



San Joaquin County Health Commission
Health Plan of San Joaquin-Community
Room
7751 S. Manthey Road, French Camp, CA 95231

Wednesday September 24, 2014

Agenda

Call to order: 5:00 PM

- | | |
|---------------------|---|
| 12:00 AM - 12:00 AM | I. Call to Order |
| 12:00 AM - 12:00 AM | II. Approval of August 27, 2014 Meeting Minutes |
| 12:00 AM - 12:00 AM | III. Chairman Report
Appointment of Harvey Williams to Community Affairs Committee and Human Resources Committee |
| 12:00 AM - 12:00 AM | IV. Commission Committee Report:
Community Affairs Committee Report - July 17, 2014
Human Resources Committee Report - September 10, 2014
Employee Benefit Change
Cafeteria Plan
Time Off Policy
Finance and Investment Committee - September 17, 2014
August 2014 Financial Statements
Claims Update
Moss Adams Audit Results |
| 12:00 AM - 12:00 AM | V. Legislative Update |
| 12:00 AM - 12:00 AM | VI. Operations Report: August Dashboard Reports |
| 12:00 AM - 12:00 AM | VII. Public Comments |
| 12:00 AM - 12:00 AM | VIII. Commissioner Comments |
| 12:00 AM - 12:00 AM | IX. Closed Session:
Closed Session to Consider Commission Trade Secrets - Government Code Section 54957
Public Employee Performance Evaluation - Government Code Section 54957 |
| 12:00 AM - 12:00 AM | X. Adjournment - Next Meeting: October 29, 2014 |
- Mission** - We provide healthcare value and advance wellness through community partnerships.
- Vision** - Continuously improve the health of our community.

ACTION ITEM

San Joaquin County Health Commission

Recommendation for Approval:

CAC Committee — September 18, 2014

July 17, 2014 Meeting Minutes

To be considered: September 24, 2014

YEARS OF SERVICE



Community Affairs Committee Meeting
7751 South Manthey Road
French Camp, CA 95231
September 18, 2014
12:30 - 2:00 pm

Agenda

Members

Brenda Hagerman, Chair
Christopher Byrum
John Elias
Vaunita Duval
Marty Holmes
Brucilla Johnson

Maria Lopez
Kerrie Melton
Mary Rosas
Jacob Russell
Julie Russell
Emma Sorce

Chris Strohlin
Rosie Valverde
Andrea Varela

Guests

Alfonso Hernandez

12:30 pm	Lunch	
12:40 - 12:45 pm	Welcome and Approval of July 17, 2014 Minutes	Brenda Hagerman, Chair
12:45 -12:55 pm	ENROLLMENT Vision, Mission and Values Enrollment Trends	Gerri Casillas-Nuñez
12:55 – 1:15 pm	ACCESS/QUALITY CAHPS Member Satisfaction Report	Donna Trinchera
1:15 - 1:35 pm	MATERIAL REVIEW Emergency Room Education Brochure HPSJ Fact Sheets	Jennifer Medina
1:35 – 1:45 pm	MEDI-PROGRAM UPDATES Whooping Cough	Johnathan Yeh
1:45 – 1:55 pm	HPSJ IN THE COMMUNITY Upcoming Events	Gerri Casillas-Nuñez
1:55 – 2:00 pm	SPREAD THE WORD Talking Points	Jennifer Medina

HPSJ Staff

Gerri Casillas, Government Programs Supervisor
David Hurst, Vice President, External Affairs
Jennifer Medina, MarCom Manager
Luisa Smith, Administrative Assistant, External Affairs

Donna Trinchera, Quality Improvement Supervisor
Johnathan Yeh, Director, Clinical Programs



**Community Affairs Committee Meeting
7751 S. Manthey Road
French Camp, CA 95231**

**Meeting Minutes
Thursday, July 17, 2014**

Members Present

Chris Byrum
John Elias
Brenda Hagerman – Chair
Marty Holmes
Maria Lopez
Kerrie Melton
Mary Rosas
Jacob Russell
Julie Russell
Emma Sorce
Rosie Valverde
Andrea Varela

Members Absent

Vaunita Duval
Brucilla Johnson
Chris Strohlin

Guests

Alfonso Hernandez

HPSJ Staff

Gerri Casillas Nunez, Supervisor, Government Programs
David Hurst, Vice President, External Affairs
Jennifer Medina, Marketing Communications Manager
Luisa Smith, Administrative Assistant, External Affairs Division
Lourdes Mercado, Lead Customer Service Representative
Lei McMiller, Supervisor, Social Worker
Donna Trinchera, Supervisor, Quality Improvement

Call to Order

Meeting was called to order at 12:45 pm.

Welcome and Introductions

Gerri Casillas-Nuñez welcomed everyone and introductions were made.

Approval of May 15, 2014 Minutes

The May 15, 2014 minutes were approved as submitted.

I. ENROLLMENT

A. Enrollment Trends

Copies of Health Plan of San Joaquin (HPSJ) enrollment dashboards were distributed. A brief discussion followed about the differences in enrollment numbers between HPSJ and HealthNet. A few highlights were as follows:

- HPSJ enrollment has been steadily increasing since March 2014
- HPSJ is keeping a close eye on enrollment decreases to identify and troubleshoot the reasons for the drops in enrollment.
- HPSJ's "Market Share" represents that 9 out of 10 people actively choose HPSJ. CAC members were encouraged to remind friends and family that their health plan has free application assistance.
- HPSJ's "Choice Rate" has also been increasing for the most part, although there was a drop from 92% in July 2013 to 89% in August. Outreach, Enrollment, Retention and Utilization staff is keeping a close watch to avoid any further decreases as HealthNet can gain momentum.
- CAC members were encouraged to promote HPSJ's great programs and Customer Service in the community.
- Voluntary Disenrollment – To decrease the voluntary disenrollment, members are encouraged to get familiar with HPSJ and their providers by choosing a Primary Care Provider, taking advantage of their preventive care services and renewing their Medi-cal certification.

B. Advertising Campaign

The goal of HPSJ advertising campaign is to inform the community about HPSJ programs and services so people can connect with HPSJ through social media, billboards and bus boards. Based on changes under the Affordable Health Care Act (ACA), more people qualify for health coverage. HPSJ is targeting its advertising campaign towards a specific group – the *Invincibles (18-25 years old)*. HPSJ wants to let the Invincibles know about the following:

- Changes in health care
- Importance of obtaining and maintaining coverage
- New criteria (eligibility guidelines)

- **Medi-Cal Expansion Campaign (MCXL) “What Goes up Must Come Down Campaign”**

Encourages individuals to live life but acknowledge the possibility of needing to seek medical services. Artwork and messaging will tell a story about someone having a good time, engaged in an activity they enjoy (such as sports), getting injured then needing healthcare. This message is particularly important to illustrate the consequences of not having coverage. MCXL uses online and traditional advertising including: Public transit, malls, print ads in student targeted publications, social media and web ads. The images and messages should match the location as follows:

- Newspapers – not so good
- Pandora – better
- Social media – better
- Billboards
- Bus boards
- Colleges
- Universities/schools
- Coffee shops
- Malls/retail stores
- Videos – tell a story with images
- Fast food places
- Sports
- Entertainment
- Car shows
- Movies
- Concerts

The demographics that are being targeted are 18-25 year olds with active lifestyles. Images of clothes and activities (such as skateboarders, soccer and basketball players) are important factors in catching the attention of this age group.

- **Families Campaign Highlights**

- Preventive services for general HPSJ membership
- Choosing same doctor for whole family. Careful not to use campaign images that look like Kaiser images
- Purpose of campaign is to get people to call HPSJ

Examples of other advertising strategies include Central Valley Business Journal print advertisement included in CVBJ's monthly magazine.

- Employers can reach out to employees who can't afford health coverage.
- Employers can also connect with business partners informing them about HPSJ being a viable health care coverage choice.

II. **ACCESS/QUALITY**

A. **HPSJ Transportation Services**

HPSJ offers bus passes to members that need assistance getting to their appointments.

- Members must call Customer Service 10 days before their appointment to get approval and provide the following:
 - Name of doctor
 - Appointment time and date

B. **Member Access Survey Results**

HPSJ monitors providers annually for appointment access availability, telephone afterhours access and waiting room time. The purpose is to measure members' access to health care services because having no access to services can compromise their health. The survey results are then sent to the State of California.

- The State of California has added strict regulations to contracts with health plans and providers to ensure member access to appointments as follows:
 - Urgent - 24 hours
 - Routine doctor appointments – 7 business days
 - Well visits for children – 2 weeks
 - Well visits for adults - 4 weeks
 - Advice nurse – Answering Service for after hour access 24/7

When doctors get to know and understand their patient's health care needs, they can coordinate better care.

- HPSJ nurses visit provider offices and ask members to take the survey while waiting as HPSJ wants to know about a member's experience during their clinic visit.
- State regulations say that members should not wait longer than 45 minutes to see a doctor. If a member waits longer

than 45 minutes, a complaint can be filed with HPSJ Quality Improvement Department. If a provider gets 3 or more complaints in a calendar year, that provider will be included in the annual access survey. Each access complaint is investigated by Quality Management nurses with the member and provider.

- HPSJ will send a letter to the member informing them about the complaint and a letter to the provider regarding the complaint for possible Corrective Action Plan.
- New ways are being created to ensure member access such as telemedicine and adding instructions on provider exchange so providers can call members back.
- If a provider does not pass the survey, the survey will be re-taken with the goal of helping the provider improve in areas that need help.
- During the survey, nurses look at provider's appointment screen to see if there are openings for urgent and routine care appointments.
- The Access Survey for provider network met standard (passed) for urgent and routine appointments in San Joaquin County. For Stanislaus County, the access survey for provider network met standard (passed) for urgent appointments, but was below standard for routine care appointments.
- HPSJ Quality Improvement Program will be responsible to improve accessibility

III. MEDI-PROGRAM UPDATES

A. Denti-Cal/Vision Update

Denti-Cal dental coverage is back and a brief update was given as follows:

- Members were encouraged to schedule checkup and preventive care appointments.
- Members were reminded that one vision exam is covered every 24 months and glasses are not covered.
- There is a backlog in the annual Medi-Cal recertification. Paperwork for January - June 2014 renewals are being sent in May 2014 for redetermination.
- Renewal packet in the mail doesn't change member redetermination anniversary dates as follows:

- Feb – July - due July
- March – August – due August
- May – October – due October

IV. HPSJ IN THE COMMUNITY

- A. Brief overview of Reach out and Read (ROR) Program was given.
- ROR partners with medical providers in the community
 - Importance of daily reading to children and giving books was stressed
 - ROR provides culturally appropriate books to low income parents for children 6 months to 5 years old.
 - There is a total of 10 well child visits scheduled around immunizations and child development. Children get a free book with each visit to add to their home library.
 - In San Joaquin County, 36% of children are enrolled in pre-school.
 - Research has shown that if children are not good readers by 3rd grade, it's hard to catch up. There are 7,000 third graders in San Joaquin County who can't read.
 - Fifteen published studies have confirmed that children who are in pre-school and served by ROR program scored higher and are better prepared when entering kindergarten.
 - ROR distributes 11,000 books in San Joaquin County annually in 10 sites and is looking to expand.
 - ROR has been in San Joaquin County since 1998. If providers are interested in partnering with ROR, they can contact Susan Spracher at 209-462-6113.

● **V. SPREAD THE WORD**

Talking points review

- If you know someone who does not have health coverage or needs assistance understanding their options, refer them to 888-896-7526.
- Members needing transportation services should call HPSJ 10 days before their appointment to get approval.
- Denti-Cal is back for adult dental coverage. Members were reminded to schedule their dental check up.
- HPSJ is contracted with VSP for vision services and members were encouraged to schedule a vision exam.
- Medi-Cal renewal packets need to be completed and returned by the due date.

B. **Upcoming Events**

- Emergency Food Bank – Christmas in July – July 26 (10 am – 1:00 pm)
- Delta Health Care Breastfeeding Celebration –August 2 (8:30 am – 2:00 pm)
- 3rd Annual Stockton Pride Festival – August 23 (9:30 am – 8:00 pm)
-

Congratulations to ***Marty Holmes*** for receiving 3 gold, 2 silver and 1 bronze medal at the Transplant games of Americas 2014!

Next meeting: September 18, 2014 at 12:30 pm



San Joaquin County Health Commission
Human Resources Committee
AGENDA

Location: Health Plan of San Joaquin – Pacific Conference Room
7751 South Manthey
French Camp, CA 95231

Date: September 10, 2014

Time: 12:00 p.m.

Distribution: Michael Kirkpatrick, Chair
Brian Jensen, Commissioner
Mohsen Saadat, DO, Commissioner
Amy Shin, CEO
Victoria Hazen, VP Human Resources

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- | | | |
|------|---|---------------------|
| I. | Approval of April 8, 2014 Meeting Minutes | Michael Kirkpatrick |
| II. | Employee Benefits for 2015 | Amy Shin, CEO |
| III. | Adjourn | Michael Kirkpatrick |



Human Resources Committee
Health Plan of San Joaquin – Pacific Room
7751 South Manthey
French Camp, CA
April 8, 2014

MEMBERS PRESENT:

Mike Kirkpatrick, Chair
Brian Jensen, Commissioner
Mohsen Saadat, MD, Commissioner

MEMBERS ABSENT:

None

STAFF PRESENT:

Amy Shin, CEO
Victoria Hazen, VP Human Resources
Sue Nakata, Executive Assistant

Call to Order:

The meeting was called to order at 3:00 p.m. and Roll Call was taken.

For Approval:

I. **Approval of March 13, 2014 Meeting Minutes**

The motion was made, seconded and unanimous to approve the March 13, 2014 meeting minutes as presented (3/0).

II. **Human Resources Policies - Victoria Hazen**

Ms. Hazen presented the following revised/updated Human Resources policies for approval (significant changes noted) noting majority of the policies being presented reflects changes to employee benefits:

- Time-Off: Moved time off amounts to a separate schedule, removed Administrative Leave language and references to sick leave to care for family members

- Alternate Work Schedules: Removes the ability of employees to report to work during a window of time (consistency on set work schedules), and limits compressed workweeks to employees in exempt positions
- Education Reimbursements: Moved details of reimbursement amounts and repayments to a separate schedule. Policy pertains to all full-time employees after one year of service, with a repayment requirement if employee leaves within one year of completing the education.
- Catastrophic Leave Program: Added the ability for employees on intermittent leaves to request leave donations and clarifies that all accrued benefits must be exhausted prior to requesting leave donations.
- Group Health and Welfare Benefits: Added workers compensation, which was previously in a separate policy and moved details for premium and cost-sharing to a separate schedule.
- Retirement: Included references to the Contribution Schedule for retirement contributions.
- Leaves of Absence (Medical & Military): Added provisions implemented by Military Family Leave requirements for 2013, eliminated HPSJ Medical Leave, added employees requirement to transition to COBRA when leave entitlement has been exhausted and clarification on dependents removal from benefits if employee is unable to pay premiums while on leave
- Leaves of Absence (Other Leaves): Moved details regarding number of leave days to a separate schedule (jury duty, bereavement, etc.), updated the circumstances under which crime victims may take time off, added protections for victims of stalking and ability to take civil service leave (14 days per calendar year).
- Accommodations: Added additional information on accommodations for victims of domestic violence, sexual assault and stalking.
- Base Salary Program: Combined the currently policy with salary administration policy, updated timing of merit increases to coincide with one year of employment and annually thereafter and separated market/equity adjustments from the merit increase processes.
- Miscellaneous Pay Provisions: Moved bilingual pay amount to a separate schedule, removed the split-shift premium and clarified reimbursement for uncontrolled standby.

Discontinued Policies:

- Workers Compensation
- Base Salary Administration

Upon review of the policies, Ms. Shin noted that the Administrative Leave language was removed from the Time-Off policy, but will continue to be offered until a decision about all benefits is made. Management is currently working with Mercer on the benchmark analysis and will be presenting benefit recommendations to the committee by 4th quarter.

Extensive discussion was also held on the number of vacation days per employee in a year; possibly putting a cap on vacation hours (staff currently “cashing out” on their vacation hours). Ms. Shin also noted in order to attract professionals to Health Plan of San Joaquin management may possibly convert the number of vacation days into continuation training days.

III. Adjourn

Chairman Kirkpatrick adjourned the meeting at 11:39 p.m.



Health Plan of San Joaquin Finance & Investment Committee

September 17, 2014 @ 4:00 PM

**Health Plan of San Joaquin
Pacific Conference Room
7751 South Manthey Road
French Camp, CA 95231**





**San Joaquin County Health Commission
Finance and Investment Committee
AGENDA**

Location: Health Plan of San Joaquin – Pacific Conference Room
7751 South Manthey
French Camp, CA 95231

Date: Wednesday, September 17, 2014

Time: 4:00 p.m.

Distribution: Chris Rose, Chair
Marvin Primack
Amy Shin, CEO
Andrew Eshoo, County Counsel

Ken Cohen
Larry Ruhstaller
Jennifer Dinwoodie, CFO

I. Call to Order Chris Rose

RECOMMENDATION FOR APPROVAL:

II. August 27, 2014 Minutes Chris Rose

III. August 2014 Financial Statements Jennifer Dinwoodie

IV. Claims Update Jennifer Dinwoodie

V. Moss Adams Audit Results Moss Adams

ADJOURNMENT:

VI. Adjourn to October 22, 2014 Chris Rose



Finance & Investment Committee

Health Plan of San Joaquin
 7751 South Manthey
 French Camp, CA
 Wednesday, August 27, 2014

Members Present:

Marvin Primack, MD, Chair
 Chris Rose, Commissioner
 Larry Ruhstaller, Commissioner
 Ken Cohen, Commissioner

Staff:

Amy Y. Shin, CEO
 Jennifer Dinwoodie, CFO
 Debra Roth, Controller
 Pranab Rout, Manager of FP&A
 Marta Carhart, Finance Technician
 Cheron Vail, CIO
 Andrew Eshoo, County Counsel

Minutes: Sue Nakata, Executive Assistant

Commissioner Primack called the meeting to order at 4:00 p.m.

FOR APPROVAL:

I. Review and Approval of Minutes

Commissioner Primack submitted the minutes of the June 18, 2014 meeting for approval.

It was moved, seconded and unanimous (4-0) to recommend approval of the June 18, 2014 meeting minutes as presented.

II. FY' 14-15 Revised Budget

Amy Shin, CEO presented for approval the revised FY' 14-15 Budget that was recently approved at the May 21, 2014 meeting. The budget was revised to reflect the changes in enrollment data and revised rates from DHCS. Budget changes reflected the following:

- Assumptions
 - Enrollment/Membership for both counties (SJC and Stanislaus) were adjusted for:
 - human calculation error
 - Medi-Cal application processing backlog
 - Revenue/Rates – Overall rates had much better outcome than originally projected in Stanislaus and slightly worse in San Joaquin
 - TANF = SJC at -2% and Stanislaus at 6%
 - SPD = SJC at 13% and Stanislaus at 28%
 - Dual = SJC at -7% and Stanislaus at 1%
 - Expansion = SJC and Stanislaus at 0%
 - Medical Management - no change from the last budget that was presented
 - Provider Network Efficiencies – no changes to the strategies but lowered savings projections for each of the strategies
- Budget Highlights and Overview

	Medi-Cal	TPA	AIM	Consolidated
Member Months	3,156,534	50,880	972	3,208,386
Revenue	\$ 770,765	\$ 832	\$ 1,246	\$ 772,843
Health Care Expense	712,207	431	1,000	713,638
Gross Margin	58,558	401	246	59,205
Admin Expense	39,017	396	19	39,431
Net Operating Margin	19,541	5	228	19,774
Other Income				340
Net Margin	19,541	5	228	20,114
MLR/ALR (%)	94.20/5.06	51.84/47.52	80.24/1.49	92.30/5.10

Medi-Cal by County:

	San Joaquin	Stanislaus	Consolidated
Member Months	2,145,795	1,010,739	3,156,534
Revenue	\$ 467,912	\$ 302,853	\$ 770,765
Health Care Expense	440,872	271,335	712,207
Gross Margin	27,039	31,519	58,558
Admin Expense	26,459	12,558	39,017
Net Operating Margin	581	18,960	19,541
Other Income			
Net Margin	581	18,960	19,541
MLR/ALR (%)	94.22/5.65	89.59/4.15	92.40/5.06

Ms. Shin reported that total Consolidated Net Margin is \$19.5M, \$3M more than what was originally presented back in May; majority of the margin will be from Stanislaus.

Ms. Shin also noted that management is confident HPSJ will come close to meeting budget for the fiscal year; focusing more on TNE and ensuring that it does not drop below 150%. Management anticipates to close the fiscal year at around 180% of TNE and hopeful to be up at 200% by mid FY' 15-16.

Chair Primack asked, based on SJC SPD's new rates of 13%, will HPSJ see a positive margin for SJC. Ms. Shin responded, even with the new rates received from DHCS, SJC will still show a negative margin.

Ms. Shin reported that DHCS is planning on giving HPSJ an additional \$2M for the loss in FY' 13-14. Upon receipt of funds, it will be applied to the current FY' 14-15 financials since the company has already closed its books for the last fiscal year in June.

It was moved, seconded and unanimous (4-0) to recommend approval of the revised FY' 14-15 budget with a \$19.5M Net Margin as presented.

III. Fiscal Year-End 2013-2014 Financial Statements

Jennifer Dinwoodie, CFO, presented for approval the fiscal year end 2013-2014 financials highlighting the following Year to Date Ending reports:

- Year to Date Ending 6/30/2014 Consolidated Income
 - Net Income loss of \$14M (-\$4.3M in SJC and -\$12.9M in Stanislaus)
 - Medical Loss Ratio of 98.2% (95.4% in SJC and 105.5% in Stanislaus)
 - Administrative Expense Ratio of 5.3% (6.0% in SJC and 3.5% in Stanislaus)
- Comparative Balance Sheet (May vs. June 2014)
 - Total Liabilities and Equity – June \$169M vs. May \$161M (\$7.8M variance)
 - Tangible Net Equity (TNE) – June 177% vs. May 144%
 - Equity of Incurred But Unreported Claims was \$84M in June compared to \$78M in May (\$5.7M variance)

It was moved, seconded and unanimous (4-0) to recommend approval of the June Fiscal Year-End 2013-2014 financials as presented.

IV. July 2014 Financial Statements

Jennifer Dinwoodie, CFO, presented for approval the July 2014 financials highlighting the following MTD and YTD reports:

- July MTD & YTD Consolidated Income
 - Net Income of \$2.3M (\$399k in SJC and \$1.9M in Stanislaus); shift in positive margin was due to new rates received from DHCS
 - Medical Loss Ratio of 92.4% (94.7% in SJC and 88.9% in Stanislaus)
 - Administrative Expense Ratio of 3.8% (4.3% in SJC and 3.0% in Stanislaus)

- July MTD & YTD Consolidated Actual vs. Budget
 - Membership is 17,390 with a 7.2% variance; growth in members was mainly due to ACA membership
 - Medical Loss Ratio was 92.4% compared to 95.9% of budget (3.5% variance)
 - Administrative Expense Ratio was 3.8% compared to 5.7% of budget (1.9% variance)
 - Total Health Care Expenses were \$54.7M compared to \$50.2M of budget (-\$4.5M variance); due mainly to Hospital Outpatient and Inpatient with active claims outstanding. Management working to stabilize claims to ensure that IBNR remains on target.

