Suite A ~ Santa Cruz ~ CA ~ 95060

(831) 457-3850 ~ FAX (831) 466-4310

2000

ANNUAL REPORT TO THE SANTA CRUZ AND MONTEREY COUNTY

BOARDS OF SUPERVISORS

FROM

THE SANTA CRUZ – MONTEREY MANAGED MEDICAL CARE COMMISSION

The Central Coast Alliance for Health (“the Alliance”) is a locally governed and operated public agency established by ordinance adopted by the Counties of Santa Cruz and Monterey. The Alliance is governed by the Santa **Cruz-Monterey** Managed Medical Care Commission (“the Commission”), whose members are appointed by the Boards of Supervisors. The Alliance’s mission is to ensure appropriate access for lower income residents to health care services that meet professionally recognized standards of care. The Commission seeks to achieve this mission through operation of a County Organized Health System (COHS) health plan, serving Medi-Cal and Healthy Families beneficiaries in the Monterey Bay region. This report describes the activities and accomplishments of the Commission during 2000.

Commission Structure

The **Alliance** is governed by the Santa Cruz – Monterey Managed Medical Care Commission, a sixteen-member commission appointed by the counties’ Boards of Supervisors with eight members **from** each county representing interests of the public, providers and government. The Commission has established three advisory groups: Members, Physicians, and Allied Health Providers, which advise the Commission on policy matters.

The Commission meets monthly in public meetings to discuss and decide upon policy issues for the Alliance and to receive reports **from** the Alliance staff on on-going operations. AU meetings of the Commission, the Committees of the Commission and of Advisory Groups are open to the public and are governed by the Brown Act. Staff prepares monthly and quarterly reports for the Commission on items ranging **from**

presentation of monthly financial statements, to monthly report on volume **of member** calls, to quarterly reports of member grievances, and periodic reports on timeliness of authorization for wheelchair requests.

See Attachment A for list of Commissioners and a description of their category of representation is attached, as well as a report of Commission meeting attendance by Commissioner during 2000.

In December 2000 the Alliance board bid farewell to its board **Chairperson**, Supervisor Simon Salinas, upon his election to the California State Assembly. Monterey County Board of Supervisors have designated Supervisor Edith **Johnsen** as the Board of Supervisor's representative to replace Assemblyman Salinas effective January 2001.

Commission Goals

In July 2000, the Commission held a retreat to discuss and define policy issues and set goals for the coming years. The Commission **identified** three priority goals for the Alliance. The Commission agreed that the Alliance's development priorities are to:

1. Develop "user friendly" systems for its members and providers.
2. Improve provider satisfaction.
3. Maintain **fiscal** viability.

The staff of the Alliance developed an action plan with steps to achieve these goals and presented its initial plan to the Commission which includes proposals that focus on new or expanded activities toward the following:

- Improving communication on Alliance policies, including listening to and informing of customers, and supporting board policy-making in response to customer needs.
- Improving Alliance **systems** and use of technology, including streamlining procedures, reducing paperwork and "hassle factors", and leveraging emerging health data standards and **internet** technologies.
- Improving management of major determinants of fiscal performance, including promotion of effective case management, updating medical expense budgets, negotiation of appropriate revenue rates, and support for the board's **further** development of fiscal policies.
- Improving customer service skills and culture at the Alliance, including new training, supervision and programs to support customer service excellence.

Staff is reporting on progress to the Commission at its regularly scheduled meetings.

Alliance Members

The Alliance serves approximately 60,000 Medi-Cal and 960 Healthy Families Program members in Santa Cruz and Monterey counties. In Santa Cruz County, the Alliance has 20,000 Medi-Cal members and 680 Healthy Families members. In Monterey County, the Alliance has 40,000 Medi-Cal members and 280 Healthy Families members.

The Alliance's Medi-Cal members are lower income persons with qualifying conditions (e.g. aged, disabled, single parent), and include almost all Medi-Cal beneficiaries in the region. Among Alliance Medi-Cal members, approximately 28% are Caucasian 57% Latino, and 3% African America and 12% are other or not reported. 47% are English speaking and 39% are Spanish speaking. 60% of members are female and 40% are male, with 61% of members under 19 years old or younger. Alliance Healthy Families members are children, up to age 18, of families with incomes **from** 100% up to 250% of the federal poverty level.

Alliance Member Services

The Alliance Member Services Department assists members in accessing health care services. Member Services Representatives are bilingual, and assist members by phone and in person, and are located both at the Alliance's administrative offices in Santa Cruz and at locations in Social Services offices in other parts of Santa Cruz and Monterey counties. Additionally, the Alliance has, in each county, a liaison to members with disabilities who is available to assist disabled members with access to health care and other services such as obtaining durable medical equipment and necessary medical supplies. The Alliance currently employs two full-time Medical Social Workers who serve as the liaisons to members with disabilities. The liaison to members with disabilities was one of a number of program improvements the Alliance implemented in 1998 as a result of discussions with the Santa Cruz County Commission on Disabilities about the Alliance's services.

Member Satisfaction

In January 2000, the Commission reviewed findings **from** the State's independent survey of member satisfaction among all Medi-Cal health plans statewide. The Alliance scored above the all-plan average on all four key measures, including overall member satisfaction with: personal doctor or nurse, specialist most often seen, all health care received, and health plan services. The survey suggested areas for improvement: increase choice of PCPs, reduce waits for doctor appointments, and clarify written member materials.

Resolving Members' Complaints

The Alliance has a system for in-taking and resolving member complaints about their health care services received through the Alliance. The structure of the Alliance's complaint resolution process is defined by statute, and the Alliance employs a full-time Grievance Coordinator dedicated to resolution of member problems. Alliance senior management staff meet bi-weekly to review and discuss complaints, ensure appropriate resolution and use complaint data to improve services and modify policies as indicated. The Alliance tracks and monitors complaint activity by issue. For example, over the last 12 months the Alliance has received one (1) complaint about access to durable medical equipment – which was resolved to the member's satisfaction through participation in the complaint process.

The Alliance also provides its Commission and the Member Services Advisory Group with quarterly reports of member complaints and grievance activity.

Member Advocate Program

In addition to assistance available directly through the Alliance, members may obtain assistance through the Alliance's Member Advocate Program ("MAP") which is administered by Legal Aid of the Central Coast. In July of 1999 the Alliance entered into a contract with Legal Aid of the Central Coast to provide a Member Advocate Program for Alliance members in Santa Cruz County. In May 2000, the Commission established a MAP in Monterey County, also with Legal Aid of the Central Coast. The MAP is available to members as an external source of support, guidance and advocacy for members who want additional assistance accessing health care services under the Alliance. During the first 12 months of services in Santa Cruz County the MAP provided legal advice, referrals and/or legal advocacy to twenty-eight (28) Alliance members for issues including access to health care services, Medi-Cal eligibility issues and Medi-Cal billing issues. A majority of the individuals helped through the MAP are disabled.

A review of the range of issues that the MAP has addressed on behalf of members demonstrates its usefulness and effectiveness in assisting members in obtaining necessary care or navigating the system. The Alliance believes that the services provided through the MAP are important and can complement those of the Alliance.

Regulatory Oversight of Member Welfare

In June of 2000 the scope of regulatory oversight of the Alliance was expanded when the health plan was granted a license as a health care service plan under the State Department of Managed Health Care ("DMHC"). The DMHC is the State agency that oversees licensed health plans with an emphasis on member protections, provider interests and fiscal viability. The Alliance, under its contracts with the State Department of Health

Services (“DHS”) and the California Managed Risk Medical Insurance Board (“MRMIB”) and under its licensure by the DMHC provides a system for members to have their problems resolved. The Alliance submits quarterly reports of member complaints to DHS, MRMIB and DMHC. Members seeking outside assistance can contact the DHS and/or DMHC to seek assistance in resolving issues with the Alliance. The Alliance’s operations are periodically audited by its overseeing agencies. Audits include review of financial and operational policies and procedures and compliance with State requirements.