- Comparative Balance Sheet (June vs. July 2014)
 - Total Assets – June \$169M vs. July \$190M (\$20.7M variance); booking to new rates
 - Total Liabilities and Equity – June \$130M vs. July \$148M (\$18.4M variance); rolled-in the loss of \$14M from FY' 13-14
 - Tangible Net Equity (TNE) – June 177% vs. July 136%
 - Equity of Incurred But Unreported Claims was \$83.8M in June compared to \$99.7M in July (\$15.8M variance)

It was moved, seconded and unanimous (4-0) to recommend approval of the July 2014 financials as presented.

Commissioner Primack adjourned the meeting at 4:40 p.m. The next regular meeting of the Finance and Investment Committee is scheduled for Wednesday, September 17, 2014.

ACTION ITEM

Finance & Investment Committee

Recommendation for Approval:

August 2014 Financial Statements

To be Considered: September 17, 2014

Financial Report
For the Year-to-Date and Month Ended August 31, 2014

Contents

- Operating Results for FY15 – CFO Comments
- Year-to-Date Operating Income by County and Business Segment
- Current Month Operating Income by County and Business Segment
- Current Month and Year-to-Date Budget Variance Reports by County and Business Segment
- Comparative Balance Sheet
- Statement of Cash Flows

Operating Results for FY15 – CFO Comments

**Operating Results for FY15
August 2014
CFO Comments**

Balance Sheet

Total Assets witnessed a downward trend from prior month of **(\$2.0M)** due primarily to the decrease in Cash and Cash equivalents from the massive effort to adjudicate claims to within targeted Plan goals. Liabilities followed suit with a change of **(\$4M)** for Pass-through Payable covering ACA 1202 payments that will need to be issued and settled upon.

IBNR had a slight decrease and will need to be closely reviewed in order to ensure the changes in claims inventory is appropriately reflected in the IBNR methodologies.

TNE began the fiscal year with a 41 point drop to 133% with the rolling of the Net Income into Equity with the closing of the books. Restoring TNE to a more favorable position will be a focal point of Finance throughout the coming fiscal year. The month of August ends with a Tangible Net Equity of 172%; an 8 point increase over July.

As noted previously, the equation to calculate TNE consists of taking a % of healthcare expenditures totals (inclusive of IBNR) to determine the necessary equity to meet the DMHC requirement and have a rolling 12 month by quarters and then compares that to current equity. The difference between these two numbers is the excess or shortfall. If equity decreases or healthcare expenditures increase TNE reduces.

Profit and Loss

**Health Plan of San Joaquin
Medical Income & Expenses
For the Month and YTD ending 8/31/2014**

HPSJ Consolidated Actual vs Budget

(Dollars in 000's)									
MTD Actual	MTD Budget	MTD Var	MTD Var %		YTD Actual	YTD Budget	YTD Var	YTD Var %	
261,240	260,968	272	0.1%	Membership / Member Months	521,091	516,248	4,843	0.9%	
\$ 61,557	\$ 60,405	\$ 1,152	1.9%	Medical Revenue	\$ 120,805	\$ 118,525	\$ 2,279	1.9%	
Health Care Expenses:									
\$ 57,248	\$ 55,754	\$ (1,494)	(2.7%)	Total Health Care Expenses	\$ 111,992	\$ 110,224	\$ (1,768)	(1.6%)	
\$ 4,309	\$ 4,651	\$ (342)	(7.4%)	Gross Margin	\$ 8,812	\$ 8,302	\$ 511	6.2%	
Administrative Expenses:									
\$ 2,422	\$ 3,153	\$ 731	23.2%	Total Administrative Expense	\$ 4,676	\$ 6,429	\$ 1,753	27.3%	
\$ 1,887	\$ 1,498	\$ 389	(26.0%)	Net Operating Income (Loss)	\$ 4,137	\$ 1,873	\$ 2,264	(120.9%)	
\$ 396	\$ 24	\$ (372)	1557.7%	Other Income (Expense)	\$ 435	\$ 47	\$ (388)	820.8%	
\$ 2,282	\$ 1,522	\$ 761	50.0%	Net Income (Loss)	\$ 4,572	\$ 1,920	\$ 2,652	(138.1%)	
93.0%	92.3%	(0.7%)		Medical Loss Ratio	92.7%	93.0%	0.3%		
3.9%	5.2%	1.3%		Administrative Expense Ratio	3.9%	5.4%	1.6%		

**August Operating Results
CFO Comments (Continued)**

Membership for the month was very close to budget with a slight difference of 272 members. The budget variance was mainly witnessed with San Joaquin county with a variance of (761) members, while Stanislaus County had a gain over budget of 1,026. Overall year to date both counties combined are 4,843 greater than budgeted members, with San Joaquin attributing .7% and Stanislaus 1.6%.

Revenue for this period is \$1.1M over budget, with increase in membership.

For the second month in this 2015 fiscal year, the month of August's financial operating results were very favorable with an overall combined gain of \$2.2M again. Budgeted projections called for a gain of \$1.5M. San Joaquin and Stanislaus Counties accounted for a small loss of (\$900K) and a gain of \$2.9M. San Joaquin's loss is attributable to the uptick in Hospital Outpatient claims cost of (\$2.2M) over budget which were several large dollar claims that presented in this month. On a positive note, the offset to this loss in Hospital Outpatient claims was Pharmacy with a savings over budget for the month of \$2.1M.

Noted below, a table showing expense inclusive of IBNR, compares Pharmacy costs to Budgeted Expense. Due to the change in PBM in early 2014, the PMPM prior to the change averaged \$40, and since the change has been averaging \$34. This savings combines accounts for the large bump in the monthly budget in FY15.

Pharmacy Expense Trend

	April 2014	May 2014	June 2014	July 2014	August 2014
Pharmacy Expense	\$ 7,861,893	\$ 9,198,369	\$ 7,390,246	\$ 7,821,897	\$ 8,354,863
IBNR RX Expense	2,793,445	(3,637,020)	1,175,978	(73,127)	479,500
Total Expense	<u>10,655,338</u>	<u>5,561,349</u>	<u>8,566,224</u>	<u>7,748,770</u>	<u>8,834,363</u>
Budgeted Expense	6,155,587	6,243,103	6,331,360	10,275,192	11,702,530
Favorable (Unfavorable)	<u>\$ (4,499,751)</u>	<u>\$ 681,754</u>	<u>\$ (2,234,864)</u>	<u>\$ 2,526,422</u>	<u>\$ 2,868,167</u>

**August Operating Results
CFO Comments (Continued)**

Operating Statement Observations:

32% of the membership was responsible for 47% of the revenue showing a shift in funding from the San Joaquin County to Stanislaus. The 83K member in Stanislaus County accounted for an average of 34% more revenue and 21% more medical cost than San Joaquin.

	San Joaquin		Stanislaus	
Membership	174K		83K	
Revenue	\$37M	\$212 PMPM	\$34M	\$285 PMPM
MLR	98%	\$204 PMPM	85%	\$248 PMPM

**Health Plan of San Joaquin
Medical Income & Expenses
Year to Date Ending 8/31/2014
(Consolidated)**

	(PMPM)			
	HPSJ Combined	San Joaquin Medi- Cal Combined	Stanislaus Medi- Cal Combined	Other
Medical Revenue	\$ 231.83	\$ 211.54	\$ 285.33	\$ 36.47
Total Health Care Expenses	\$ 214.92	\$ 203.99	\$ 247.85	\$ 31.64
Gross Margin	\$ 16.91	\$ 7.55	\$ 37.47	\$ 4.82
Administrative Expenses:				
Total Administrative Expense	\$ 8.97	\$ 4.94	\$ 8.70	\$ 176.86
Net Operating Income (Loss)	\$ 7.94	\$ 2.61	\$ 28.78	\$ (172.03)
Other Income (Expense)	\$ 0.83	\$ 0.90	\$ 0.39	\$ 6.76
Net Income (Loss)	\$ 8.77	\$ 3.51	\$ 29.17	\$ (165.28)
Medical Loss Ratio	92.7%	96.4%	86.9%	86.8%
Administrative Expense Ratio	3.9%	2.3%	3.0%	485.0%

**August Operating Results
CFO Comments (Continued)**

Several medical management initiatives are well underway to continue to manage the MLR of our members. Overall in Stanislaus County the FY14 MLR average for the year was 107%. With the new rates carved out in order to align the numbers, MLR is 94% for the County in August-a significant change of over 4 percentage points and accounting for \$2.8M per point savings in Medical Cost.

In summation, the Plan continues to regain the financial stability necessary to reverse the FY14 year-end results. Continued success in managing our members care, maintaining the fiscal diligence in budget controls and meeting corporate objectives will assure a stable FY15.

**Year-to-Date Operating Income by County and
Business Segment**

**Health Plan of San Joaquin
Medical Income & Expenses
Year to Date Ending 8/31/2014
(Consolidated)**

(Dollars in 000's)				
	HPSJ Combined	San Joaquin Medi- Cal Combined	Stanislaus Medi- Cal	Other
Member Months	521,091	348,645	163,796	8,650
Medical Revenue	\$ 120,805	\$ 73,754	\$ 46,736	\$ 315
Health Care Expenses:				
Capitation (PCP,LAB,VSP)	\$ 6,769	\$ 5,502	\$ 1,266	\$ 0
Professional Fee for Service	\$ 29,107	\$ 18,202	\$ 10,848	\$ 57
Pharmacy	\$ 16,104	\$ 10,461	\$ 5,638	\$ 5
Hospital Outpatient	\$ 20,310	\$ 13,046	\$ 7,252	\$ 12
Hospital Inpatient	\$ 36,030	\$ 21,835	\$ 14,052	\$ 143
Other Medical	\$ 3,059	\$ 1,932	\$ 1,071	\$ 56
Reinsurance	\$ 222	\$ (21)	\$ 243	\$ 0
Provider Risk Pool and Incentive	\$ 391	\$ 165	\$ 227	\$ 0
Total Health Care Expenses	\$ 111,992	\$ 71,121	\$ 40,598	\$ 274
Gross Margin	\$ 8,812	\$ 2,633	\$ 6,138	\$ 42
Administrative Expenses:				
Compensation	\$ 2,391	\$ 1,639	\$ 720	\$ 33
Other Administrative Expense	\$ 2,285	\$ 83	\$ 705	\$ 1,497
Total Administrative Expense	\$ 4,676	\$ 1,721	\$ 1,425	\$ 1,530
Net Operating Income (Loss)	\$ 4,137	\$ 911	\$ 4,713	\$ (1,488)
Other Income (Expense)	\$ 435	\$ 313	\$ 64	\$ 58
Net Income (Loss)	\$ 4,572	\$ 1,224	\$ 4,777	\$ (1,430)
Medical Loss Ratio	92.7%	96.4%	86.9%	86.8%
Administrative Expense Ratio	3.9%	2.3%	3.0%	485.0%

**Health Plan of San Joaquin
Medical Income & Expenses
Year to Date Ending 8/31/2014
(San Joaquin County)**

(Dollars in 000's)					
	San Joaquin Medi- Cal Combined	TANF	SPD	ACA Expansion	Dual
Member Months	348,645	265,841	35,154	40,198	7,452
Medical Revenue	\$ 73,754	\$ 31,991	\$ 20,543	\$ 20,443	\$ 776
Health Care Expenses:					
Capitation (PCP,LAB,VSP)	\$ 5,502	\$ 4,193	\$ 696	\$ 492	\$ 121
Professional Fee for Service	\$ 18,202	\$ 7,983	\$ 4,522	\$ 5,404	\$ 294
Pharmacy	\$ 10,461	\$ 3,829	\$ 4,591	\$ 2,009	\$ 32
Hospital Outpatient	\$ 13,046	\$ 5,216	\$ 3,612	\$ 3,977	\$ 241
Hospital Inpatient	\$ 21,835	\$ 8,057	\$ 7,587	\$ 5,284	\$ 907
Other Medical	\$ 1,932	\$ 1,198	\$ 431	\$ 308	\$ (5)
Reinsurance	\$ (21)	\$ (26)	\$ (46)	\$ 43	\$ 7
Provider Risk Pool and Incentive	\$ 165	\$ 126	\$ 17	\$ 19	\$ 4
Total Health Care Expenses	\$ 71,121	\$ 30,575	\$ 21,410	\$ 17,535	\$ 1,601
Gross Margin	\$ 2,633	\$ 1,416	\$ (867)	\$ 2,908	\$ (825)
Administrative Expenses:					
Compensation	\$ 1,639				
Other Administrative Expense	\$ 83				
Total Administrative Expense	\$ 1,721				
Net Operating Income (Loss)	\$ 911				
Other Income (Expense)	\$ 435				
Net Income (Loss)	\$ 1,346				
Medical Loss Ratio	96.4%	95.6%	104.2%	85.8%	206.4%
Administrative Expense Ratio	2.3%				

**Health Plan of San Joaquin
Medical Income & Expenses
Year to Date Ending 8/31/2014
(Stanislaus County)**

(Dollars in 000's)					
	Stanislaus Medi- Cal Combined	TANF	SPD	ACA Expansion	Dual
Member Months	163,796	119,606	11,862	30,420	1,908
Medical Revenue	\$ 46,736	\$ 17,392	\$ 11,201	\$ 17,872	\$ 271
Health Care Expenses:					
Capitation (PCP,LAB,VSP)	\$ 1,266	\$ 934	\$ 115	\$ 203	\$ 14
Professional Fee for Service	\$ 10,848	\$ 3,977	\$ 2,425	\$ 4,296	\$ 149
Pharmacy	\$ 5,638	\$ 2,090	\$ 2,032	\$ 1,510	\$ 5
Hospital Outpatient	\$ 7,252	\$ 2,672	\$ 1,675	\$ 2,799	\$ 106
Hospital Inpatient	\$ 14,052	\$ 4,364	\$ 3,322	\$ 6,208	\$ 158
Other Medical	\$ 1,071	\$ 649	\$ 175	\$ 233	\$ 14
Reinsurance	\$ 243	\$ 121	\$ 86	\$ 34	\$ 2
Provider Risk Pool and Incentive	\$ 227	\$ 166	\$ 16	\$ 42	\$ 3
Total Health Care Expenses	\$ 40,598	\$ 14,974	\$ 9,846	\$ 15,326	\$ 451
Gross Margin	\$ 6,138	\$ 2,418	\$ 1,355	\$ 2,546	\$ (181)
Administrative Expenses:					
Compensation	\$ 720				
Other Administrative Expense	\$ 705				
Total Administrative Expense	\$ 1,425				
Net Operating Income (Loss)	\$ 4,713				
Other Income (Expense)	\$ 66				
Net Income (Loss)	\$ 4,779				
Medical Loss Ratio	86.9%	86.1%	87.9%	85.8%	166.7%
Administrative Expense Ratio	3.0%				

**Current Month Operating Income by County and
Business Segment**

**Health Plan of San Joaquin
Medical Income & Expenses
For the month ending 8/31/2014
(Consolidated)**

(Dollars in 000's)				
	HPSJ Combined	San Joaquin Medi- Cal Combined	Stanislaus Medi- cal Combined	Other
Membership	261,240	174,246	82,666	4,328
Medical Revenue	\$ 61,557	\$ 37,494	\$ 23,924	\$ 139
Health Care Expenses:				
Capitation (PCP,LAB,VSP)	\$ 3,462	\$ 2,800	\$ 663	\$ 0
Professional Fee for Service	\$ 14,974	\$ 9,571	\$ 5,371	\$ 32
Pharmacy	\$ 8,282	\$ 5,257	\$ 3,021	\$ 4
Hospital Outpatient	\$ 10,793	\$ 7,049	\$ 3,735	\$ 9
Hospital Inpatient	\$ 17,392	\$ 10,564	\$ 6,773	\$ 55
Other Medical	\$ 1,453	\$ 954	\$ 472	\$ 27
Reinsurance	\$ 637	\$ 460	\$ 178	\$ 0
Provider Risk Pool and Incentive	\$ 255	\$ 142	\$ 113	\$ 0
Total Health Care Expenses	\$ 57,248	\$ 36,796	\$ 20,325	\$ 127
Gross Margin	\$ 4,309	\$ 698	\$ 3,599	\$ 12
Administrative Expenses:				
Compensation	\$ 1,122	\$ 671	\$ 295	\$ 156
Other Administrative Expense	\$ 1,300	\$ 977	\$ 451	\$ (128)
Total Administrative Expense	\$ 2,422	\$ 1,648	\$ 746	\$ 28
Net Operating Income (Loss)	\$ 1,887	\$ (950)	\$ 2,853	\$ (16)
Other Income (Expense)	\$ 396	\$ 313	\$ 64	\$ 19
Net Income (Loss)	\$ 2,282	\$ (637)	\$ 2,917	\$ 3
Medical Loss Ratio	93.0%	98.1%	85.0%	91.2%
Administrative Expense Ratio	3.9%	4.4%	3.1%	20.2%

**Health Plan of San Joaquin
Medical Income & Expenses
For the month ending 8/31/2014
(San Joaquin County)**

(Dollars in 000's)

	San Joaquin Medi- Cal Combined	TANF	SPD	ACA Expansion	Dual
Membership	174,246	131,325	17,120	21,707	4,094
Medical Revenue	\$ 37,494	\$ 15,945	\$ 10,055	\$ 11,048	\$ 445
Health Care Expenses:					
Capitation (PCP,LAB,VSP)	\$ 2,800	\$ 2,120	\$ 346	\$ 272	\$ 61
Professional Fee for Service	\$ 9,571	\$ 4,522	\$ 2,006	\$ 2,896	\$ 147
Pharmacy	\$ 5,257	\$ 1,715	\$ 2,257	\$ 1,272	\$ 13
Hospital Outpatient	\$ 7,049	\$ 3,215	\$ 1,495	\$ 2,189	\$ 151
Hospital Inpatient	\$ 10,564	\$ 4,390	\$ 3,008	\$ 2,670	\$ 497
Other Medical	\$ 954	\$ 654	\$ 144	\$ 145	\$ 11
Reinsurance	\$ 460	\$ 151	\$ 281	\$ 24	\$ 3
Provider Risk Pool and Incentive	\$ 142	\$ 107	\$ 16	\$ 16	\$ 3
Total Health Care Expenses	\$ 36,796	\$ 16,874	\$ 9,554	\$ 9,482	\$ 885
Gross Margin	\$ 698	\$ (928)	\$ 501	\$ 1,566	\$ (441)
Administrative Expenses:					
Compensation	\$ 671				
Other Administrative Expense	\$ 977				
Total Administrative Expense	\$ 1,648				
Net Operating Income (Loss)	\$ (950)				
Other Income (Expense)	\$ 313				
Net Income (Loss)	\$ (637)				
Medical Loss Ratio	98.1%	105.8%	95.0%	85.8%	199.1%
Administrative Expense Ratio	4.4%				

**Health Plan of San Joaquin
Medical Income & Expenses
For the month ending 8/31/2014
(Stanislaus County)**

(Dollars in 000's)

	Stanislaus Medi- Cal Combined	TANF	SPD	ACA Expansion	Dual
Membership	82,666	59,778	5,925	16,005	958
Medical Revenue	\$ 23,924	\$ 8,769	\$ 5,612	\$ 9,396	\$ 147
Health Care Expenses:					
Capitation (PCP,LAB,VSP)	\$ 663	\$ 484	\$ 58	\$ 112	\$ 7
Professional Fee for Service	\$ 5,371	\$ 2,132	\$ 961	\$ 2,172	\$ 106
Pharmacy	\$ 3,021	\$ 1,108	\$ 965	\$ 944	\$ 3
Hospital Outpatient	\$ 3,735	\$ 1,535	\$ 698	\$ 1,456	\$ 46
Hospital Inpatient	\$ 6,773	\$ 2,182	\$ 1,260	\$ 3,229	\$ 102
Other Medical	\$ 472	\$ 309	\$ 54	\$ 102	\$ 7
Reinsurance	\$ 178	\$ 68	\$ 90	\$ 18	\$ 1
Provider Risk Pool and Incentive	\$ 113	\$ 100	\$ 12	\$ 0	\$ 2
Total Health Care Expenses	\$ 20,325	\$ 7,919	\$ 4,099	\$ 8,034	\$ 274
Gross Margin	\$ 3,599	\$ 850	\$ 1,513	\$ 1,362	\$ (127)
Administrative Expenses:					
Compensation	\$ 295				
Other Administrative Expense	\$ 451				
Total Administrative Expense	\$ 746				
Net Operating Income (Loss)	\$ 2,853				
Other Income (Expense)	\$ 64				
Net Income (Loss)	\$ 2,917				
Medical Loss Ratio	85.0%	90.3%	73.0%	85.5%	186.4%
Administrative Expense Ratio	3.1%				

Current Month and Year-to-Date Budget Variance Reports
By
County and Business Segment

**Health Plan of San Joaquin
Medical Income & Expenses
For the Month and YTD ending 8/31/2014**

HPSJ Consolidated Actual vs Budget

(Dollars in 000's)									
MTD Actual	MTD Budget	MTD Var	MTD Var %		YTD Actual	YTD Budget	YTD Var	YTD Var %	
261,240	260,968	272	0.1%	Membership / Member Months	521,091	516,248	4,843	0.9%	
\$ 61,557	\$ 60,405	\$ 1,152	1.9%	Medical Revenue	\$ 120,805	\$ 118,525	\$ 2,279	1.9%	
				Health Care Expenses:					
\$ 3,462	\$ 3,335	\$ (127)	(3.8%)	Capitation (PCP,LAB,VSP)	\$ 6,769	\$ 6,611	\$ (158)	(2.4%)	
\$ 14,974	\$ 14,527	\$ (447)	(3.1%)	Professional Fee for Service	\$ 29,107	\$ 28,573	\$ (534)	(1.9%)	
\$ 8,282	\$ 11,703	\$ 3,421	29.2%	Pharmacy	\$ 16,104	\$ 22,904	\$ 6,800	29.7%	
\$ 10,793	\$ 7,716	\$ (3,077)	(39.9%)	Hospital Outpatient	\$ 20,310	\$ 15,167	\$ (5,143)	(33.9%)	
\$ 17,392	\$ 16,219	\$ (1,173)	(7.2%)	Hospital Inpatient	\$ 36,030	\$ 32,332	\$ (3,699)	(11.4%)	
\$ 1,453	\$ 1,582	\$ 129	8.2%	Other Medical	\$ 3,059	\$ 3,307	\$ 248	7.5%	
\$ 637	\$ 295	\$ (342)	(115.9%)	Reinsurance	\$ 222	\$ 585	\$ 363	62.1%	
\$ 255	\$ 377	\$ 121	32.2%	Provider Risk Pool and Incentive	\$ 391	\$ 745	\$ 354	47.5%	
\$ 57,248	\$ 55,754	\$ (1,494)	(2.7%)	Total Health Care Expenses	\$ 111,992	\$ 110,224	\$ (1,768)	(1.6%)	
\$ 4,309	\$ 4,651	\$ (342)	(7.4%)	Gross Margin	\$ 8,812	\$ 8,302	\$ 511	6.2%	
				Administrative Expenses:					
\$ 1,122	\$ 1,519	\$ 398	26.2%	Compensation	\$ 2,391	\$ 3,174	\$ 783	24.7%	
\$ 1,300	\$ 1,634	\$ 334	20.4%	Other Administrative Expense	\$ 2,285	\$ 3,254	\$ 970	29.8%	
\$ 2,422	\$ 3,153	\$ 731	23.2%	Total Administrative Expense	\$ 4,676	\$ 6,429	\$ 1,753	27.3%	
\$ 1,887	\$ 1,498	\$ 389	(26.0%)	Net Operating Income (Loss)	\$ 4,137	\$ 1,873	\$ 2,264	(120.9%)	
\$ 396	\$ 24	\$ (372)	1557.7%	Other Income (Expense)	\$ 435	\$ 47	\$ (388)	820.8%	
\$ 2,282	\$ 1,522	\$ 761	50.0%	Net Income (Loss)	\$ 4,572	\$ 1,920	\$ 2,652	(138.1%)	
93.0%	92.3%	(0.7%)		Medical Loss Ratio	92.7%	93.0%	0.3%		
3.9%	5.2%	1.3%		Administrative Expense Ratio	3.9%	5.4%	1.6%		

**Health Plan of San Joaquin
Medical Income & Expenses
For the Month and YTD ending 8/31/2014**

San Joaquin Medi-Cal Actual vs Budget

(Dollars in 000's)								
MTD Actual	MTD Budget	MTD Var	MTD Var %		YTD Actual	YTD Budget	YTD Var	YTD Var %
174,246	175,007	(761)	(0.4%)	Membership / Member Months	348,645	346,312	2,333	0.7%
\$ 37,494	\$ 36,688	\$ 806	2.2%	Medical Revenue	\$ 73,754	\$ 72,016	\$ 1,737	2.4%
				Health Care Expenses:				
\$ 2,800	\$ 2,725	\$ (75)	(2.7%)	Capitation (PCP,LAB,VSP)	\$ 5,502	\$ 5,400	\$ (102)	(1.9%)
\$ 9,571	\$ 9,083	\$ (488)	(5.4%)	Professional Fee for Service	\$ 18,202	\$ 17,871	\$ (332)	(1.9%)
\$ 5,257	\$ 7,375	\$ 2,118	28.7%	Pharmacy	\$ 10,461	\$ 14,449	\$ 3,989	27.6%
\$ 7,049	\$ 4,850	\$ (2,199)	(45.3%)	Hospital Outpatient	\$ 13,046	\$ 9,526	\$ (3,520)	(36.9%)
\$ 10,564	\$ 9,588	\$ (976)	(10.2%)	Hospital Inpatient	\$ 21,835	\$ 19,385	\$ (2,449)	(12.6%)
\$ 954	\$ 1,007	\$ 54	5.3%	Other Medical	\$ 1,932	\$ 2,114	\$ 182	8.6%
\$ 460	\$ 205	\$ (255)	(124.6%)	Reinsurance	\$ (21)	\$ 405	\$ 427	105.2%
\$ 142	\$ 184	\$ 42	22.8%	Provider Risk Pool and Incentive	\$ 165	\$ 365	\$ 200	54.9%
\$ 36,796	\$ 35,018	\$ (1,778)	(5.1%)	Total Health Care Expenses	\$ 71,121	\$ 69,516	\$ (1,605)	(2.3%)
\$ 698	\$ 1,670	\$ (972)	(58.2%)	Gross Margin	\$ 2,633	\$ 2,500	\$ 132	5.3%
				Administrative Expenses:				
\$ 671	\$ 942	\$ 271	28.8%	Compensation	\$ 105	\$ 51	\$ (53)	(103.2%)
\$ 1,263	\$ 1,178	\$ (86)	(7.3%)	Other Administrative Expense	\$ 1,746	\$ 2,408	\$ 663	27.5%
\$ 1,934	\$ 2,120	\$ 185	8.7%	Total Administrative Expense	\$ 1,850	\$ 2,460	\$ 609	24.8%
\$ (1,237)	\$ (450)	\$ (787)	174.9%	Net Operating Income (Loss)	\$ 782	\$ 41	\$ 742	(1820.5%)
\$ 313	\$ 0	\$ (313)	0.0%	Other Income (Expense)	\$ 322	\$ 0	\$ (322)	0.0%
\$ (924)	\$ (450)	\$ (474)	105.3%	Net Income (Loss)	\$ 1,104	\$ 41	\$ 1,064	(2610.9%)
98.1%	95.4%	(2.7%)		Medical Loss Ratio	96.4%	96.5%	0.1%	
5.2%	5.8%	0.6%		Administrative Expense Ratio	2.5%	3.4%	0.9%	

**Health Plan of San Joaquin
Medical Income & Expenses
For the Month and YTD ending 8/31/2014**

Stanislaus Medi-Cal Actual vs Budget

(Dollars in 000's)								
MTD Actual	MTD Budget	MTD Var	MTD Var %		YTD Actual	YTD Budget	YTD Var	YTD Var %
82,666	81,640	1,026	1.3%	Membership / Member Months	163,796	161,294	2,502	1.6%
\$ 23,924	\$ 23,542	\$ 382	1.6%	Medical Revenue	\$ 46,736	\$ 46,159	\$ 577	1.3%
				Health Care Expenses:				
\$ 663	\$ 610	\$ (52)	(8.6%)	Capitation (PCP,LAB,VSP)	\$ 1,266	\$ 1,211	\$ (55)	(4.6%)
\$ 5,371	\$ 5,416	\$ 45	0.8%	Professional Fee for Service	\$ 10,848	\$ 10,647	\$ (201)	(1.9%)
\$ 3,021	\$ 4,325	\$ 1,304	30.2%	Pharmacy	\$ 5,638	\$ 8,449	\$ 2,811	33.3%
\$ 3,735	\$ 2,864	\$ (871)	(30.4%)	Hospital Outpatient	\$ 7,252	\$ 5,635	\$ (1,616)	(28.7%)
\$ 6,773	\$ 6,581	\$ (191)	(2.9%)	Hospital Inpatient	\$ 14,052	\$ 12,847	\$ (1,205)	(9.4%)
\$ 472	\$ 539	\$ 67	12.4%	Other Medical	\$ 1,071	\$ 1,120	\$ 48	4.3%
\$ 178	\$ 91	\$ (87)	(96.2%)	Reinsurance	\$ 243	\$ 179	\$ (64)	(35.6%)
\$ 113	\$ 193	\$ 79	0.0%	Provider Risk Pool and Incentive	\$ 227	\$ 381	\$ 154	0.0%
\$ 20,325	\$ 20,618	\$ 293	1.4%	Total Health Care Expenses	\$ 40,598	\$ 40,470	\$ (128)	(0.3%)
\$ 3,599	\$ 2,924	\$ 675	23.1%	Gross Margin	\$ 6,138	\$ 5,689	\$ 449	7.9%
				Administrative Expenses:				
\$ 295	\$ 433	\$ 138	31.9%	Compensation	\$ 635	\$ 879	\$ 245	27.8%
\$ 451	\$ 566	\$ 115	20.3%	Other Administrative Expense	\$ 790	\$ 1,155	\$ 364	31.6%
\$ 746	\$ 999	\$ 253	25.4%	Total Administrative Expense	\$ 1,425	\$ 2,034	\$ 609	29.9%
\$ 2,853	\$ 1,925	\$ 928	48.2%	Net Operating Income (Loss)	\$ 4,713	\$ 3,655	\$ 1,058	(28.9%)
\$ 64	\$ 0	\$ (64)	0.0%	Other Income (Expense)	\$ 66	\$ 0	\$ (66)	0.0%
\$ 2,917	\$ 1,925	\$ 992	51.5%	Net Income (Loss)	\$ 4,779	\$ 3,655	\$ 1,124	(30.7%)
85.0%	87.6%	2.6%		Medical Loss Ratio	86.9%	87.7%	0.8%	
3.1%	4.2%	1.1%		Administrative Expense Ratio	3.0%	4.4%	1.4%	

Comparative Balance Sheet

Health Plan of San Joaquin
Comparative Balance Sheet
August 31, 2014 and July 31, 2014

	<u>August</u>	<u>July</u>	<u>Change</u>
Assets			
Current Assets			
Cash and Cash Equivalents	\$ 80,671,621	\$ 86,220,669	\$ (5,549,048)
Accounts Receivable	83,981,503	79,798,661	4,182,842
Prepaid Expense	1,052,010	1,372,565	(320,555)
Total Current Assets	<u>165,705,134</u>	<u>167,391,895</u>	<u>(1,686,761)</u>
Fixed Assets			
Furniture and Equipment - Net of Depreciation	10,325,790	10,468,575	(142,785)
Building and Improvements - Net of Depreciation	11,366,963	11,380,876	(13,913)
Total Fixed Assets	<u>21,692,753</u>	<u>21,849,452</u>	<u>(156,699)</u>
Other Assets	304,349	506,388	(202,039)
Total Assets	<u><u>\$ 187,702,236</u></u>	<u><u>\$ 189,747,734</u></u>	<u><u>\$ (2,045,498)</u></u>

Health Plan of San Joaquin
Comparative Balance Sheet
August 31, 2014 and July 31, 2014
(Continued)

	<u>August</u>	<u>July</u>	<u>Change</u>
Liabilities & Equity			
Payroll	\$ 1,840,508	\$ 2,138,685	\$ (298,177)
Trade Accounts Payable	1,022,259	1,315,198	(292,939)
Claims Payable - Institutional	8,261,785	12,400,490	(4,138,705)
Claims Payable	466,408	747,732	(281,324)
Passthrough Payable	23,977,305	18,014,157	5,963,148
Incurred But Unreported Claims	99,822,507	99,674,633	147,874
Provider Risk Pools and Incentives	1,570,252	5,500,252	(3,930,000)
MCO Taxes Payable	5,598,149	7,264,989	(1,666,840)
Other Current Liabilities	1,206,628	1,037,571	169,057
Total Liabilities	<u>143,765,801</u>	<u>148,093,706</u>	<u>(4,327,905)</u>
Equity			
Retained Earnings	15,181,921	15,181,921	-
Investment in Capital Assets	21,849,165	21,849,165	-
Investment in Committed Equity	1,215,552	1,215,552	-
Restricted Net Assets (Expendable)	818,072	818,072	-
Restricted Net Assets (Non Expendable)	300,000	300,000	-
Net Income	4,571,726	2,289,318	2,282,408
Total Equity	<u>43,936,436</u>	<u>41,654,028</u>	<u>2,282,408</u>
Total Liabilities and Equity	<u>\$ 187,702,237</u>	<u>\$ 189,747,734</u>	<u>\$ (2,045,497)</u>
Equity as a Percentage of Tangible Net Equity *	172%	164%	
*Calculated as a percentage of Required Monthly TNE	25,600,688	25,321,995	
Required % of TNE = 130%			

Statement of Cash Flows

**Health Plan of San Joaquin
Statement of Cash Flows
For the Month Ended August 31, 2014**

	<u>August 2014</u>	<u>Year to Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from (paid to)		
Capitation revenue	\$ 61,593,193	\$ 117,825,540
Admin service agreements & other revenue	376,630	510,763
Medical and hospital providers	(64,817,207)	(106,276,206)
Suppliers	(1,238,746)	(3,210,485)
Employees	(1,419,860)	(2,375,871)
Net cash from operating activities	<u>(5,505,990)</u>	<u>6,473,741</u>
CASH FLOWS FROM CAPITAL FINANCING AND RELATED ACTIVITIES		
Purchases of capital assets	<u>(43,057)</u>	<u>(244,094)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>-</u>	<u>-</u>
INCREASE IN CASH AND CASH EQUIVALENTS	(5,549,048)	6,229,647
CASH AND CASH EQUIVALENTS - Beginning	<u>86,220,669</u>	<u>74,441,974</u>
CASH AND CASH EQUIVALENTS - End	<u><u>\$ 80,671,621</u></u>	<u><u>\$ 80,671,621</u></u>


**Health Plan of San Joaquin
Statement of Cash Flows
For the Month Ended August 31, 2014
(Continued)**

	<u>August 2014</u>	<u>Year to Date</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES		
Operating income	\$ 2,282,409	\$ 4,571,726
Adjustments to reconcile operating income to net cash from operating activities:		
Loss on disposal of capital assets	-	-
Depreciation	199,756	400,505
Changes in assets and liabilities:		
Affiliate receivables	(4,182,842)	(12,726,636)
Other current assets	522,594	121,830
Accounts payable and accrued liabilities	3,874,248	6,445,840
Claims payable and shared risk pool	(8,202,155)	7,660,476
Net cash from operating activities	<u>\$ (5,505,990)</u>	<u>\$ 6,473,741</u>

INFORMATION ONLY

Claims Update

As of 9/8/2014



Health Plan of San Joaquin

CLAIMS UPDATE

as of 9/8/2014

Claims Inventory												
Aging	08/11/14				08/25/14				09/08/14			
	Billed Amounts	%	# of Claims	% of total	Billed Amounts	% of total	# of Claims	% of total	Billed Amounts	% of total	# of Claims	% of total
0-30	\$ 168,710,792	68%	28,017	47%	\$ 136,738,565	67%	23,879	60%	\$ 109,423,954	68%	19,242	62%
31-60	72,791,463	29%	17,328	29%	54,390,734	27%	10,104	25%	61,348,148	29%	9,492	30%
61-90	7,356,000	3%	14,883	25%	11,676,047	6%	5,954	15%	5,580,994	3%	2,419	8%
91-120	5,478	0%	3	0%	58,586	0%	4	0%	-	0%	0	0%
Totals	\$ 248,863,733		60,231		\$ 202,863,932		39,941		\$ 176,353,096		31,153	
Percentage Δ					-18%		-34%		-10%		-18%	

Claims Remediation Plan

	Work in Progress	Responsible	Status Update	Target Date
1	Claims software vendor has been on-site working with IT and Claims management to ensure system has been set up to process claims most effectively and efficiently, as well as weekly "Go to Green" meetings outlining areas for success processing as necessary.	Dinwoodie / Vail	Winding down - review of our software modules.	On-going
2	Tatum consultants on-site July 7th to give over view review and assistance with process improvement guidance.	Foshage	Engagement to end September 26, 2014.	9/26/2014
3	New Claims Director contractor on-site July 7th-with position posting completed.	Melancon	New Director in receipt of offer.	In Progress
4	Monthly newsletters sent to providers outlining remediation plan highlights and status of claims processing.	Dinwoodie / Hurst	Second provider bulletin sent.	On-going
5	Manager will review daily edits and why claims are "bottle-necking"	Dinwoodie / Melancon	Process in place to occur daily with Policy & Procedure.	Complete
6	Daily Claims "huddle" meetings to strategize for daily targets and strategy.	Dinwoodie/Melancon	Completed by Directors and Managers.	Complete
7	Claims Management and Medical Management Personnel have evaluated and reviewed claims authorizations requirements and processes to ensure efficiency and effective medical management-claims processing.	Dinwoodie / Dhanvanthari / Melancon	CMO has revamped authorization requirements and rolled out process.	Complete
8	CFO leadership over Claims Department July 1st.	Dinwoodie	Done	Complete
9	Adjudicators have been set up to process in a more efficient manner- <ul style="list-style-type: none"> o 1 adjudicator process any claim >100K o 1 adjudicator processes any claim >50K but <99K 	Dinwoodie / Melancon	In process - review strategy weekly to ensure targets are met.	Complete
10	Additional staff on-site from vendor partner that scans paper claims to process claims > 50 days	Dinwoodie / Melancon	Vendor complete - worked on PDR's. New vendor to begin 10/1/2014.	Complete

Staff Name	Title
Cheron Vail	Chief Information Officer
David Foshage	Tatum Consultant
David Hurst	VP of External Affairs
Jennifer Dinwoodie	Chief Financial Officer
Lakshmi Dhanvanthari	Chief Medical Officer
Sharon Melancon	Claims Director Consultant

ACTION ITEM

Finance & Investment Committee

Recommendation for Approval:

Moss Adams Audit Result

To be Considered: September 17, 2014

Report of Independent Auditors

Health Plan of San Joaquin and Health Plan of San Joaquin Joint Powers Authority

Chris Pritchard
Health Care Services, Partner

Rianne Suico
Health Care Services, Senior Manager

(415) 956-1500

MOSS ADAMS LLP

Certified Public Accountants | Business Consultants

Acumen. Agility. Answers.

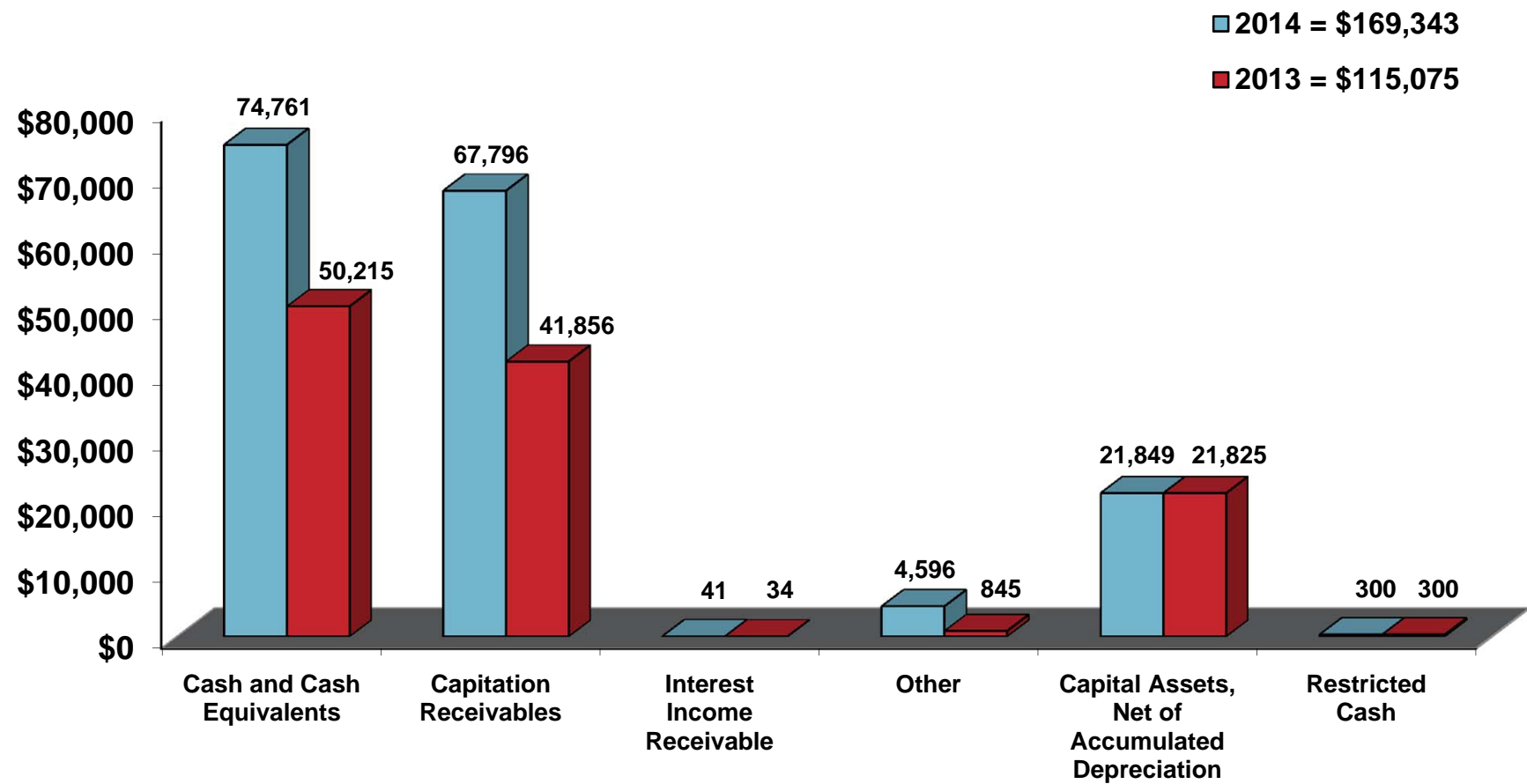
REPORT OF INDEPENDENT AUDITORS

Unmodified Opinion

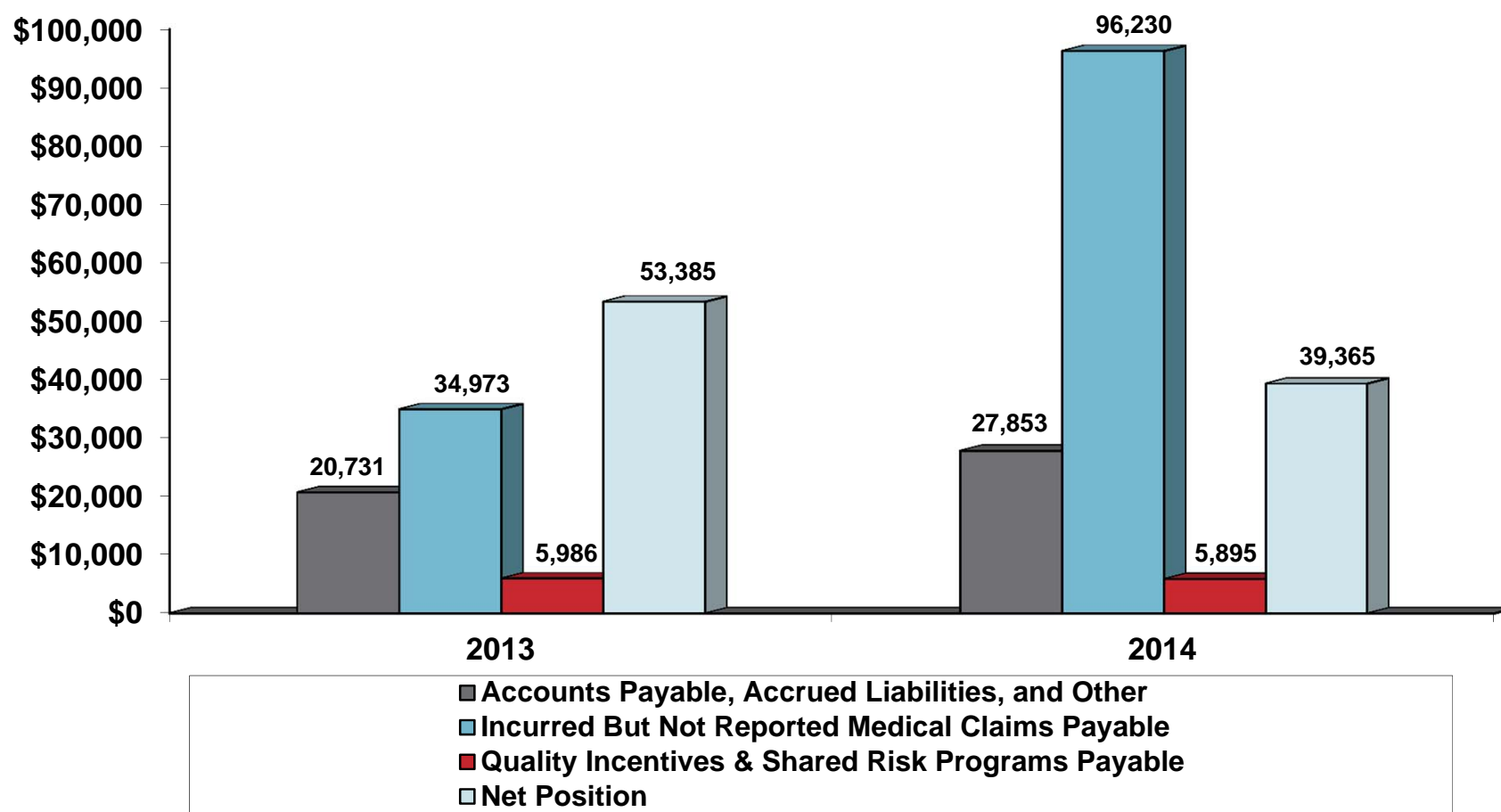
Combined financial statements are fairly presented in accordance with generally accepted accounting principles.