Health Services and Quality Initiatives

The Alliance’s Health Services Department is responsible for ensuring that members receive necessary and appropriate quality health care services. The Alliance works closely with its networks of providers – physicians, hospitals, pharmacies and allied health care providers to ensure members receive medical care that they need.

The Alliance’s Health Services Department, under the direction of Dr. Barbara **Palla**, a local pediatrician develops and administers a Quality Assurance and Improvement Plan (“QAIP”) to monitor and improve the quality of health care services provided. Through the QAIP the Alliance is able to review quality of care on an individual member level and for the Alliance’s member population as a whole. Based on findings, Dr. **Palla** works with the Health Services Department to communicate with local providers about quality of care issues, and to promote “best practice” medical protocols.

As part of its QAIP, the Alliance collects and reviews data from medical records, and measures local provider services against benchmark standards. The data collected are called Health Plan Employer and Information Set (“HEDIS”) indicators. In March 2000, the State published their independent HEDIS comparison of 29 Medi-Cal health plans. The Alliance scored at or above the Medi-Cal health plan average score on all measures, including: Childhood **Immunizations** (all combinations), Well Child Visits, Initiation of Pre-Natal Care, Prenatal Care in the First Trimester, and Check Ups after Delivery.

The Alliance is able to use the data collected to complete analyses which allow for targeted interventions to further increase members’ receipt of these important preventive health services. For instance, data can be analyzed to determine on an individual provider basis which providers need additional education about the schedule for appropriate childhood immunizations. Or, the data can be analyzed to determine if the community as a whole can collaborate to encourage and educate women about the importance of obtaining a check up within eight weeks after childbirth. This information provides the Alliance and the community a previously unavailable opportunity to gain an insight into behaviors and attitudes about health care services and to work together to implement changes through education and outreach to both members and providers that can ultimately benefit the overall health of this population

Alliance Provider Services

The Alliance has approximately 1,000 contracted providers including primary care physicians, specialists, hospitals, allied health providers, pharmacies and long term care facilities. The Alliance recognizes the critical importance of its providers in furthering its mission to ensure access to quality health care for members. The Alliance's contracted physician network in Santa Cruz County includes 93% of primary care physicians and 8 1% of specialty care physicians. In Monterey County, the Alliance contracted provider network includes 75% of primary care physicians and 70% of specialty care physicians. The Alliance also operates with an "open network" for specialty care, and will pay claims of non-contracted specialists that accept referrals of Alliance members, but without payment enhancements and surplus sharing available to contracted specialists.

In September 2000, in order to further increase provider satisfaction and participation and to monitor fiscal performance, the Alliance completed its **first** ever mid-year risk settlement. This increases provider satisfaction by returning dollars earned in a more timely fashion (rather than the previous annual risk settlement) and also allows the Alliance a more "real-time" assessment of a provider's performance increasing the Alliance's ability to monitor case management and work with providers more proactively to address potential concerns.

Provider concerns regarding the Healthy Families Program

In May through July 2000, the Alliance heard concerns **from** some local physicians about the Healthy Families Program. These concerns focused primarily on: the level of **funding** and payment rates in the Healthy Families Program, and the perceived risk of conversion of children **from** commercial insurance to Healthy Families with the presumed result of lower payments to providers. The Commission considered these concerns during two public meetings, and Alliance staff communicated extensively with concerned physicians about the structure and performance of the Healthy Families **program**.

The Commission decided to continue the Alliance's participation in the Healthy Families Program, and directed staff to continue communication between the physicians, the Alliance and the State agency responsible for the Healthy Families Program. The Commission also changed the Alliance's payment policy to increase **"upfront"** fee for service payments to better balance year-end surplus sharing rewards.

Alliance staff have since facilitated dialogue between local concerned physicians and the Healthy Families Program, in correspondence and in meetings. As a result, there is a more prevalent understanding among local physicians that Alliance's Healthy Families payments are comparatively favorable, and that there is no evidence to date of insurance conversion among Healthy Families children.