COMBINED STATEMENTS OF NET POSITION

ASSET COMPOSITION (IN THOUSANDS)



LIABILITIES AND NET POSITION (IN THOUSANDS)

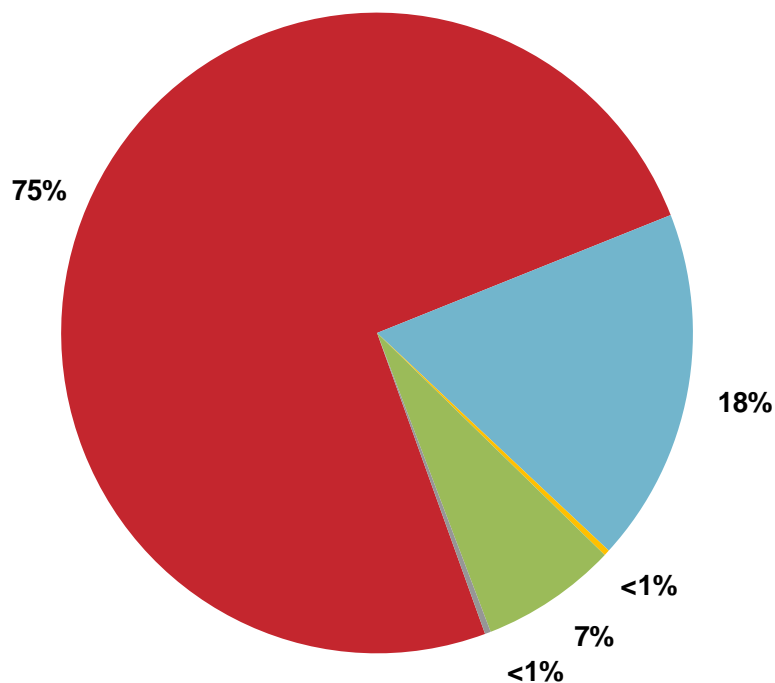


OPERATIONS

OPERATING EXPENSES (IN MILLIONS)

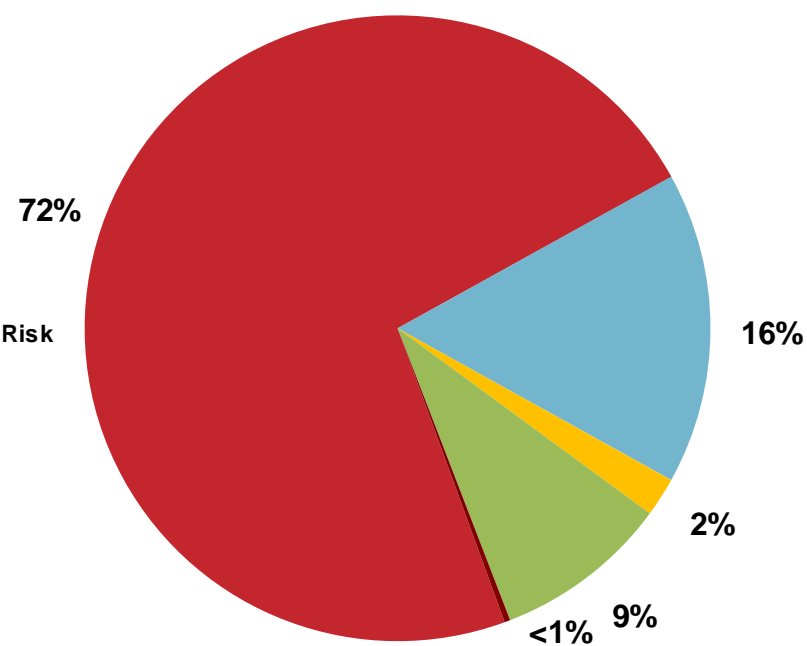
Total Operating Expenses

June 30, 2014
\$ 463.3



June 30, 2013
\$ 300.2

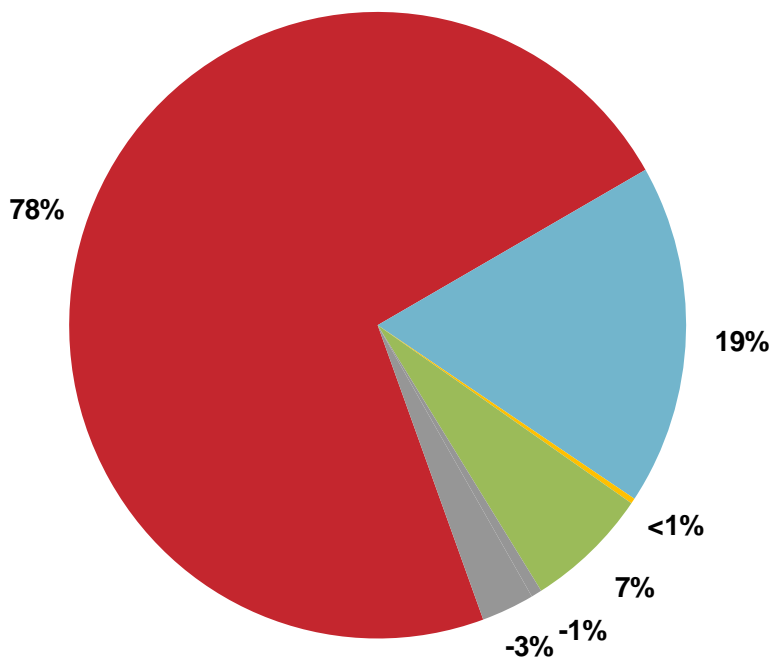
- Medical
- Pharmacy
- Quality Incentives & Shared Risk Programs
- Gen & Admin
- Reinsurance



OPERATING EXPENSES (IN MILLIONS)

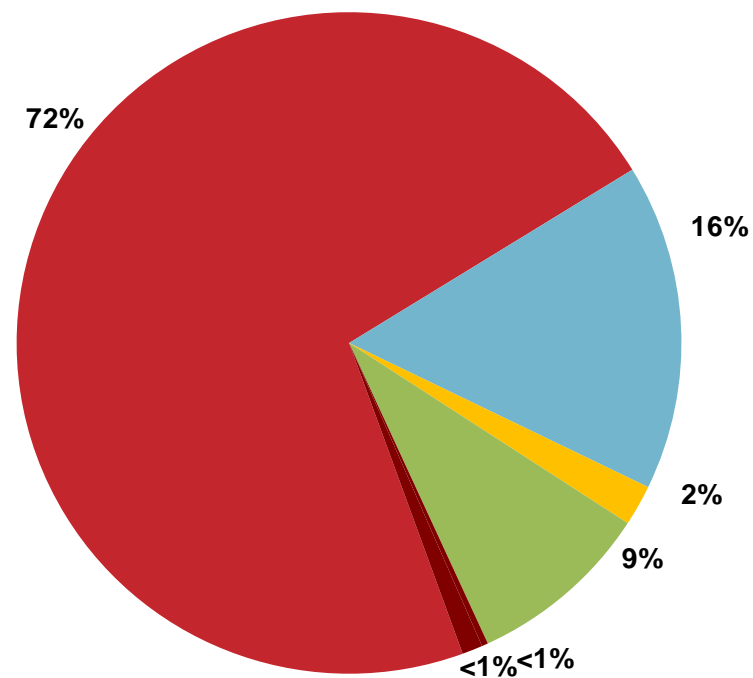
Total Operating Expenses as a % of Total Operating Revenues

June 30, 2014
\$ 463.3

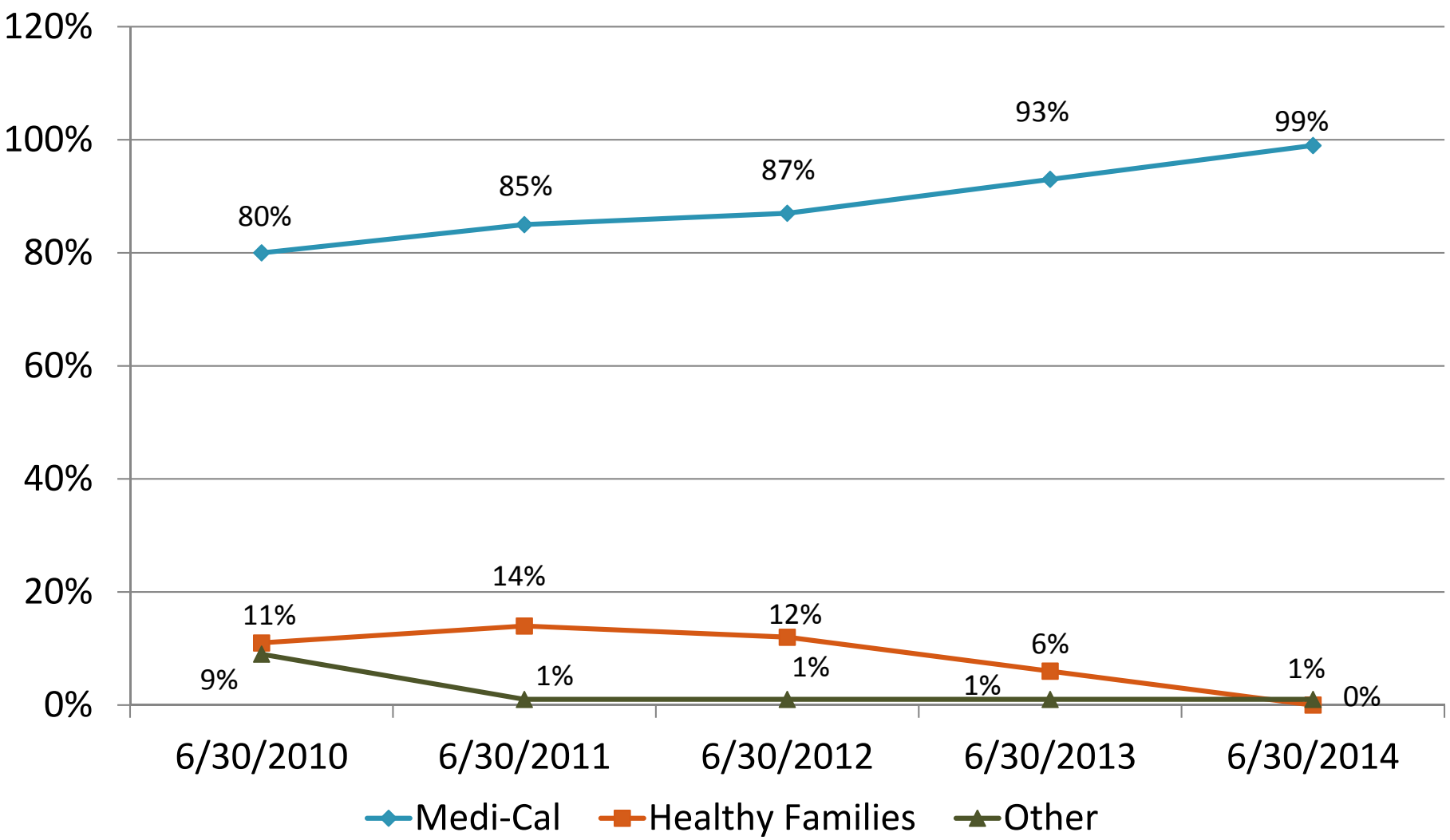


June 30, 2013
\$ 300.2

- Medical
- Pharmacy
- Quality Incentives & Shared Risk Programs
- Gen & Admin
- Reinsurance
- Operating (Loss) Income



REVENUE PAYER MIX TREND



IMPORTANT BOARD COMMUNICATIONS

- Significant accounting policies – AU-C 260
- Accounting estimates are reasonable
- No audit adjustments
- No issues discussed prior to our retention as auditors
- No disagreements with management
- Internal control related matters – AU-C 265

QUESTIONS

ADJOURNMENT

NEXT MEETING:

October 22, 2014

**Health Plan of San Joaquin
Pacific Conference Room
7751 South Mantney Road
French Camp, CA 95231**

Executive Management Reports

August 2014 Reports

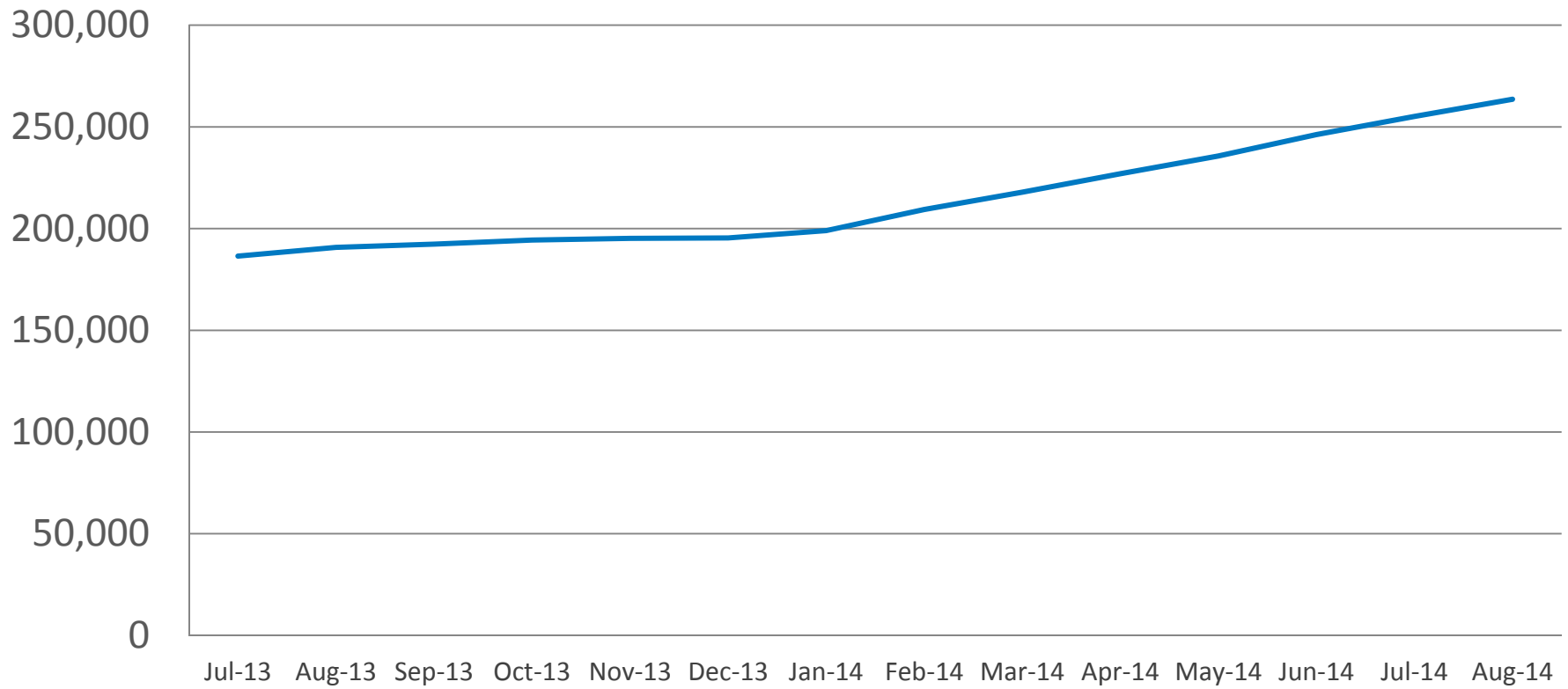
<J:\Department Management\COMPLETE DASHBOARD RPT. BY YEAR\2014 Complete Dashboards>



Enrollment Trends



Membership Trends – Total Membership

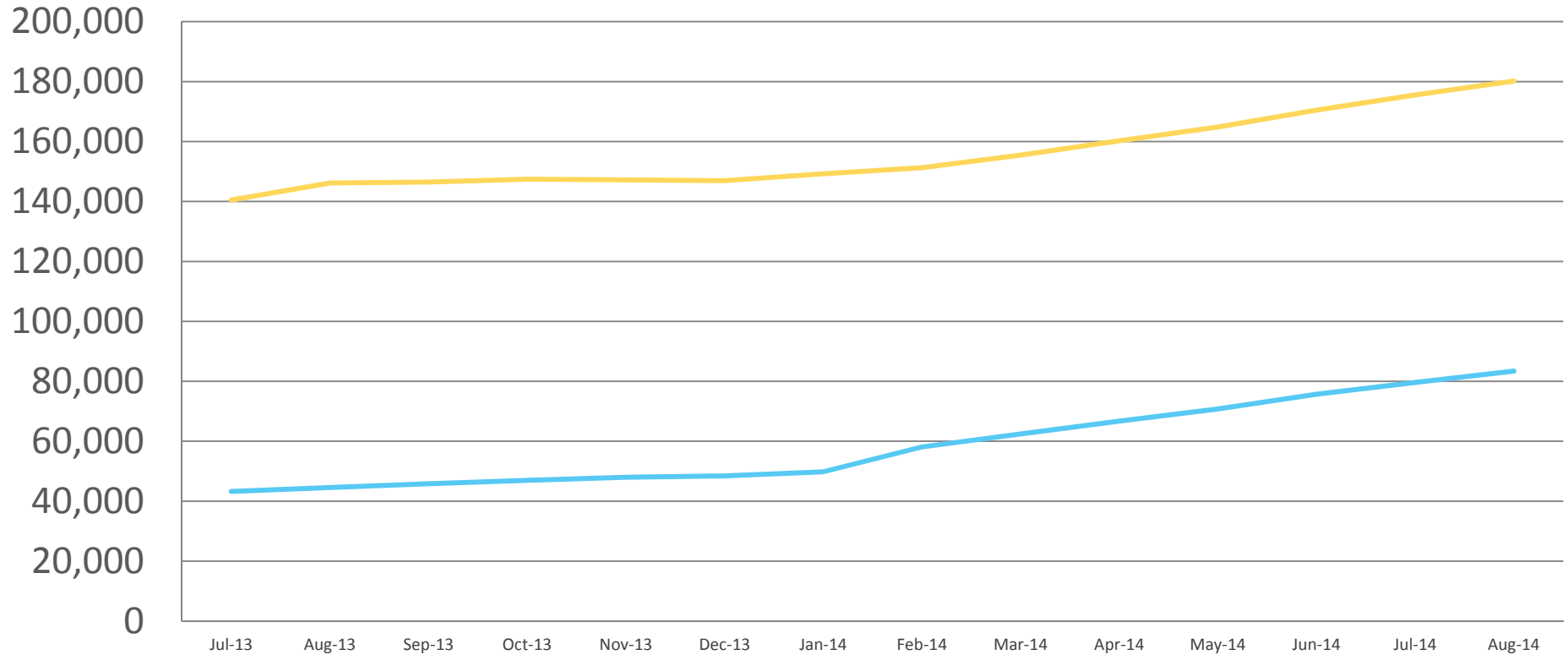


	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
Membership	186,499	190,791	192,337	194,388	195,229	195,400	199,019	209,382	217,910	226,961	235,664	246,187	255,161	263,609

Source: QNXT



Membership Trends by County



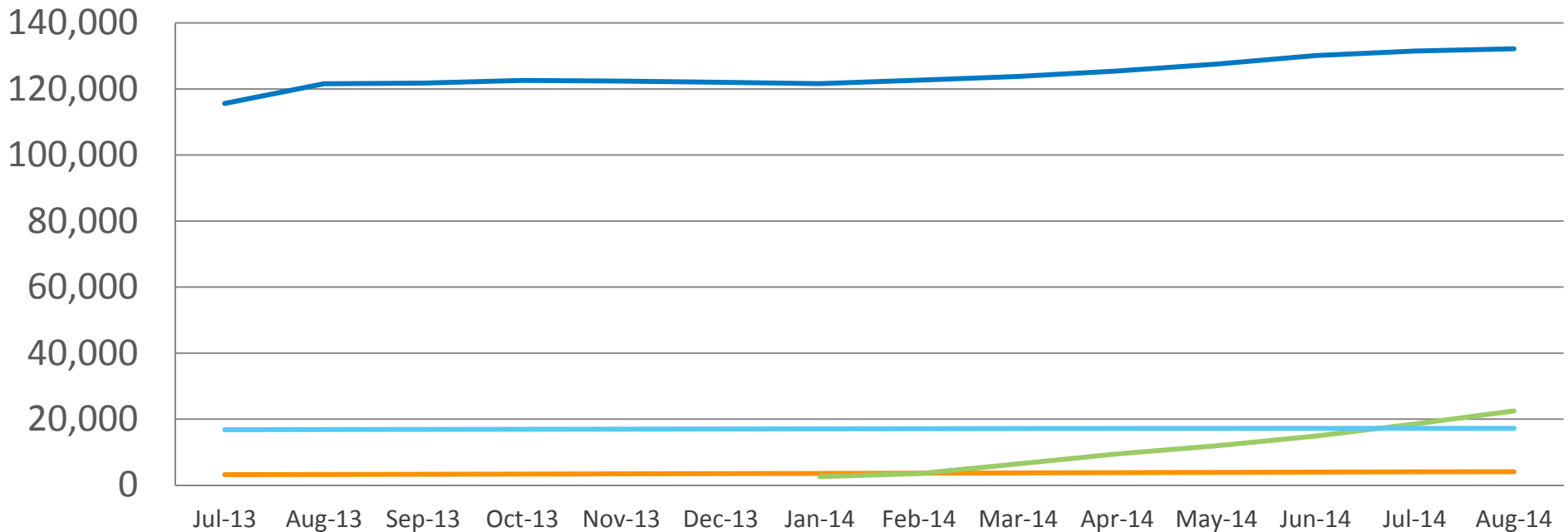
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
San Joaquin	140,497	146,185	146,477	147,422	147,232	146,930	149,223	151,288	155,463	160,229	164,871	170,508	175,529	180,195
Stanislaus	43,278	44,584	45,839	46,952	47,997	48,470	49,796	58,094	62,447	66,732	70,793	75,679	79,632	83,414

Source: QNXT



Medi-Cal Enrollment by Aid Category

San Joaquin County



	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
Duals	3,198	3,231	3,288	3,367	3,429	3,469	3,533	3,636	3,710	3,778	3,854	3,941	4,013	4,067
MCLX							2,570	3,516	6,423	9,480	11,924	14,876	18,521	22,488
TANF	115,617	121,593	121,770	122,579	122,386	122,012	121,617	122,694	123,819	125,467	127,541	130,143	131,498	132,174
SPD	16,782	16,842	16,898	16,951	16,969	17,008	17,052	17,085	17,140	17,143	17,216	17,232	17,209	17,200

Source: QNXT



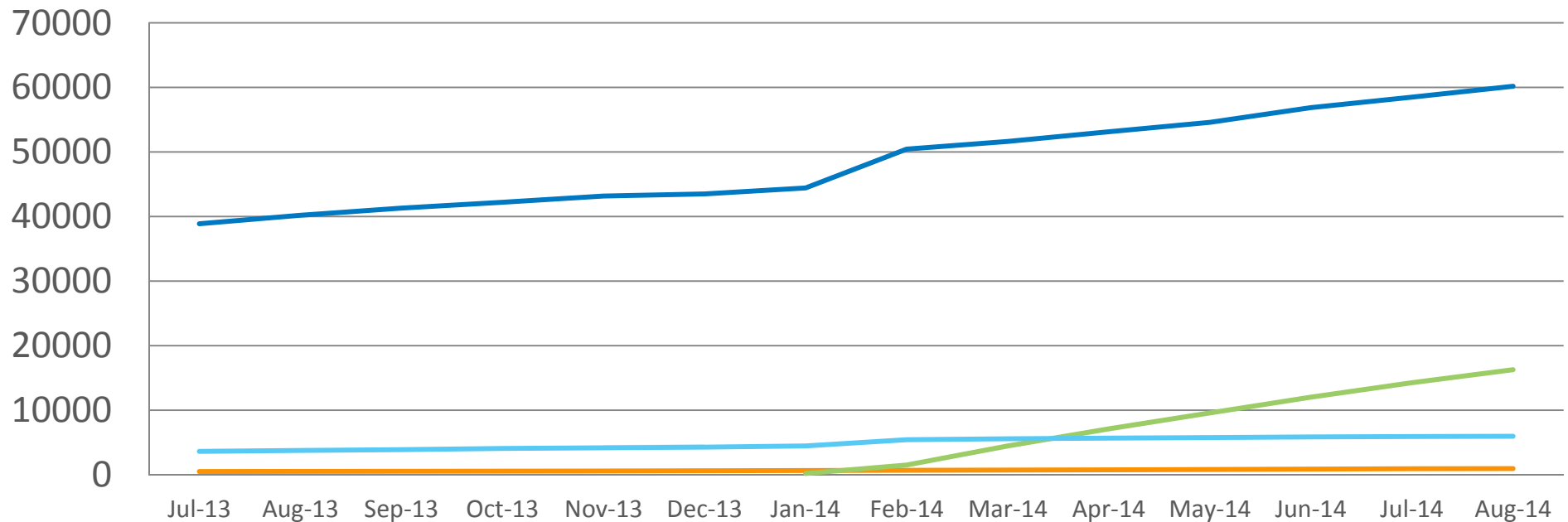
Medi-Cal Expansion Enrollment by Aid Code

San Joaquin County

Aid Code	Category of Payment	Description	Membership (as of (8/1/14))
L1	Adult Expansion	LIHP/MCE transition to Medi-Cal Adults 19-64; at or below 138% FPL.	1846
M1	Adult Expansion	ACA New Adult 19-65 at or below 138% FPL/Lawfully present.	17254
M3	Family	ACA Parent/Caretaker Relative at or below 125% FPL:	6684
M5	OTLIC	Expansion Child from 6-19 yrs of age. 101-133% FPL.	1694
M7	Family	Pregnant Women 0-125% FPL. Citizen/Lawfully Present. Full Benefits. No Share of Cost. Effective 1/1/2014	179
7U	Adult Expansion	Express Lane/CalFresh adults from 19 – 64 years of age who are citizens or lawfully present, and neither blind nor disabled. Full-scope, no cost Medi-Cal coverage.	2472
7W	Family	Express Lane Enrollment (Title XIX). CalFresh children under 19 years of age who are neither blind nor disabled. Full-scope, no cost Medi-Cal coverage.	163
4M	Family	Former Foster Care Children (FFCC)	17

Medi-Cal Enrollment by Aid Category

Stanislaus County



	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
Duals	503	523	549	564	587	606	634	672	729	774	821	870	919	952
MCLX							197	1,498	4,461	7,101	9,570	12,023	14,262	16,274
TANF	38,878	40,206	41,297	42,213	43,174	43,497	44,430	50,446	51,634	53,133	54,599	56,885	58,500	60,183
SPD	3,616	3,754	3,893	4,064	4,181	4,283	4,457	5,423	5,576	5,682	5,761	5,859	5,913	5,968

Source: QNXT



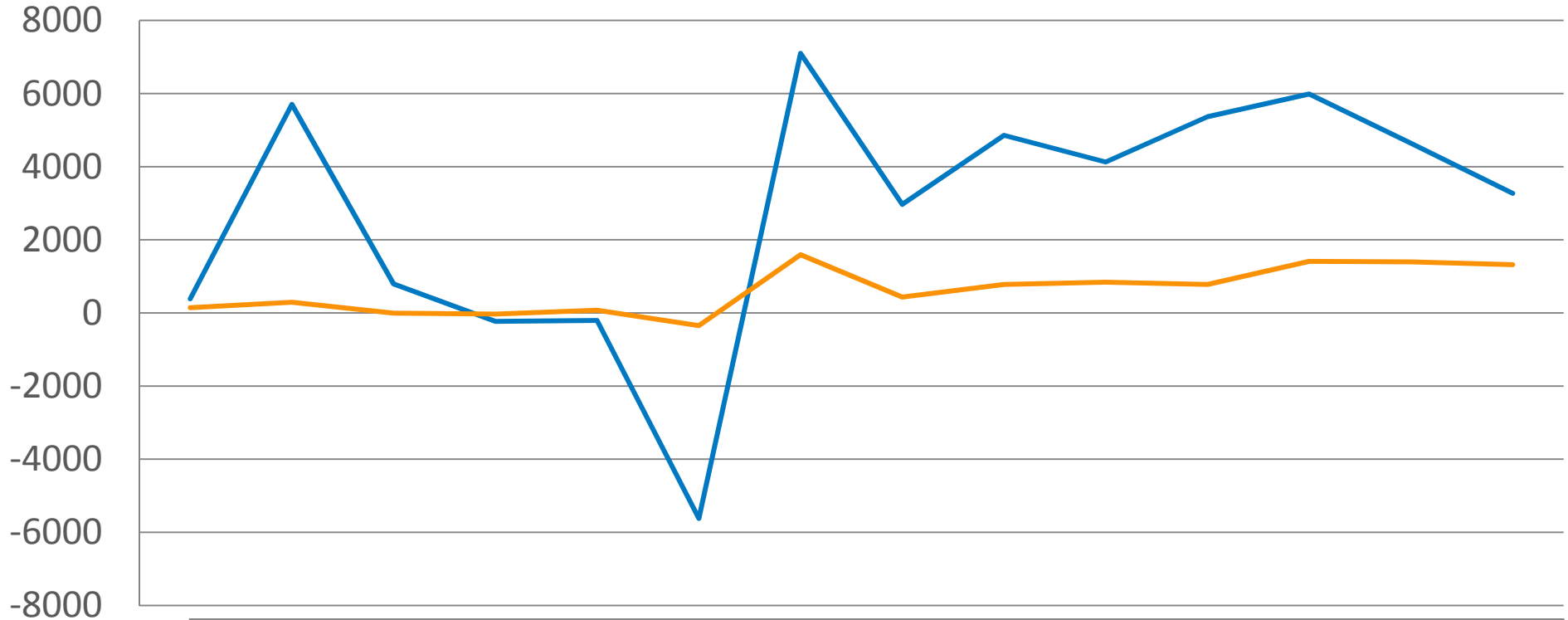
Medi-Cal Expansion Enrollment by Aid Code

Stanislaus County

Aid Code	Category of Payment	Description	Membership (as of (8/1/14)
L1	Adult Expansion	LIHP/MCE transition to Medi-Cal Adults 19-64; at or below 138% FPL.	1
M1	Adult Expansion	ACA New Adult 19-65 at or below 138% FPL/Lawfully present.	13785
M3	Family	ACA Parent/Caretaker Relative at or below 125% FPL:	2837
M5	OTLIC	Expansion Child from 6-19 yrs of age. 101-133% FPL.	770
M7	Family	Pregnant Women 0-125% FPL. Citizen/Lawfully Present. Full Benefits. No Share of Cost. Effective 1/1/2014	127
7U	Adult Expansion	Express Lane/CalFresh adults from 19 – 64 years of age who are citizens or lawfully present, and neither blind nor disabled. Full-scope, no cost Medi-Cal coverage.	2156
7W	Family	Express Lane Enrollment (Title XIX). CalFresh children under 19 years of age who are neither blind nor disabled. Full-scope, no cost Medi-Cal coverage.	178
4M	Family	Former Foster Care Children (FFCC)	10

Monthly Enrollment – Gains/Loss

San Joaquin County



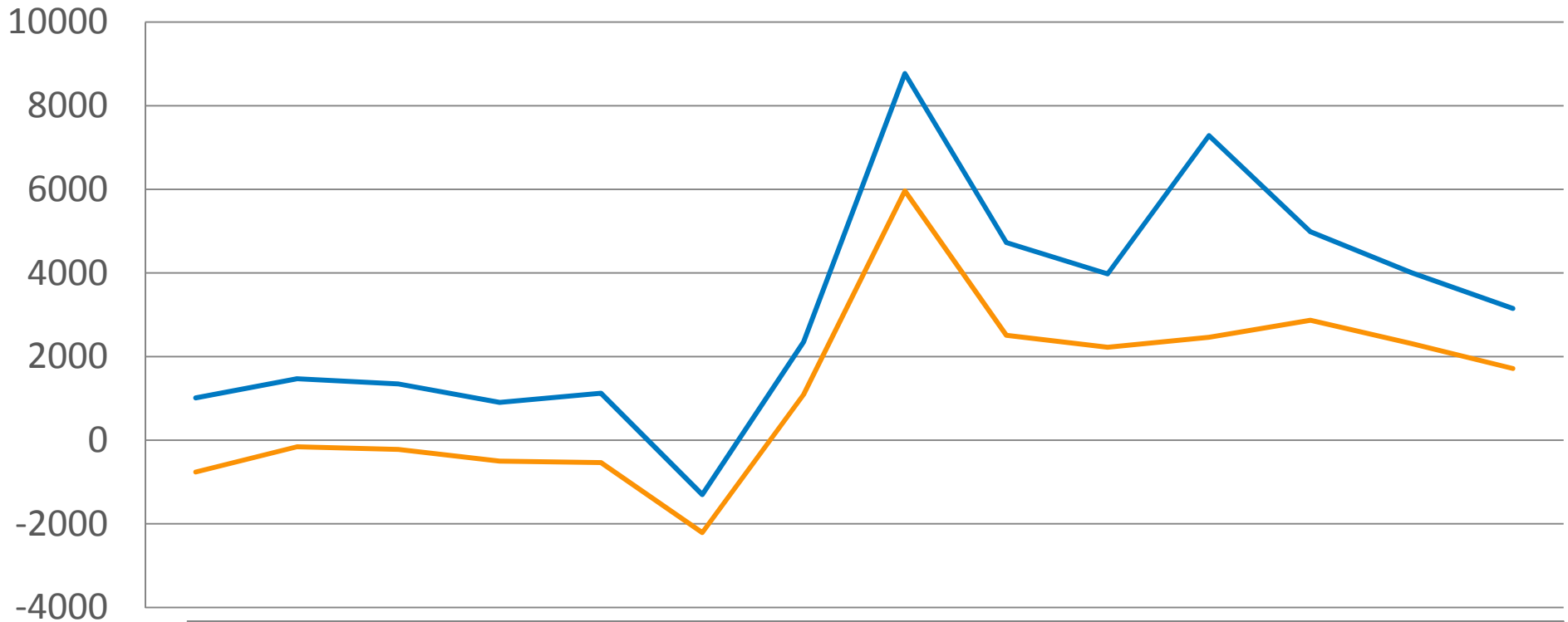
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
— HPSJ	387	5706	795	-231	-205	-5620	7099	2970	4857	4128	5365	5988	4640	3272
— HealthNet	145	291	-7	-31	76	-348	1593	435	780	841	778	1413	1396	1320

Source: DHCS Report



Monthly Enrollment – Gains/Loss

Stanislaus County



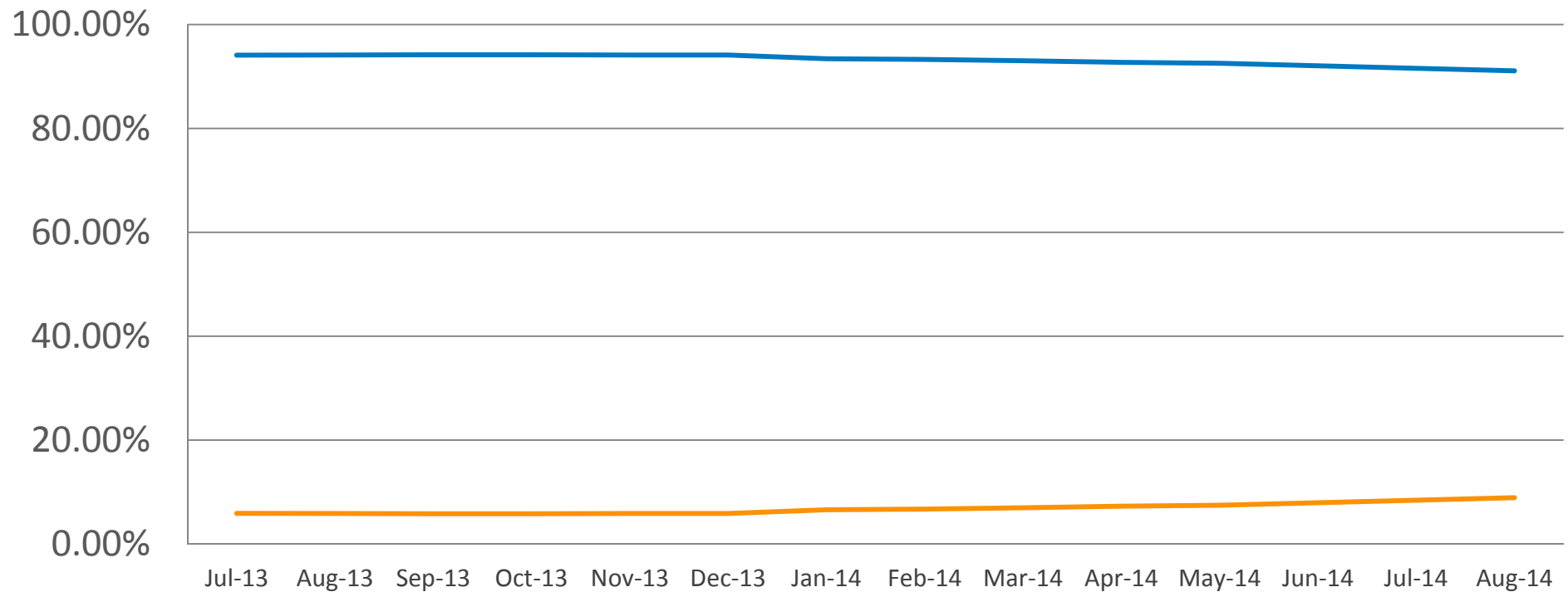
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
— HPSJ	1012	1469	1347	903	1124	-1302	2349	8770	4729	3976	7287	4989	4006	3152
— HealthNet	-761	-157	-222	-499	-535	-2210	1093	5964	2509	2224	2461	2867	2310	1715

Source: DHCS Report



Monthly Market Share

San Joaquin County



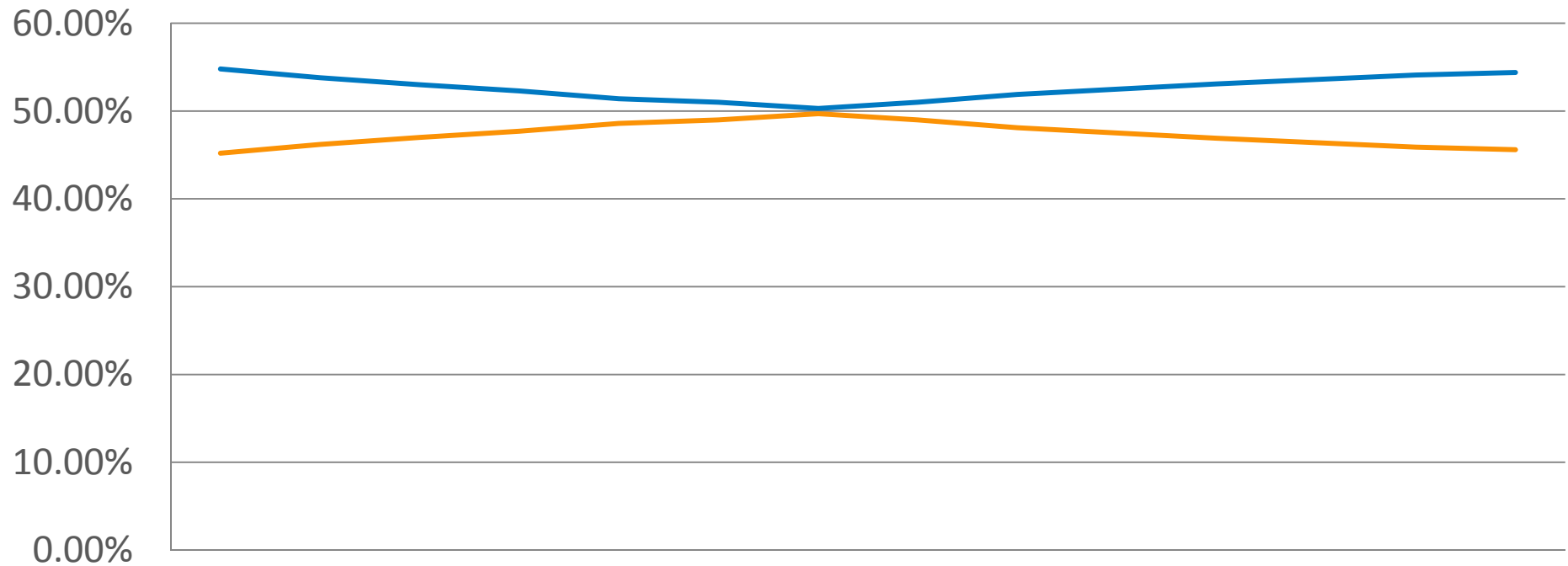
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
— HPSJ	94.11%	94.15%	94.19%	94.20%	94.14%	94.14%	93.43%	93.29%	93.04%	92.74%	92.55%	92.07%	91.58%	91.09%
— HealthNet	5.89%	5.85%	5.81%	5.80%	5.86%	5.86%	6.57%	6.71%	6.96%	7.26%	7.45%	7.93%	8.42%	8.91%

Source: DHCS Report



Monthly Market Share

Stanislaus County



Jul-13 Aug-13 Sep-13 Oct-13 Nov-13 Dec-13 Jan-14 Feb-14 Mar-14 Apr-14 May-14 Jun-14 Jul-14 Aug-14

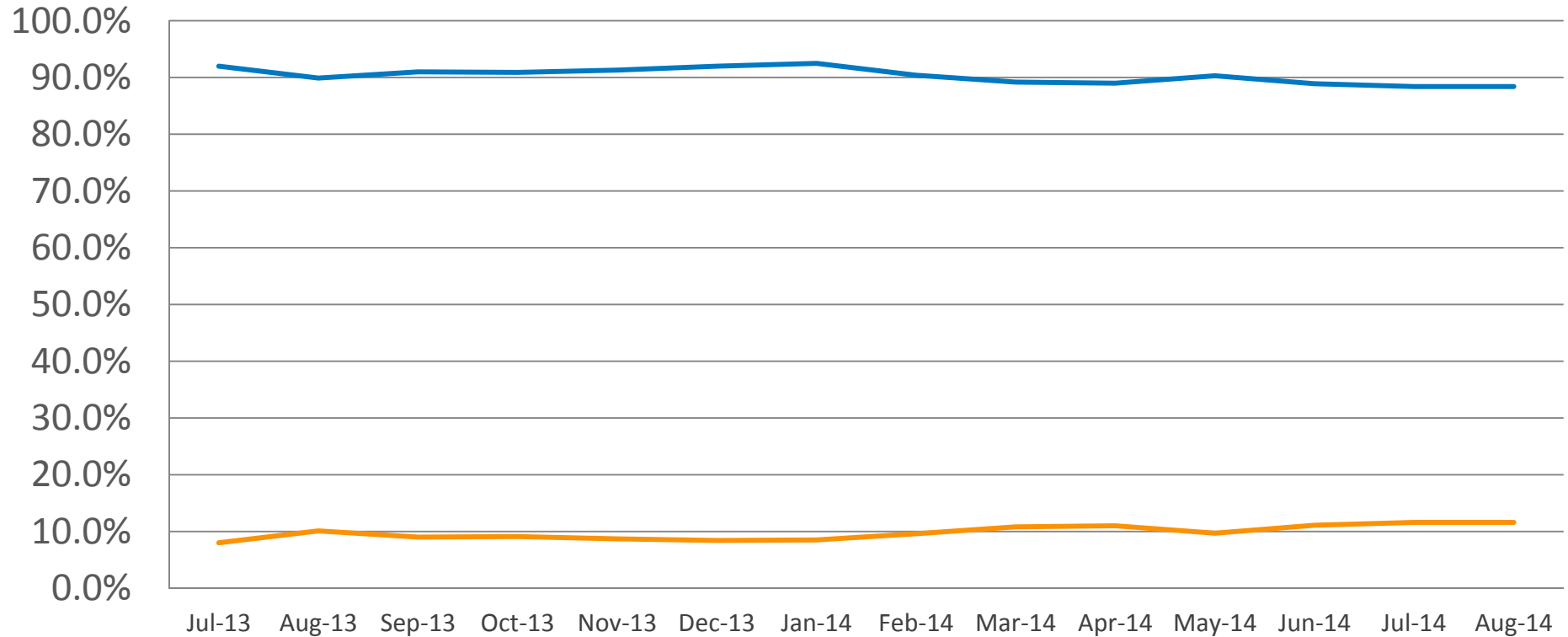
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
— HPSJ	54.80%	53.80%	53.00%	52.30%	51.40%	51.00%	50.30%	51.00%	51.90%	52.50%	53.10%	53.60%	54.10%	54.40%
— HealthNet	45.20%	46.20%	47.00%	47.70%	48.60%	49.00%	49.70%	49.00%	48.10%	47.50%	46.90%	46.40%	45.90%	45.60%

Source: DHCS Report



Choice Enrollment

San Joaquin County



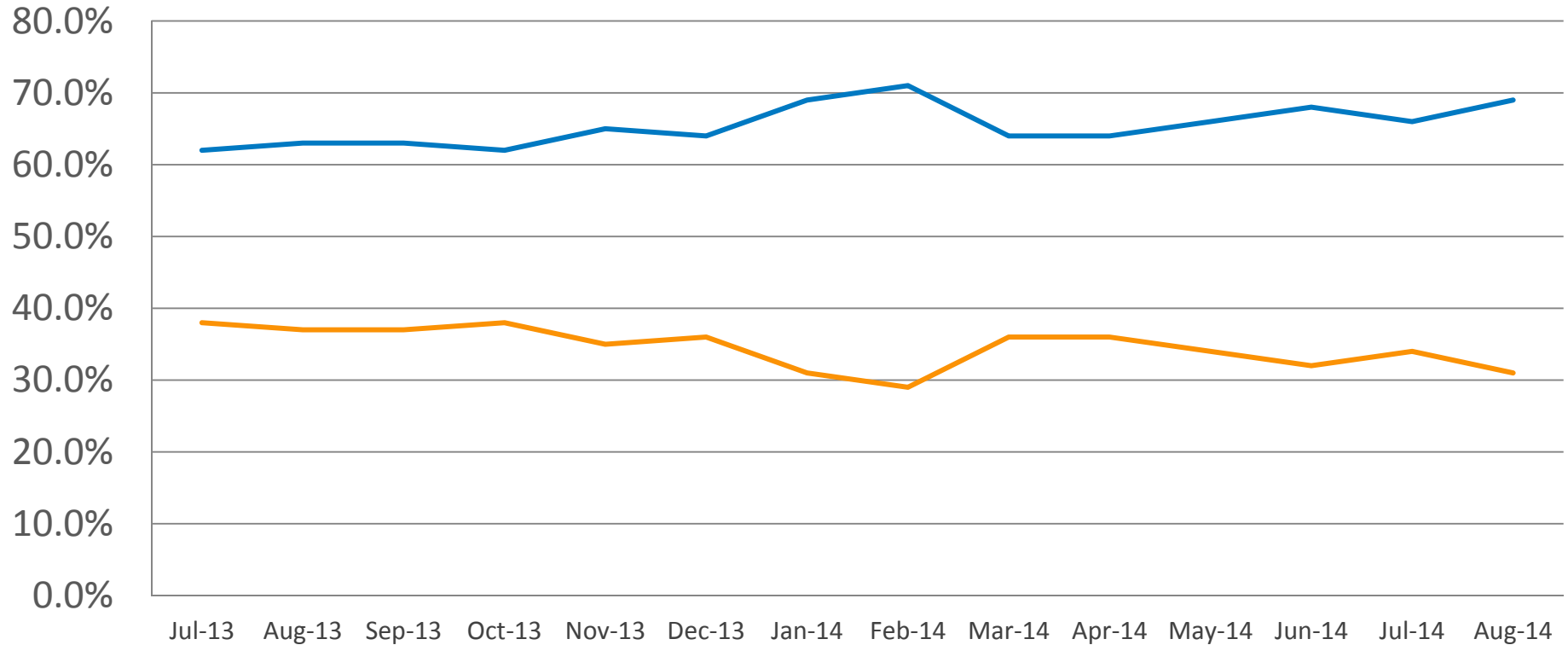
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
— HPSJ	92.0%	89.9%	91.0%	90.9%	91.3%	92.0%	92.5%	90.4%	89.2%	89.0%	90.3%	88.9%	88.4%	88.4%
— HealthNet	8.0%	10.1%	9.0%	9.1%	8.7%	8.4%	8.5%	9.6%	10.8%	11.0%	9.7%	11.1%	11.6%	11.6%