The Alliance in the Community

The Alliance is involved in a number of partnerships and collaborative efforts within the communities it serves.

Health Care Outreach

The Alliance is involved in collaborative efforts in Santa **Cruz** and Monterey Counties to expand health care to eligible uninsured individuals. Alliance staff in coordination with the health care outreach coalitions, conduct outreach at a number of community and health related events in order increase awareness about its programs and encourage eligible individuals to apply for health care coverage.

Santa **Cruz County Commission on Disabilities**

The Alliance continues its on-going communication with the Commission on Disabilities to promote timely services to disabled members in Santa Cruz County. The Alliance employs a Medical Social Worker who serves as the Alliance's liaison to members with disabilities. In addition, the Alliance established a regional Member Advocate Program, and the Alliance monitors and reports vendor performance in providing and servicing wheelchairs. These program components were developed at the suggestion of the Commission on Disabilities, and have improved the Alliance's services to members with disabilities. The Alliance appreciates ongoing input and support from the Commission on Disabilities in further improving health plan services.

Monterey County Disabilities Services Committee

The Alliance participates on this committee which reviews services to individuals with disabilities in Monterey County. This committee is a precursor to the formation of a Commission on Disabilities in Monterey County.

Disabilities Awareness Training for **Staff**

In June 2000, the Alliance in conjunction with the Central Coast Center for Independent Living (CCCIL), participated in a training program developed by CCCIL and designed to increase staff awareness of issues and concerns faced by persons with disabilities. Nearly all of the Alliance's staff with outside customer contact participated in this training.

Coalitions for Public Health Issues

The Alliance is involved in a number of community coalitions which address public health issues, including the Breastfeeding Coalition, the Immunization Coalition, the Central Coast Asthma Coalition, and the Breast Cancer Early Detection Program, and others.

Health Care Advocacy Project

The Alliance is a member of this advisory board which is a project through the Central Coast Center for Independent Living that has been **funded** by the California Endowment to establish a model of advocacy and mediation services for health care consumers living with long-term illness, chronic pain or physical or mental disability.

South County Regional Health Partners

The Alliance participates on the board of South County Regional Health Partners in Monterey County, which is a partnership in southern Monterey County that includes local healthcare providers, a school district, community agencies, elected officials and employers. The partnership has received funding for resource person/case manager who provides services to people in extremely rural areas of south Monterey County, including immunizations, health education and referral coordination.

Alliance Financial Performance and Budget

In 2000 the Alliance operated under a **\$130M** annual budget. The Alliance's administrative budget accounted for approximately 7.3% of its total annual budget. The remaining **92.7%** is available for medical care. To date, the Alliance has accrued **\$20M** in fund balance to secure the health plan's fiscal viability, and as a reserve for health care costs.

In April 2000 the Alliance posted a **\$3.4M** medical budget surplus (for FY99) which was shared among local contracted primary care physicians, specialists, hospitals and pharmacies. This surplus was a result of provider and health plan efforts to ensure health care access at an appropriate level and effective case management of members' medical needs and is money that was not previously available to local provider under the "old" Medi-Cal system.

In September 2000, in order to further increase provider satisfaction and participation and to monitor fiscal performance, the Alliance completed its first ever mid-year risk settlement. The Alliance shared **\$1.9M** in medical budget surplus with participating providers for the services provided during the six-month period of 1/00 – 6/00.

In December 2000 the Commission approved the Alliance's administrative budget for CY2001. The Alliance's 2001 budget includes \$12.7M which is 7.7% of total projected revenue. The budget includes new resources for quality management and case management services for Alliance members.

The Alliance negotiates its revenue rates with the state's California Medical Assistance Commission (CMAC) and continues its ongoing efforts to negotiate revenue rates that will support the Alliance's mission to provide appropriate access to care.