Source: DHCS Report



Choice Enrollment

Stanislaus County



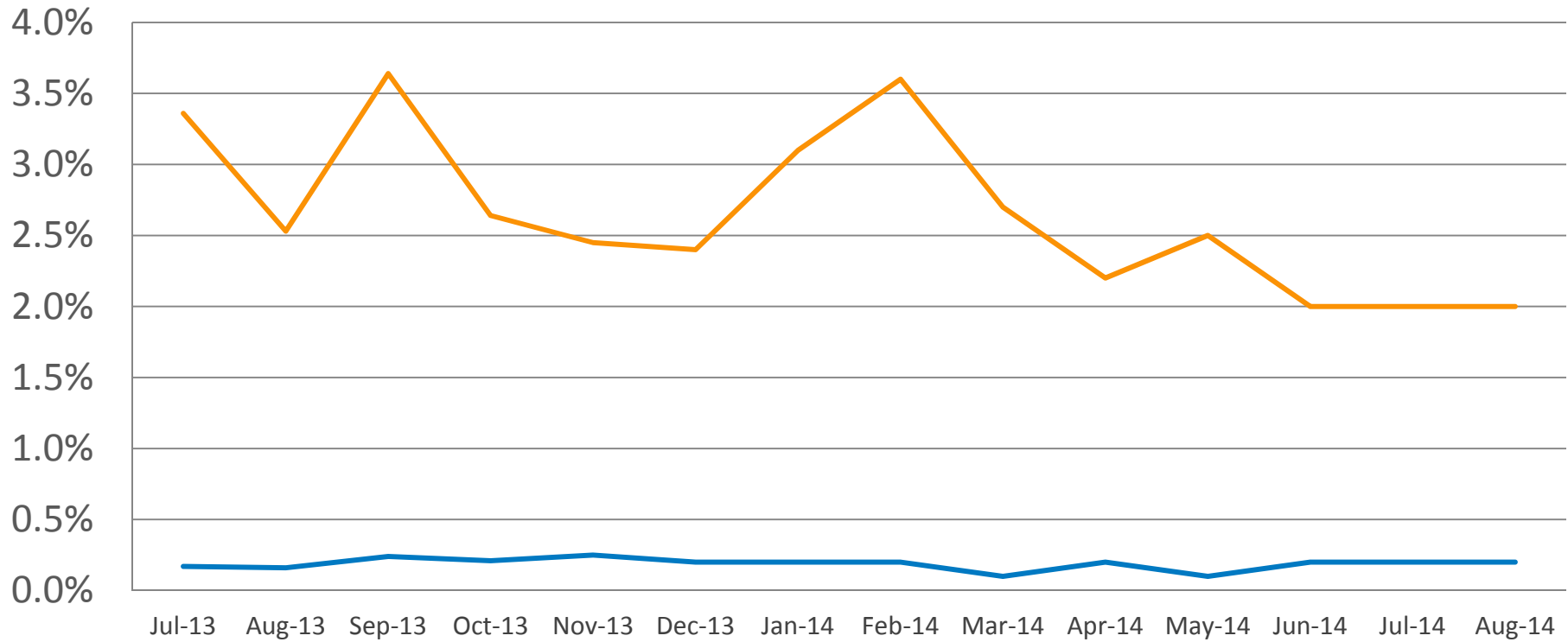
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
HPSJ	62.0%	63.0%	63.0%	62.0%	65.0%	64.0%	69.0%	71.0%	64.0%	64.0%	66.0%	68.0%	66.0%	69.0%
HealthNet	38.0%	37.0%	37.0%	38.0%	35.0%	36.0%	31.0%	29.0%	36.0%	36.0%	34.0%	32.0%	34.0%	31.0%

Source: DHCS Report



Voluntary Disenrollment

San Joaquin County



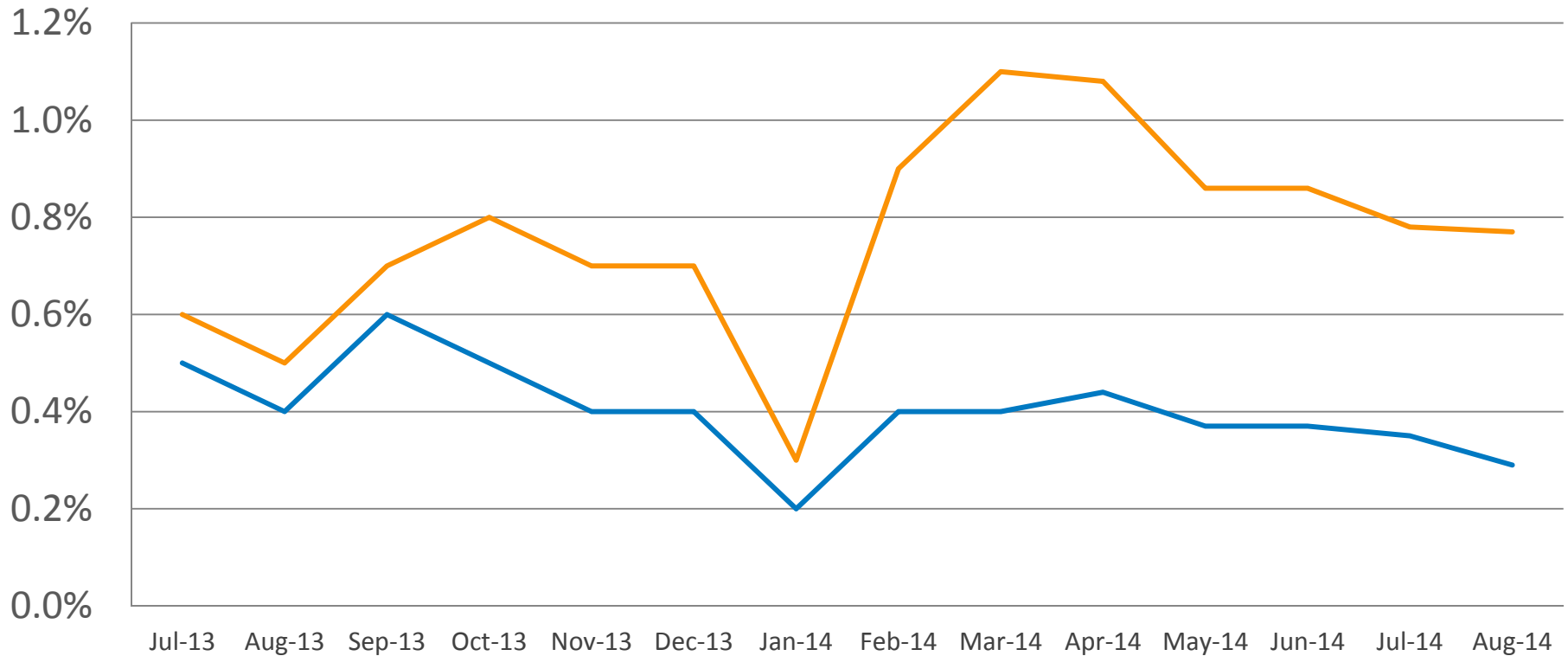
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
— HPSJ	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%	0.2%	0.2%	0.1%	0.2%	0.1%	0.2%	0.2%	0.2%
— HealthNet	3.4%	2.5%	3.6%	2.6%	2.5%	2.4%	3.1%	3.6%	2.7%	2.2%	2.5%	2.0%	2.0%	2.0%

Source: DHCS Report



Voluntary Disenrollment

Stanislaus County



	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14
HPSJ	0.5%	0.4%	0.6%	0.5%	0.4%	0.4%	0.2%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%
HealthNet	0.6%	0.5%	0.7%	0.8%	0.7%	0.7%	0.3%	0.9%	1.1%	1.1%	0.9%	0.9%	0.8%	0.8%

Source: DHCS Report



Grants



Grants Administration - August 2014

Currently Active Grants

Funder	Grant Period	Project Title	Project Description	HPSJ Department Impacted	Partners	Grant Amount	Grant Balance	Status
Blue Shield of California Foundation	1/1/2013 – 8/15/2014	Transitional Care Behavioral Health Integration	To develop and implement a project integrating behavioral health support in discharge planning and transitional care for chronically ill Medi-Cal patients with co-occurring behavioral health issues being discharged from San Joaquin and Stanislaus county hospitals.	Medical Management, Finance	<ul style="list-style-type: none"> • SJ Co. BHS • Stan County BHRS • HPSJ • 7 Stan and SJ County hospitals 	\$200,000	\$ 125,000	<p>Finalizing contract modifications/grant extension with funder and contract amendments with San Joaquin County and Stanislaus County behavioral health departments.</p> <p>Foundation has requested write-up of lessons learned to date from project sometime this fall. Format and date due still to be determined.</p>
The California Healthcare Foundation	1/1/2013 – 8/15/2014	Transitional Care Behavioral Health	To develop and implement a project integrating behavioral health support in discharge planning and transitional care for chronically ill Medi-Cal patients with co-occurring behavioral health issues being discharged from San	Medical Management, Finance	<ul style="list-style-type: none"> • SJ Co. BHS • Stan Co. BHRS • HPSJ • 7 Stan and SJ County hospitals • Stanford Univ. 	\$131,109	\$76,000	<p>Finalizing contract modifications/grant extensions with funder and contract amendments with San Joaquin County and Stanislaus County behavioral health departments</p> <p>Grant selected for</p>

Grants Administration - August 2014

Funder	Grant Period	Project Title	Project Description	HPSJ Department Impacted	Partners	Grant Amount	Grant Balance	Status
			Joaquin and Stanislaus county hospitals.					audit by funder. Audit fieldwork currently scheduled for September 23. Working with Finance to complete preparation and submission of all requested pre-fieldwork information.
Blue Shield of California Foundation	4/1/14-6/30/15	Stanislaus County Medi-Cal Medical Transitions Coordination Pilot Project.	Pilot project to enhance discharge planning and transitional care for high-risk Medi-Cal patients being discharged from DMC	Medical Management, Finance	<ul style="list-style-type: none"> • DMC • Golden Valley Health Centers • HSA 	\$155,000	\$155,000	<p>Implementation of transitions of care services to begin August 25.</p> <p>Interim Report due November 1. Funder will be providing report format to grantees in next few weeks</p>

Grants Administration - August 2014

Grants Awarded

Funder	Applicant	Project Title	Project Description	HPSJ Department Impacted	Partners	Proposal Amount	Status
Center for Care Innovations (Spreading Innovations)	San Joaquin General Hospital	San Joaquin General Hospital Telephone Primary Care Visit Pilot Project	Implement telephone visits at San Joaquin General Hospital's primary care clinics	Medical Management	<ul style="list-style-type: none"> • HPSJ • SJGH 	\$20,000	SJGH received notice of funding on July 31. Has not yet begun implementation activities. Will be contacting HPSJ when project is ready.

Medical Management



Inpatient & Utilization – San Joaquin County – August 2014

TANF+ (Non-SPD)*			
Measurement	Metric	Aug-14	2015 Fiscal YTD Average
<i>Data Source: Authorizations</i>			
Bed Days /1000	176.8	137.1	128.1
Average Length of Stay (LOS)	3.1	3.0	2.9
Admissions /1000	67.7	46.1	44.1
30-Day ReAdmissions	5%	3%	2.0%
SPD			
Measurement	Metric	Aug-14	2015 Fiscal YTD Average
<i>Data Source: Authorizations</i>			
Bed Days /1000	858.5	761.2	651.8
Average Length of Stay (LOS)	4.3	4.5	4.7
Admissions /1000	197.9	169.6	140.7
30-Day ReAdmissions (% of Admits)	20%	9%	10.0%
ACA			
Measurement	Metric	Aug-14	2015 Fiscal YTD Average
<i>Data Source: Authorizations</i>			
Bed Days /1000	808.0	284.7	286.8
Average Length of Stay (LOS)	3.9	3.7	3.7
Admissions /1000	154.5	76.3	77.1
30-Day ReAdmissions (% of Admits)	15%	7%	6.0%

 = Corporate Metric not met

Inpatient & Utilization – Stanislaus County – August 2014

TANF+ (Non-SPD)*			
Measurement	Metric	Aug-14	2015 Fiscal YTD Average
<i>Data Source: Authorizations</i>			
Bed Days /1000	191.0	141.3	142.8
Average Length of Stay (LOS)	3.5	3.0	3.0
Admissions /1000	83.1	46.6	47.3
30-Day ReAdmissions	5%	3%	3.5%
SPD			
Measurement	Metric	Aug-14	2015 Fiscal YTD Average
<i>Data Source: Authorizations</i>			
Bed Days /1000	1557.7	848.6	907.3
Average Length of Stay (LOS)	5.0	4.4	4.6
Admissions /1000	295.0	192.4	199.3
30-Day ReAdmissions (% of Admits)	20%	19%	16.0%
ACA			
Measurement	Metric	Aug-14	2015 Fiscal YTD Average
<i>Data Source: Authorizations</i>			
Bed Days /1000	1149.0	387.6	384.0
Average Length of Stay (LOS)	4.5	4.4	4.1
Admissions /1000	224.4	87.7	94.2
30-Day ReAdmissions (% of Admits)	15%	5%	6.0%

 = Corporate Metric not met

Readmissions Trend – August 2014

			2015 Fiscal YTD Average
Readmissions	Metric	Aug-14	
Stanislaus County SPD	20%	19%	16.0%
San Joaquin County SPD	20%	9%	10.0%
Stanislaus County nonSPD	5%	3%	3.5%
San Joaquin County nonSPD	5%	3%	2.0%
Stanislaus County ACA	15%	5%	6.0%
San Joaquin County ACA	15%	7%	6.0%
			2015 Fiscal YTD Average
Readmissions	Metric	Aug-14	
SPD	20%	14.0%	13.0%
nonSPD	5%	3.0%	2.8%
ACA	15%	6%	6%

Fiscal Year 2013 Avgs

TANF 542.95

SPD 1026.85

San Joaquin MCL ER Visits/000

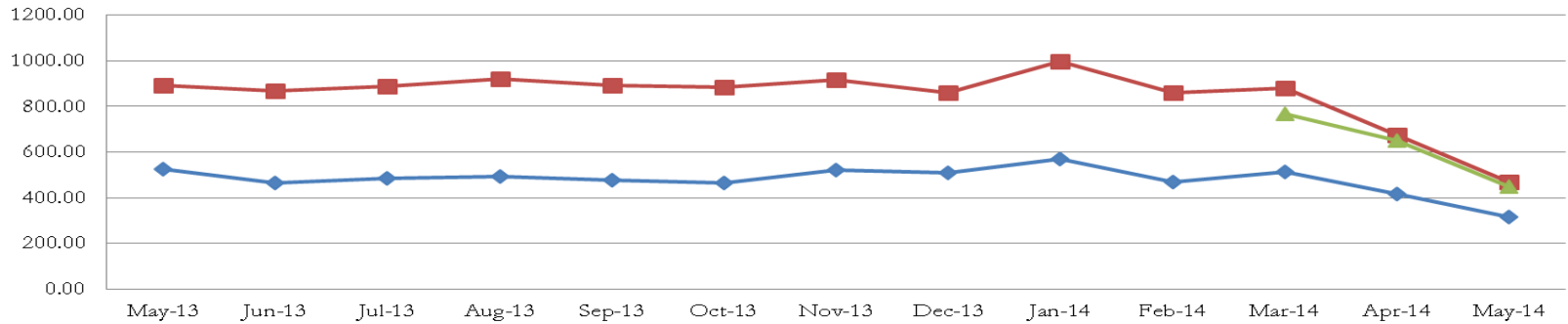
(based on Service Dates Paid thru August 2014)

Fiscal YTD 2014 Avgs

TANF 476.00

SPD 840.29

ACA 622.09



	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14
TANF	523.91	464.41	485.81	493.67	475.94	464.04	520.37	511.21	568.78	470.36	512.35	418.13	315.41
SPD	890.87	868.57	887.36	921.28	891.72	882.50	917.32	860.99	998.18	860.22	880.15	673.29	470.19
ACA											769.37	648.89	448.01

Fiscal Year 2013 Avgs

TANF 124.16

SPD 135.66

San Joaquin MCL AER Visits/000

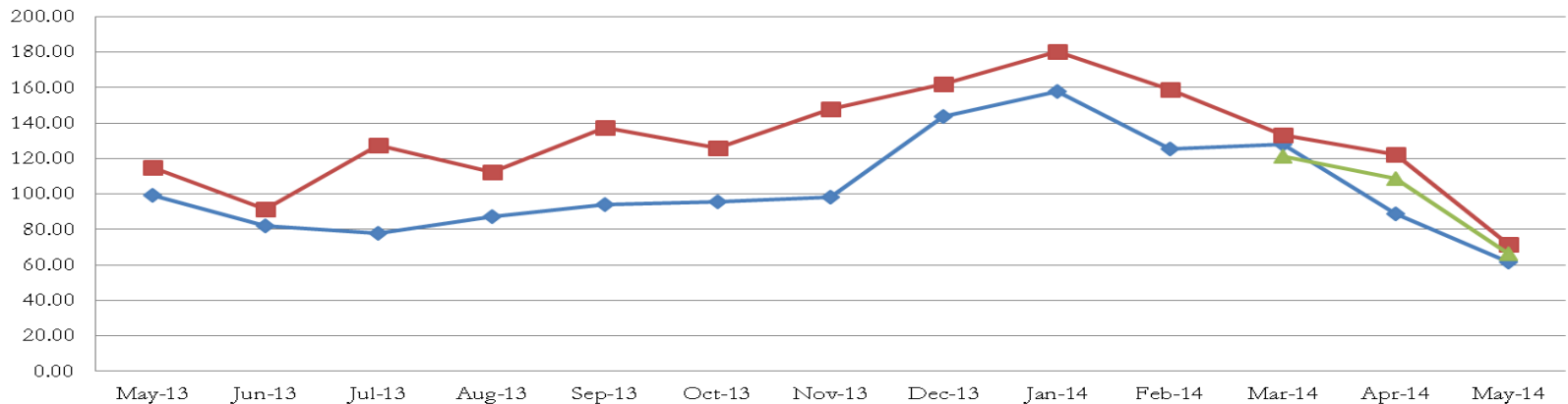
(based on Service Dates Paid thru August 2014)

Fiscal YTD 2014 Avgs

TANF 105.40

SPD 134.55

ACA 98.89



	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14
TANF	99.25	81.80	77.70	87.02	94.26	95.86	98.49	143.74	157.83	125.67	128.30	89.05	61.47
SPD	115.22	91.71	127.31	112.15	137.36	126.07	148.15	162.18	180.39	159.11	133.33	122.28	71.69
ACA											121.38	108.79	66.48

Fiscal Year 2013 Avgs

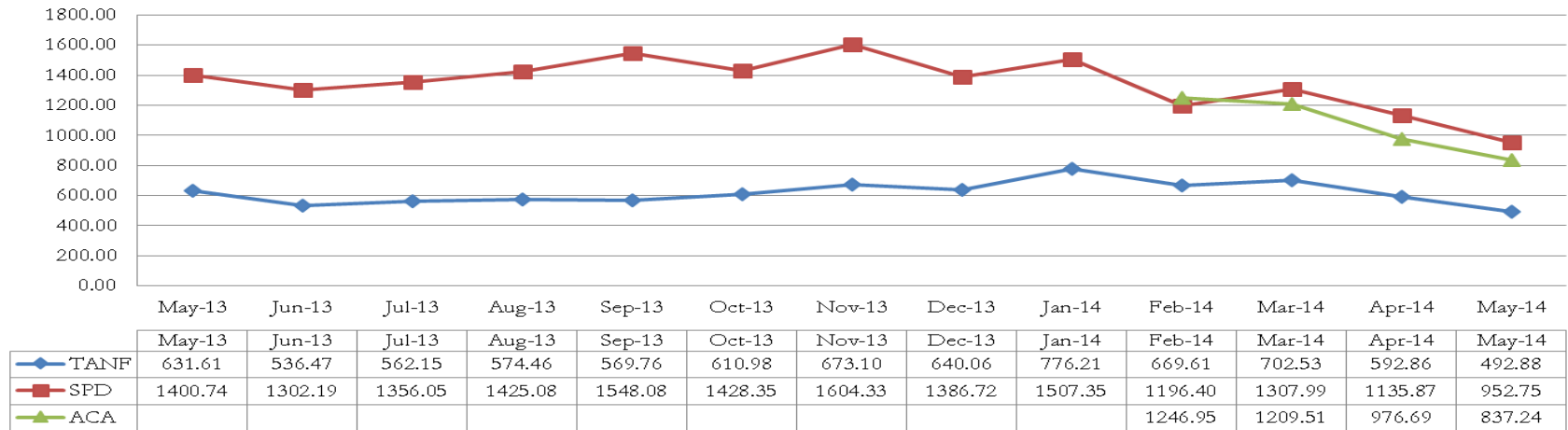
TANF 697.84
SPD 1437.83

**Stanislaus
MCL ER Visits/000**

(based on Service Date Paid thru August 2014)

Fiscal YTD 2014 Avgs

TANF 624.06
SPD 1349.91
ACA 1067.60



Fiscal Year 2013 Avg

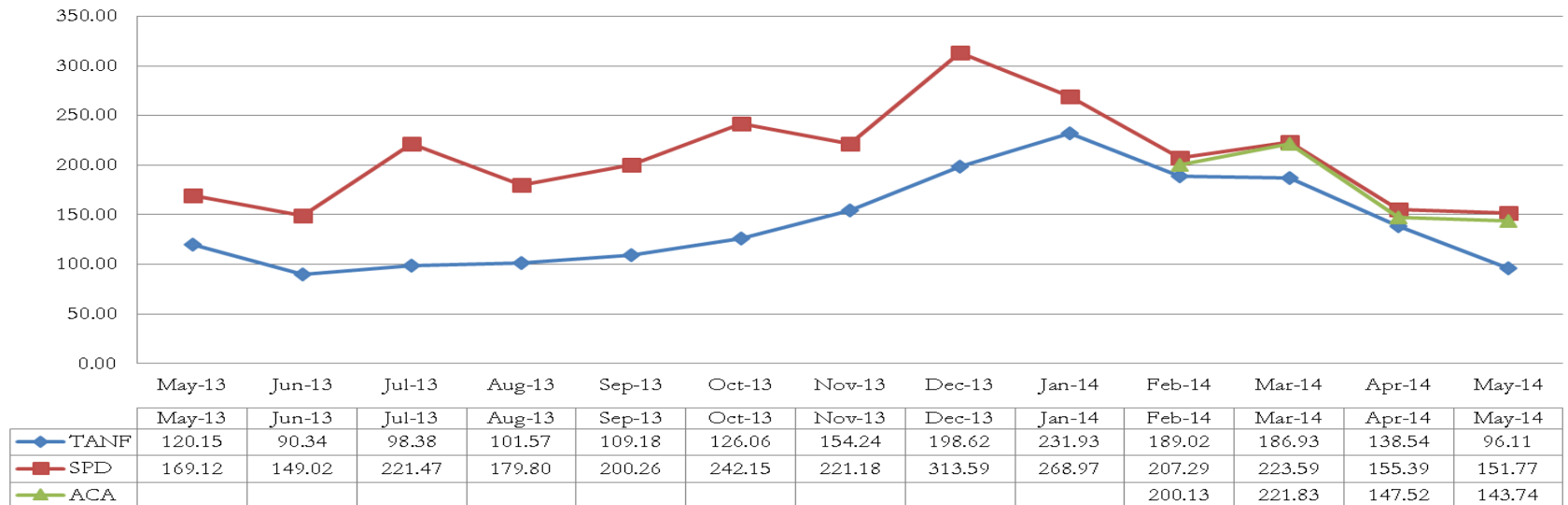
TANF 164.05
SPD 190.75

**Stanislaus
MCL AER Visits/000**

(based on Service Date Paid thru August 2014)

Fiscal YTD 2014 Avgs

TANF 148.23
SPD 216.86
ACA 178.31



Authorizations Outpatient - August 2014

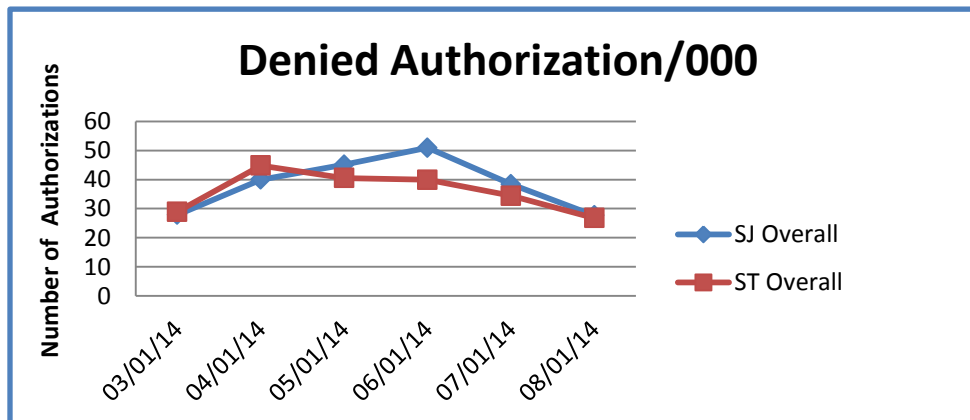
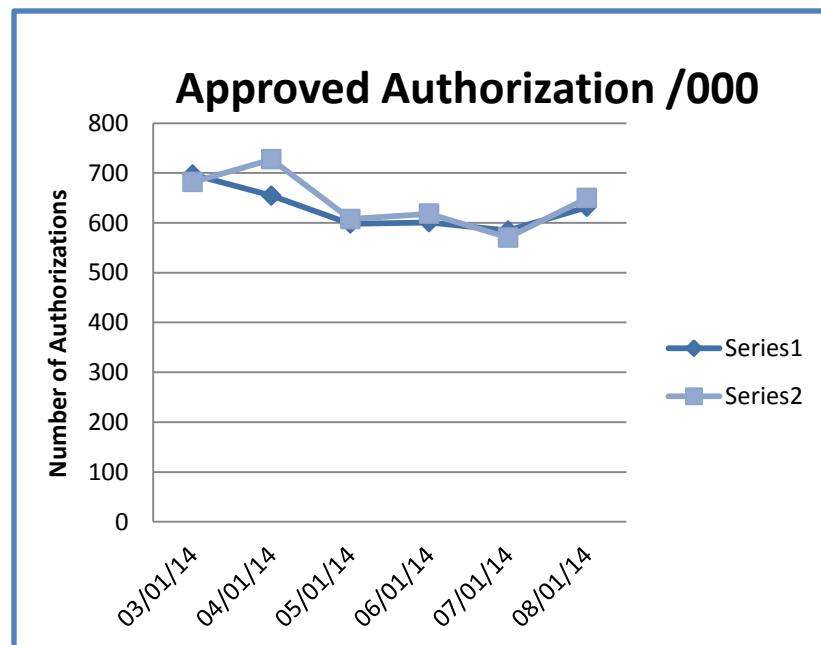
Processing Time: Prior Authorizations Outpatient

Authorization Type	Goal	August	July
Routine Authorizations	5 Business Days	13,179	12,806
% Complete	97%	99.9%	98.8%
Urgent Authorizations	3 Business Days	1,861	1,807
% Complete	97%	99.9%	99.4%
Emergent Authorizations	1 Business Days	1,060	931
% Complete	99%	98.6%	99.4%
Medical Necessity Determination	N/A	579	1,191
TOTAL AUTHORIZATIONS		16,100	15,544

Measure	Goal %	Total Compliance %	Total Authorizations
Emergency Authorizations	99%	99%	3
Routine Never Deferred	97%	99%	11,873
Routine Deferral Final Processing	97%	97%	711
Urgent Authorizations	97%	97%	1,763
Emergent Authorizations	99%	97%	957
Routine-Chemotherapy, Dialysis and Pharmaceutical	97%	97%	103
Urgent-Chemotherapy, Dialysis and Pharmaceutical	97%	97%	43
Emergent-Chemotherapy, Dialysis and Pharmaceutical	99%	99%	47

Authorizations Outpatient - August 2014

Approved Auths/000	03/01/14	04/01/14	5/1/2014	6/1/2014	7/1/2014	8/1/2014
SJ Overall	696.8	654.6	598.2	600.9	584.5	631.7
ST Overall	681.9	727.5	607.5	618.1	570.2	649.5
Denied Auths/000	03/01/14	04/01/14	5/1/2014	6/1/2014	7/1/2014	8/1/2014
SJ Overall	27.9	40	45.1	50.9	38.4	27.7
ST Overall	28.9	44.8	40.5	39.9	34.4	26.8



Pharmacy - August 2014

Pharmacy Financial Dashboard – August 2014

	San Joaquin		Stanislaus		ALL MCL
	Non-SPD	SPD	Non-SPD	SPD	ALL MCL
Members	153,032	17,120	75,783	5,925	251,860
PMPM	\$20.78	\$135.69	\$24.25	\$175.90	\$33.28
PUPM	\$94.81	\$246.79	\$97.84	\$278.37	\$128.03
% Generic	87.17%	85.86%	88.60%	86.88%	87.21%
\$ Per Brand Rx	\$148.37	\$218.97	\$164.26	\$250.38	\$179.22
\$ Per Gen Rx	\$15.52	\$17.06	\$15.85	\$18.75	\$16.24
% of Utilizing Pts	21.91%	54.98%	24.78%	63.19%	26.00%
Rx's PMPM	0.65	3.01	0.75	3.63	0.91
Rx's PUPM	2.96	5.47	3.04	5.74	3.50
Total Spend	\$3,179,579.94	\$2,322,988.74	\$1,837,420.73	\$1,042,209.40	\$8,382,198.81

Pharmacy - August 2014

% Changes from Previous Month

	San Joaquin		Stanislaus		ALL MCL
	Non-SPD	SPD	Non-SPD	SPD	ALL MCL
Members	0.02%	-5.07%	2.07%	-0.22%	0.25%
PMPM	2.95%	0.31%	2.60%	-7.05%	-0.53%
PUPM	-2.83%	-3.89%	-1.52%	-7.87%	-4.77%
% Generic	-0.70%	-0.38%	-0.29%	0.00%	-0.43%
\$ Per Brand Rx	-8.15%	-9.43%	-2.74%	-4.65%	-8.05%
\$ Per Gen Rx	-0.15%	0.07%	-0.23%	-0.46%	-0.16%
% of Utilizing Pts	5.95%	4.37%	4.19%	0.89%	4.45%
Rx's PMPM	5.28%	2.35%	2.85%	-3.17%	2.17%
Rx's PUPM	-0.63%	-1.94%	-1.29%	-4.03%	-2.18%
Total Spend	2.96%	-4.77%	4.73%	-7.25%	-0.28%

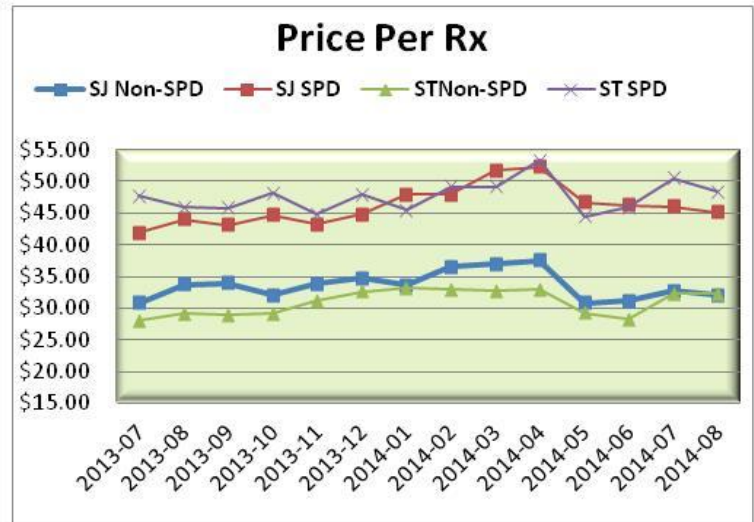
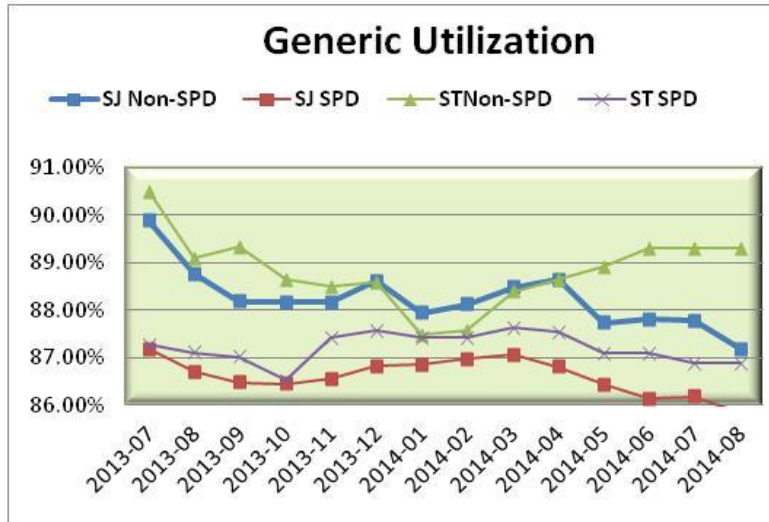
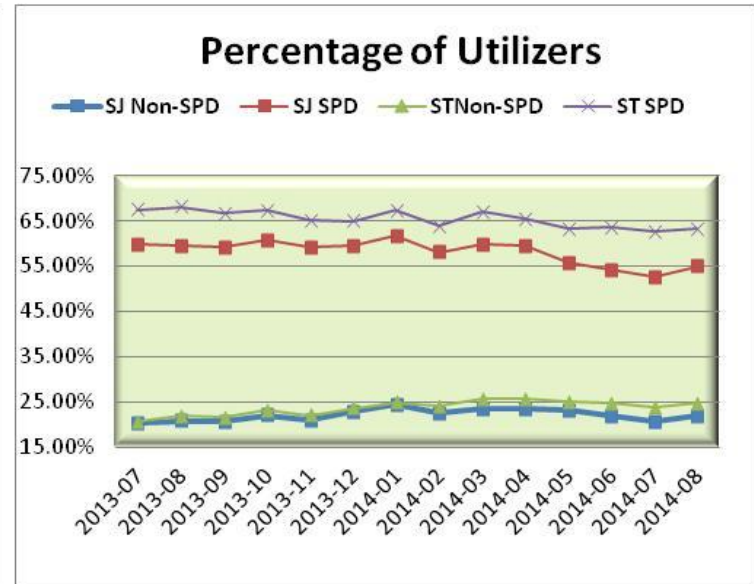
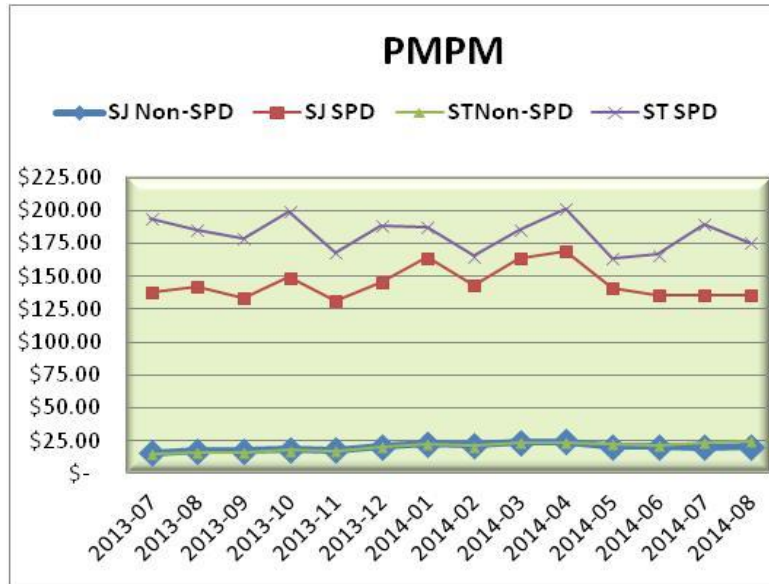
 = Measure is Better than last month

 = Measure is Below than last month

Source Document: Jonathan Szkotak, PharmD

Abbreviations: **PMPM** = Per Member per Month; **PUPM** = Per Utilizer per Month

Pharmacy - August 2014



Pharmacy - August 2014

Pharmacy Workload – August 2014

	Approved per 1000 Members	Modified per 1000 Members	Denied per 1000 Members	% of Auths Approved	% of Auths Modified	% of Auths Denied
SJ - Non-SPD	3.48	0.99	0.43	70.97%	20.24%	8.79%
ST - Non SPD	3.44	1.58	0.80	59.05%	27.15%	13.80%
SJ SPD	19.86	3.39	3.33	74.73%	12.75%	12.53%
ST - SPD	20.93	9.45	7.76	54.87%	24.78%	20.35%
Total	4.99	1.53	0.91	67.13%	20.60%	12.27%

High Level Summary

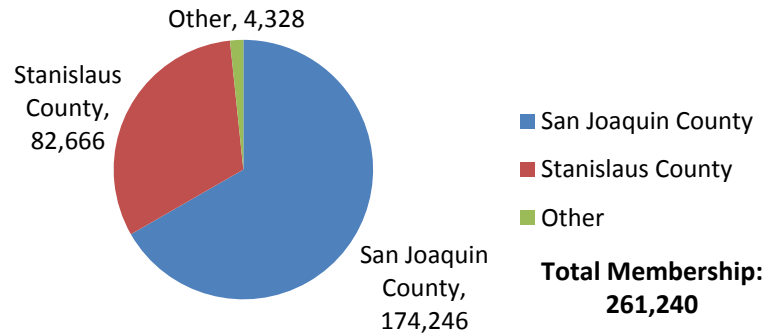
Total PA's	2,377
Total Clinical	1874
Total Operational	503
PharmD Review	1088
Tech 1st Level	786

Total PA requests/day	118.85
Operational PAs/day	25.15
PharmD Review/day	54.4
Tech 1st Level/day	39.3
% TAT Met	95.16%

Claims



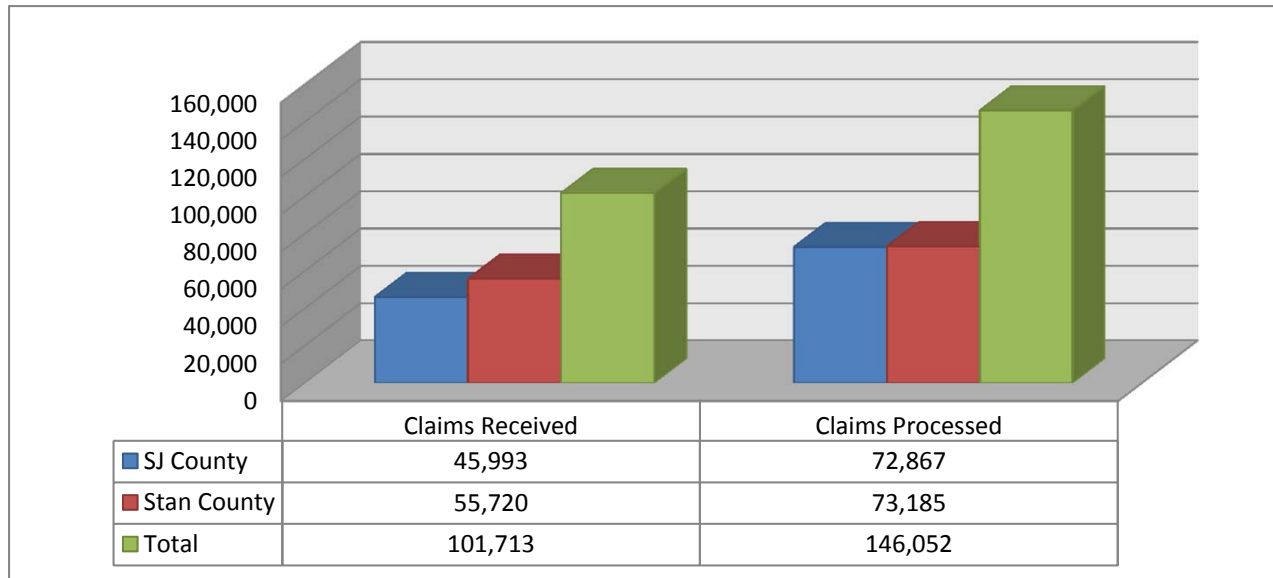
Membership



Total Claims Paid

Claims Paid for August 2014	
\$	33,059,651

Claims Received / Claims Processed



Pended Claim Status for August 2014 by Top 5 Reason Codes*

Code	Description	Claims as of 8/31/14	Claims over 45 days**	Claims over 52 days**	Claims over 65 days**
205	Service not authorized	7,930	1,290	911	174
611	Authorization has no units available	4,249	352	267	48
367	Non-contracted provider	3,543	674	408	39
378	No COB amount on claim	3,185	158	100	22
225	No price in system-needs manual pricing	1,581	352	281	47
Total Top 5 Pended Categories		20,488	2,826	1,967	330

% of Total Pended Claims (33,761) 60.7%

Total Claims pended as of August 31, 2014 **33,761**

*Claims that are not auto adjudicated are “pended” for examiners to process. Reason codes are assigned by the system based on the first edit code it hits, so there may be multiple edits applied to one claim. Hierarchy of edits needs to be reviewed.

** Pended Claims aging is reported on a calendar day basis rather than business days as required by DHCS.



Provider Dispute Resolutions

PDR's received during August 2014	902
PDR's processed during August 2014	435
Backlog PDR's as of 8/31/14	467

Refunds

Refund checks received for month of August	Refund check adjustments processed in the month of August	Backlog adjustments for month of August
329	533	29

Interest

	MTD	YTD
Total Interest Paid	\$136,886	\$324,412

Provider Contracting



CONTRACTING DEPARTMENT MONTHLY DASHBOARD:

AUGUST 2014

Network Development Activity/Adequacy	METRIC	Aug	Sept	Oct	GOAL	Status or Trend (See Legend)
Additional PCPs Required by County (Quarterly)	Increase # of PCPs In Network	SJ-1 STAN-0			¹ SJ – 4 STAN- 2	N/A
Key ²Specialist Required for both counties: (Adults) Cardiologists, Infectious Disease, Dermatology and allergist	Increase # of low access specialists	SJ-0 STAN-0			³ TBD	N/A
Key ⁴Specialists Required for SJ County: (Pediatric) Cardiology, Pulmonology, dermatology, Gastroenterology, Endocrinology and allergist	Increase # of low access specialists	SJ-0 STAN-0			TBD	N/A
Key ⁵Specialists Required for Stan County: (Pediatric) Cardiology, Orthopedic, Gastroenterology Endocrinology, Dermatology and allergist	Increase # of low access specialists	SJ-0 STAN-0			TBD	N/A
Urgent Network Needs: Home Health, Urgent Care and Skilled Nursing Facilities (SNFs)	Increase # of low access ancillaries	SJ-1 STAN-0			TBD	N/A

¹ For the fiscal year July 1, 2014 – June 30, 2015 projected membership is an additional 25, 374 (SJ -16, 140 and Stan – 9, 234). Based on projected membership in both San Joaquin and Stanislaus County and PCP to member ratio – 1:2000 an additional 8 new PCPs in San Joaquin County and 4 new PCPs Stanislaus county are needed to meet the new membership capacity. The quarterly goal for Contracting is 4 new PCPs in SJ county and 2 new PCPs in Stanislaus County.

² Specialty providers represent top five specialists based on feedback received from Medical Management for the reporting period.

³ Pending analysis from Medical Management to identify gaps in provider specialty types in current network and access issues in existing panel. Once analysis is completed, a quarterly goal will be provided in next month’s dashboard.

Goal met at 100% 
 Goal met between 90%-99% 
 Goal met at less than 90% 
 Trend:  

2. Corporate Metrics:

In an effort to meet the Corporate objective #6 of FY 14-15: Assist/Support in contractual arrangements and new reimbursement strategies, a Financial Loss Mitigation plan was put in place. The components of this plan included the following:

Dual Amendments: Notification and amendments were mailed on July 30, 2014 to providers whose assignment included capitation for members who have both Medicare and Medi-Cal Coverage (dual eligible members). **Update:** A total of 46 amendments were mailed to providers, to date 31 signed amendments have been received and contracts updated in QNXT.

Hospital based ER: As part of the financial loss mitigation program the rates of emergency physicians and hospital based physicians, (who have no choice but to see our members) are being reduced. If the provider is above 100% of Medi-Cal amendments were send out to reduce the rate to 100% MCL. If the providers have a case rate, rate reduction by at least 10% or to the equivalent of Medi-Cal. These providers were given two weeks after receiving the amendments to accept. If they did accept, the providers were sent termination notices. The termination notices usually require 120 days. Based on an analysis by Bob Hill in Finance, the expected savings is least \$800k through these efforts. **Update:** a total of 10 ER groups were identified and to date ALL but three of the ER contracts have been terminated with effective dates of September 26, 2014 and November 26, 2014. The remaining 3 groups were i) terminated from the respective hospital directly ii) existing ER group contract was for 100% therefore no amendment/termination needed iii) multiple attempts requesting contact info have been made so that termination letter can be issued.

Stanford and Lucile Packard Termination: It was determined that the Stanford and LPCH reimbursement was not competitive with HPSJ's other tertiary contracts. As a result, the Stanford and LPCH contract was terminated effective August 29, 2014. Authorizations for Stanford will be redirected to another comparable tertiary facility.

Western Drug Contract Termination: This contract was terminated as it was determined that there are sufficient DME providers in HPSJ's network to support member needs.

3. Competitive/Market Intelligence:

Findings: HPSJ was notified that Lodi Memorial Hospital will be partnering with Adventist Health.