Challenges Ahead

The Alliance continues its efforts to improve health care access for lower income persons in the Monterey Bay region, and to meet the challenges of improving customer service, member and provider satisfaction, and fiscal viability. Additional challenges include:

- **Securing revenue funding** from the State to ensure adequate financing of health care costs that are substantially increasing due to new drugs and technology. The Alliance's revenue is based on Medi-Cal levels of funding. Across California providers have voiced their concerns about low levels of funding – California is reportedly 47th in the nation in Medi-Cal **funding**. As California begins to address this issue and provide increased funding the Alliance, in turn will be able to improve its reimbursement to providers. As rates improve, additional access can be made available. The Commission appreciates the support of the Santa Cruz County Supervisors as it proceeds to negotiate with the State for a fair revenue allocation.
- Further **promoting participation** and service delivery among local physicians and providers, with particular attention to improving access to orthopedic services, and to increasing the number of physicians serving members in skilled nursing facilities. The Alliance's ability to promote physician participation in serving lower income residents turns on the quality of health plan services, and the sufficiency of State revenue funding.
- **Improving** coordination and integration of long term care services. The Alliance has participated in local planning conducted by the Santa Cruz County Health Department regarding coordination and integration of long term care services, and sees great opportunities for public benefit in these efforts.
- **Coordinating efforts with regional partners** on health care access, including eligibility expansion and outreach at both the legislative and community levels. The Commission welcomes collaboration with the Santa Cruz County Supervisors and staff on legislative matters and local implementation of new health insurance programs such as Healthy Families.

The Board and staff of the Central Coast Alliance for Health appreciate the opportunity to provide this report on local efforts to improve access to health care for lower income residents of the Monterey Bay region.

**SANTA CRUZ – MONTEREY
MANAGED MEDICAL CARE COMMISSION**

<u>Commissioner</u>	<u>Category of Representation</u>	<u>County</u>
Mr. Howard Classen	Hospital	Monterey
Dr. Maximilian0 Cuevas	Provider	Monterey
Dr. Steven Harrison	Provider	Monterey
Dr. Arthur Dover	Provider	Santa Cruz
Dr. Ronald Fuerstner	Provider	Monterey
Dr. Christine Griger	Provider	Santa Cruz
Supervisor Edith Johnsen	Board of Supervisors	Monterey
Mr. Alvin Karp	Public	Santa Cruz
Dr. Robert Melton	County Health Director	Monterey
Mr. Michael Molesky	Public, Medi-Cal Recipient	Santa Cruz
Dr. Rama Khalsa	County HSA Director	Santa Cruz
Ms. Elsa Quezada	Public	Monterey
Ms. Linda Sanchez	Public	Monterey
Ms. Debbie St. John, RN	Provider, Community Clinic	Santa Cruz
Mr. Michael Weatherford	Hospital	Santa Cruz
Supervisor Mardi Wormhoudt	Board of Supervisors	Santa Cruz



**Santa Cruz - Monterey Managed Medical Care
Commission Meeting Attendance for Year 2000**

COMMISSIONER	Total Absences	Attendance Rate	1/26/00	3/22/00	4/26/00	5/24/00	6/28/00	7/26/00	8/23/00	9/27/00	10/25/00	12/6/00
Classen, Howard	1	90%										X
Cuevas, Maximiliano	3	70%			X		X			X		
Del Piero, Eric	0	100%						n/a	n/a	n/a	n/a	n/a
Dover, Arthur	3	70%	X	X							X	
Fuestner, Ronald	1	67%	n/a	n/a	n/a	n/a	n/a	n/a	n/a		X	
Griger, Christine	1	90%							X			
Harrison, Steven	1	83%	n/a	n/a	n/a	n/a			X			
Hsiang, David	1	100%			n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Karp, Alvin	1	90%				X						
Khalsa, Rama	2	80%	X			X						
Melton, Robert	1	90%				X						
Molesky, Michael	1	90%									X	
Quezada, Elsa	7	30%	X	X			X		X	X	X	X
Salinas, Simon	2	89%									X	n/a
Sanchez, Linda	5	50%		X	X			X			X	X
St. John, Debbie	0	100%										
Weatherford, Mike	2	80%				X			X			
Wormhoudt, Mardi	3	70%				X				X	X	

X = Absent

no meeting in February and November

"n/a" indicates person was not a Commissioner at this time