Contracting Strategies in Response to Findings: Contracting Manager is assessing the strategic implications this alliance may have on HPSJ's contract with Lodi Memorial Hospital.

Goal met at 100%



Goal met between 90%-99%



Goal met at less than 90%



Trend:






Provider Relations



PROVIDER SERVICES DEPARTMENT (PSD)
MONTHLY DASHBOARD

August 2014

PROVIDER SATISFACTION METRICS

AREA	METRIC	June STATUS	July STATUS	August STATUS	Current Month	GOAL
Call Logs	Resolved and Closed Within 30 Days-State Mandate	73%	71% ¹	98% ¹		100%
Provider In-Services	METRIC	June STATUS	July STATUS	August STATUS	Current Month	GOAL
VIP Visits*	PSR Monthly Visits to VIP Providers (31 VIP providers)	48%	90%	26 % ¹		100%
In-Service Post PSR Provider Evaluations	All categories rated Good or Excellent	100%	100%	100%		90%

**Very Important Providers (VIP) - VIPs are providers who based on substantial membership and/or other significant importance to HPSJ require high touch service and regular interaction from the Provider Services Representatives (PSR). If a VIP terminated from our network or communicated strong dissatisfaction with HPSJ, it would be very detrimental to HPSJ's network.*

CORPORATE METRICS ACTIVITY

PROVIDER EDUCATION TO MITIGATE CLAIMS ADJUDICATION ISSUES

- **Transportation (non-emergent)**

¹VIP Visits - 100% of focused VIP Visits were not met due to conflicting projects and reduced PS staffing. 8 VIP visits completed for month of August.

¹Call Logs (PLOGs) - 100% of goal was not met due to dependencies on other departments (**665 PLOGs**) with (**9**) due to delay in handling by Claims Department (**4**) due to delay in handling by PSR (see below).

- 4 delayed in handling by PSR over 30-day mandated timeline
- 9 outstanding claims issues (PLOGs) over the 30-day mandated timeline

PROVIDER SERVICES DEPARTMENT (PSD) MONTHLY DASHBOARD

- **Issue**
 - Incorrect coding on billings and/or lacking prior authorization requests causing delay in payment and creating unnecessary appeals
- **Objective**
 - Educate providers on accurate billing practice
 - Train on proper prior authorization submissions, preferably submitting through secure DRE provider portal for faster handling
- **Measurement/Monitoring**
 - Decrease or elimination of appeals
- **Expected Results**
 - Increased first time submission and payment of claims, eliminating the need to appeal which causes delay in payment
 - ✓ Number of attendees will be reported on the December Dashboard

- San Joaquin County initial training will be held at the French Camp location in the Community Room in November 2014. This will include invitations going out to all contracted, non-emergent transportation providers, with focused training on correct coding, authorization requirements and timely claims submissions to ensure first time submission and payment.
- Stanislaus County initial training being held at the Modesto location in the Community Room in November 2014. This will include invitations going out to all contracted, non-emergent transportation providers, with focused training on correct coding, authorization requirements and timely claims submissions to ensure first time submission and payment.

- **HEDIS Improvement Initiatives**
 - **Issue**
 - Low MPL HEDIS scores
 - **Objective**
 - Improve overall MPL scores with main focus on lowest MPL scores
 - **Measurement/Monitoring**
 - Improved MPL scores mainly on the lowest MPL measurements
 - **Expected Results**
 - Resulting in as good as or better MPL scores than our competitor

¹ VIP Visits - 100% of focused VIP Visits were not met due to conflicting projects and reduced PS staffing. **8** VIP visits completed for month of August.

¹ Call Logs (PLOGs) - 100% of goal was not met due to dependencies on other departments (**665 PLOGs**) with (**9**) due to delay in handling by Claims Department (**4**) due to delay in handling by PSR (see below).

- **4** delayed in handling by PSR over 30-day mandated timeline
- **9** outstanding claims issues (PLOGs) over the 30-day mandated timeline

PROVIDER SERVICES DEPARTMENT (PSD) MONTHLY DASHBOARD

San Joaquin County HEDIS training to PCPs scheduled at the French Camp location for lunch and learn on October 1st
Stanislaus County HEDIS training to PCPs scheduled at Modesto location for lunch and learn on October 7th

Number of attendees will be reported on the November Dashboard

COMPETITIVE/MARKET INTELLIGENCE

- **Findings**

- As of 1/1/14, Health Net, our competitor in San Joaquin and Stanislaus Counties has changed its main focus from members to providers, as outcome of their 2013 Health Net survey results.
- Health Net is building a department of Provider Services staff with their main purpose being out in the provider offices to establish and build relationships. This has not been their practice in the past and this was the area that Health Net scored poorly during their 2013 survey.
 - There is concern by HPSJ Provider Services (PS) staff that they are not as able to be out in the provider offices daily in both counties due to other job duties and responsibilities.

- **PS Response Strategy**

- By identifying this change in the Health Net strategy, PS will add additional focus on being out in the provider offices weekly to combat this new focus by the competitor. The PS staff will make these visits focused, working closely with the providers to ensure they have the tools to improve their HEDIS, that they are submitting authorizations through DRE, that they are submitting billings EDI and consistently evaluating the practices to ensure efficiencies.

NEW INITIATIVES

- DME RFP is currently in progress.
- Provider Relations Department structure is being considered for reorganization. This department includes Contracting and Provider Services.

PROVIDER PARTNERING EFFORTS

¹ VIP Visits - 100% of focused VIP Visits were not met due to conflicting projects and reduced PS staffing. **8** VIP visits completed for month of August.

¹ Call Logs (PLOGs) - 100% of goal was not met due to dependencies on other departments (**665 PLOGs**) with (**9**) due to delay in handling by Claims Department (**4**) due to delay in handling by PSR (see below).

- **4** delayed in handling by PSR over 30-day mandated timeline
- **9** outstanding claims issues (PLOGs) over the 30-day mandated timeline

PROVIDER SERVICES DEPARTMENT (PSD) MONTHLY DASHBOARD

- HPSJ Provider Services Manager contacted the chair of the San Joaquin pediatricians advisory group that meets quarterly at St. Joseph's Medical Center to ask if she and the CMO, Dr Lakshmi, could attend and introduce her to the group, as well as update them on HPSJ activity and programs. HPSJ was well received and the Provider Services Manager requested that she and the CMO are allowed to be on the agenda every six months to ensure that open communication continues. This suggestion was well received and a place holder is available for the future meetings.
- HPSJ Provider Services Manager reached out to Hospice of San Joaquin, scheduled a meeting on 8/27/14 to introduce the new CMO, Dr Lakshmi to the hospice leadership. The meeting was well received and future partnering is being planned. Hospice will be offering training to HPSJ Medical Management staff, Provider Services staff and Outreach staff, to educate on the hospice referral process and services available to HPSJ members.
- HPSJ Provider Services Manager has reached out to the CEO of the Community Medical Centers (CMC), scheduling a meeting with the new CMC CEO and Dr. Lakshmi, the new HPSJ CMO. Together we will discuss future partnering opportunities and build on the current and long standing partnership. t
- For many months, the HPSJ medical team has been in the process of reviewing all procedure codes, considering the need of prior authorization. Staging the updating of prior authorization requirements is underway, with systems being updated and the provider community being informed by mass fax, as well as posting of this information on the websites and DRE, our provider portal. The elimination of many prior authorization requirements is being implemented and communicated to providers in a number of phases. Each phase will be communicated to providers. With the elimination of many of these authorization requirements, this in turn will reduce burden to provider practices as well as reducing burden of handling authorization requests by HPSJ staff, resulting in quicker turn around on claims processing and payment.

Legend:

Goal met at
100%



Goal met between
90%-99%



Goal met at less
than 90%



¹ VIP Visits - 100% of focused VIP Visits were not met due to conflicting projects and reduced PS staffing. **8** VIP visits completed for month of August.

¹ Call Logs (PLOGs) - 100% of goal was not met due to dependencies on other departments (**665 PLOGs**) with (**9**) due to delay in handling by Claims Department (**4**) due to delay in handling by PSR (see below).

- **4** delayed in handling by PSR over 30-day mandated timeline
- **9** outstanding claims issues (PLOGs) over the 30-day mandated timeline

Customer Service



Customer Service: Call Center – August 2014

	Metric	July 2014	August 2014	Vs. Previous Month	Previous 12-mo Avg.	Vs. 12-mo. Avg.
Total Calls	n/a	41,609	39,907	↓	35,175	↑
Inbound	n/a	29,887	29,629	↓	25,680	↑
Outbound	n/a	11,722	10,278	↑	9,495	↑
Average calls per day	n/a	1,809	1,900	↓	1,670	↑
Average Speed of Answer (seconds)	30 seconds or less	4:54	4:36	↓	3:41	↑
Call Duration (Min:sec)	n/a	5:49	6:53	↓	5:43	↑
Abandonment %	4%	16%	19%	↓	15%	↑
Calls per 10K members*	n/a	1,640	1,513	↓	*	↑

Key Performance Measures

Total Calls:

Total calls for August were 1,702 less than call volumes in July. This is the first month since February where calls were below 39K. Recent months support I believe will be our new “normal.” for our current membership level - approximately 40K calls per month.

Average Calls per Day

August calls per day (1,900) were up almost 100 calls over July. (1,809)

Average Speed of Answer (ASA):

Our Average Speed of Answer (ASA) for July continues to be out of bounds, with an average wait time of 4:36, slightly improved over last month. Recruitment activities are in full swing with interviewing as soon as candidates are identified (in the next week.) We have 7 adds to staff (1 is a replacement for a promoted CSR). We will focus on 3-4 in the first group, with the remaining CSR’s being trained in a second “wave.”

Duration:

Call talk-time for August was over a minute higher than July. In addition to streamlining processes for Kaiser, we will be reviewing for additional areas where time savings can take place.

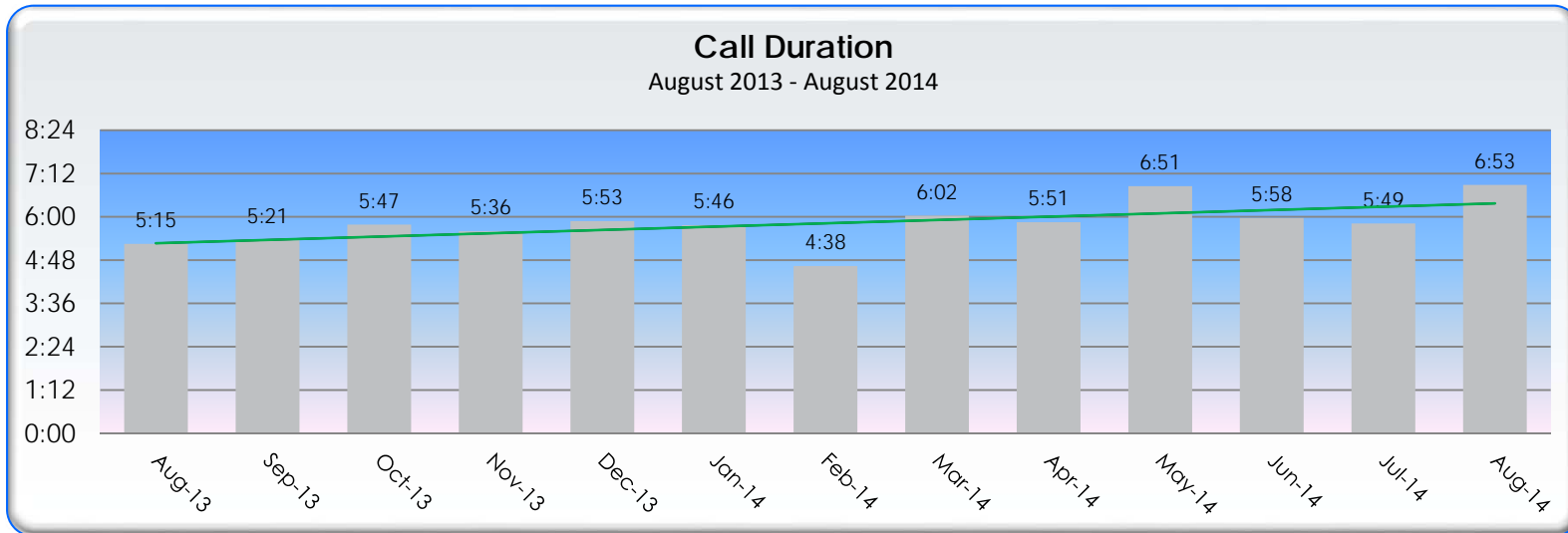
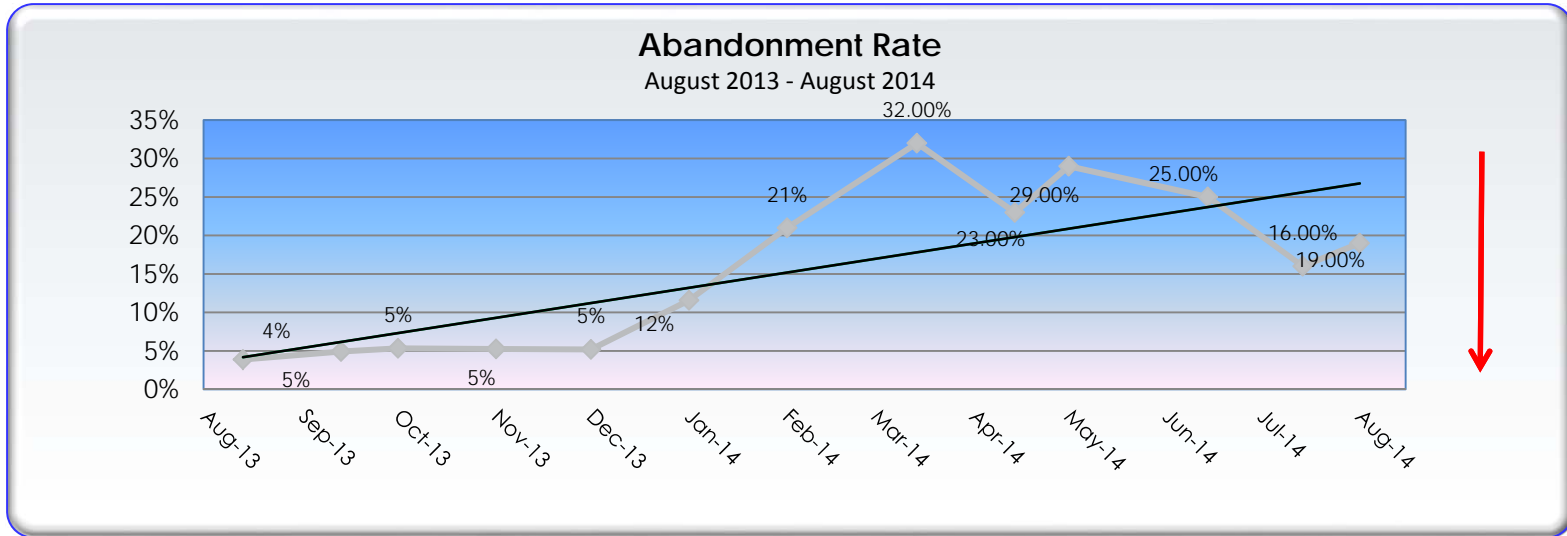
Abandonment Rate:

The abandonment rate for August was higher than for July, (19% > 16%). The effort of the staff and new hires resulted in an abandonment rate of 16%, 9% lower than June (25%)

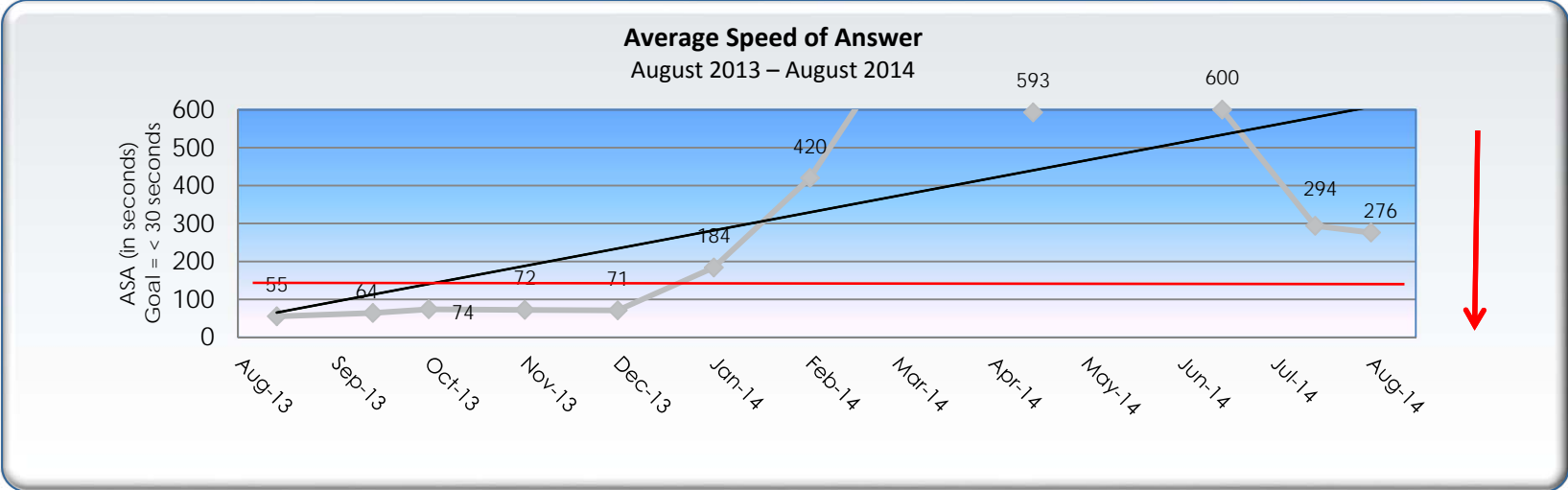
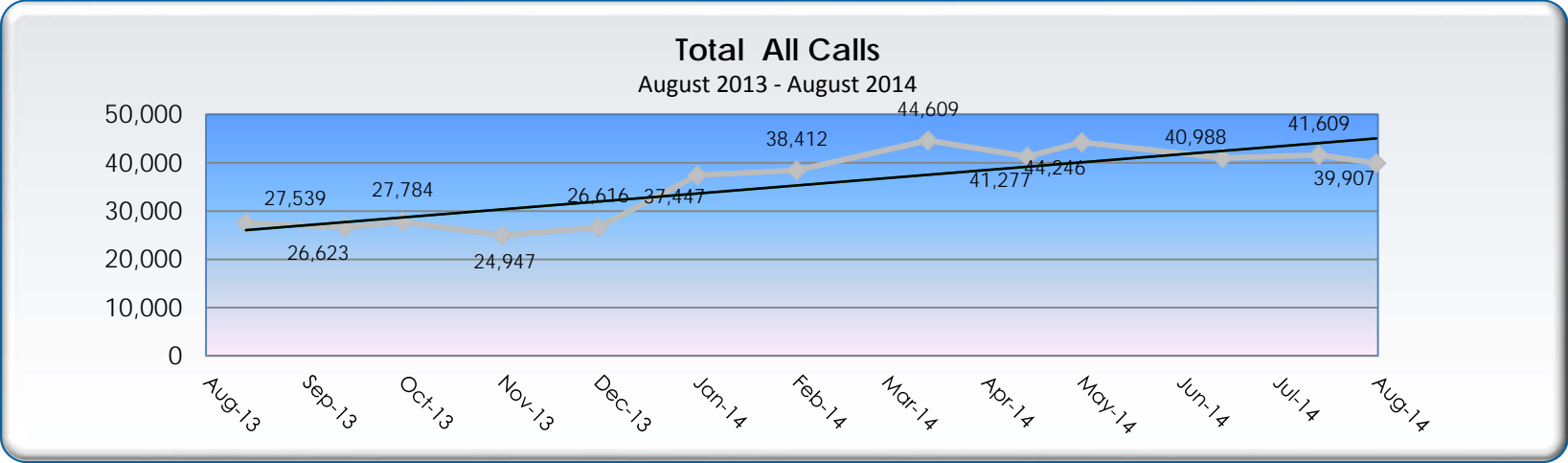
Calls per 10,000 members:*

This is the new metric we began reporting in January with no 12 month rolling

Customer Service: Call Center – August 2014



Customer Service: Call Center – August 2014



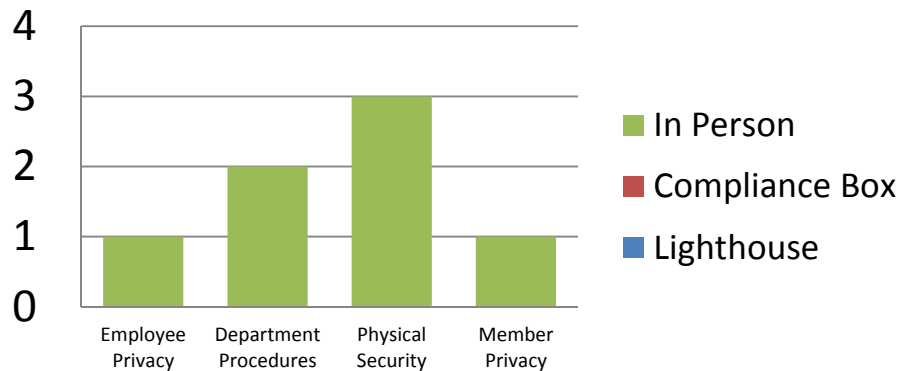
Compliance



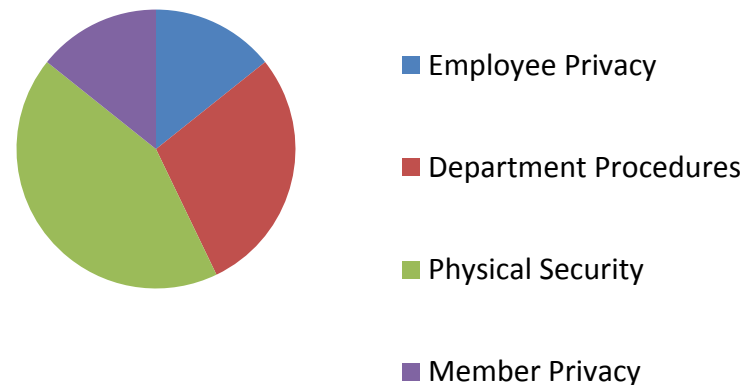
Compliance Dashboard Update

Complaints Received	July 2014	August 2014	Month to Month	Year to Date	Year to Year
Employee Privacy	0	0	↔	1	No Data
Department Procedures	0	1	↑	2	No Data
Physical Security	2	1	↑	3	No Data
Member Privacy	1	0	↔	1	No Data
Total Complaints	0	2	↔	7	No Data

Complaints by Source
Year to Date



Complaints by Category
Year to Date



Do not include in board packet

Compliance Dashboard Update

Type of Breach*	Date Discovered	Members Involved**	Type(s) of PHI involved	Reported to
None				DHCS
				Attorney General
				OCR
				DHCS
				Attorney General
				OCR
				DHCS
				Attorney General
				OCR
				DHCS
				Attorney General
				OCR

* "Type of Breach" as designated in the DHCS PIR (Improper Disposal, Theft, Loss, Unauthorized Disclosure, Mis-Sent, Hacking / IT Incident, Unauthorized Use / Access, Unknown, Other)

**All breaches are reported to DHCS within 24 hours with 72 hour and 10 day follow up reports, and to OCR as part of an annual report. Any breach affecting more than 500 members must also be reported to OCR immediately.