

# The County of Santa Cruz

## Integrated Community Health Center Commission

### MEETING AGENDA

June 4, 2020 @ 11:00 am

**Meeting Location: You can use either Zoom or the telephone to connect. Teleconference Call Information - 831-454-2222: Code: 850702 - 1080 Emeline Ave., Bldg. D, Santa Cruz, CA 95060**

ORAL COMMUNICATIONS - Any person may address the Commission during its Oral Communications period. Presentations must not exceed three (3) minutes in length, and individuals may speak only once during Oral Communications. All Oral Communications must be directed to an item not listed on today's Agenda and must be within the jurisdiction of the Commission. Commission members will not take actions or respond immediately to any Oral Communications presented but may choose to follow up at a later time, either individually, or on a subsequent Commission Agenda.

1. Welcome/Introductions
2. Oral Communications
3. May 7, 2020 Meeting Minutes – Recommend for Approval
4. Quality Management Committee Update
5. 20/21 budget Financial Update – Action Required
6. Financial Update
7. CEO/COVID-19 Update

**Action Items from Previous Meetings:**

Action Item	Person(s) Responsible	Date Completed	Comments
Bring updated corrected UDS report.	Raquel		
Keep Commission updated on novel coronavirus (COVID-19)	Amy		
Medication Management Therapy. Report back on this topic at the next meeting.	Raquel		
Send Emergency Operations Plan (EOP) signature page to Christina for signature.	Mary		
Report back on maximum out of pocket limit set. Check with other county agencies	Julian		
Invite Mimi or Dr Newel to our next meeting to give an update on COVID-19	Amy		

Next meeting: July 2, 2020 11:00 am- 1:00 pm

Meeting Location: Teleconference Call Information - 831-454-2222: Code: 850702  
1080 Emeline Ave., Bldg. D, Santa Cruz, CA 95060



# The County of Santa Cruz Integrated Community Health Center Commission

**Minutes Taker: Mary Olivares**

Minutes of the meeting held May 7, 2020

**TELECOMMUNICATION MEETING:** Call in number 831-454- 2222: Meeting Code: 850702.

<b>Attendance</b>	
Christina Berberich	Chair
Len Finocchio	Vice Chair
Caitlin Brune	Member at Large
Rahn Garcia	Member
Dinah Phillips	Member
Pamela Hammond	Member
Marco Martinez-Galarce	Member
Amy Peeler	County of Santa Cruz, Chief of Clinic Services
Raquel Ramirez Ruiz	County of Santa Cruz, Senior Health Services Manager
Julian Wren	Administrative Services Manager
Mary Olivares	Admin Alde
<b>Meeting Commenced at 11:08 am and Concluded at 11:59 am</b>	
<b>Excused/Absent:</b>	
Absent: Gustavo Mendoza	
<b>1. Welcome/Introductions</b>	
<b>2. Oral Communications:</b>	
Christina asked Amy if her County evaluation is still being done June? Amy responded; Mimi should have it done sometime in early July.	
Rahn extended a personal Thank You to Health Services Agency and commended them on their great work, other commission members also agreed.	
<b>3. April 2, 2020 Meeting Minutes - Action item</b>	
Note to be added on minutes of April 2, 2020: This meeting was held by Telecommunication, call in number 831-454-2222: Meeting Code: 850702. Rahn moved to accept with correction as presented, Marco second, and the rest of the members were all in favour.	
<b>4. Quality Management Committee Update</b>	
Raquel stated that Quality Management is working on quality improvement projects across all clinics. She stated we are bringing back our uncontrolled diabetic patients with an A1C over 9. We are having them come back to get an A1C test, and then going over lab results with their provider. Raquel stated we are looking to bringing back some of our services. Raquel also stated that we are looking at starting a Diabetes Medication Management pilot, we will start with some of the Watsonville Providers. The Alliance Pharmacist is looking at our patient's data and checking the medications that are prescribed to them. They will then work directly with providers to give suggestions to making any medication changes to improve their diabetes. We will start a small pilot at our Watsonville Clinic before moving on to other clinics. Raquel also gave an update on Peer Review. She stated our physicians will have a Peer Review chart audit. They will be assigned 9 charts per provider, on a quarterly basis. The charts will be sent out to them on May 20 <sup>th</sup> . They will have 3-weeks to finish their chart reviews and will be given a cheat sheet of questions to make sure all providers are hitting the measures we look for.	
<b>5. 210.01 Medical Assistant Standard Tasks and Responsibilities – Action Required</b>	
Medical Assistant Standard Tasks and Responsibilities, Policy 210.01 was brought for approval. Raquel stated there were no significant changes. Rahn moved to approve as presented, Dinah second, and the rest of the members present were in favour.	
<b>6. 20/21 Budget Financial Update – Action Required</b>	
Julian stated due to the COVID-19 factors have been changed on the development of the 20/21 budget. Our CAO has asked us to prepare an updated revenue estimate, asking each division for net county reduction of 10% cuts in the net county costs. Julian stated the budget he presented today was prepared 3 weeks before pandemic hit. Julian stated that there is going to be two budget hearings in June and the final budget hearing in August. Julian would like to bring this	

back for approval in June 2020 for the commission to review. Commission agreed. Julian was also happy to report that Clinics had received some federal money from the Cares Act Grant responding to COVID-19. There were three payments received in the amounts of \$156,482.00, \$847,760.00, and \$334,054.00.

7 CEO/COVID-19 Update

Amy reported there will be a rough time moving forward with possible layoffs and furloughs that will affect all of us and that the County was on a hiring freeze. She also stated that we possibly would see an increase of revenue because of an increase demand in our services. Amy also reported that we have hired 3 Clinic Physicians. Amy also stated that she had spoken to another applicant for possible Medical Director role and is in the process of setting up an interview. We have officially started a recovery phase committee to make sure we have a systematic approach as restrictions are lifted. Our clinic has moved blood draws outside and is scheduling afternoon appointments and having patients come in the morning to get tested for COVID-19. Our Watsonville Clinic has an Immunization Clinic where they have patients drive up so kids get their immunizations. They are also opening Well Child Checks and soon opening the Women's Health Clinic. As of today, Watsonville has a community testing site, located behind Ramsey Park. They will bill insurance if you have any, otherwise it will be free to the public. They are focusing on testing asymptomatic patients and encouraging those that have symptoms to go to their PCP. Amy also stated that every Thursday at 10:00am the County Health Officer holds a press conference and talks more in depth about epidemiology and what models show. Depending on availability Amy will invite Mimi or Dr Newel to our next meeting to give an update on COVID-19. Lastly, Amy reported we have had 11 of our patients test positive and none of our health workers have tested positive.

*Action items:*

**Next Meeting:** June 4, 2020 11:00 am - 1:00 pm  
1080 Emeline, Santa Cruz, CA

Minutes approved \_\_\_\_\_  
(Signature of Board Chair or Co-Chair)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
(Date)



HEALTH SERVICES AGENCY  
CLINIC SERVICES DIVISION  
FY 2020-21 RECOMMENDED BUDGET

Budget Presentation  
for  
County of Santa Cruz  
Community Health Center Commission

June 4, 2020

Presented by: Dr. Julian N. Wren, CFO of Clinic Services

REQUESTED  
ACTION

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- Commission to approve the recommended Clinic Services Division Fiscal Year 20/21 budget.

# SWOT

## Strengths

- \* Necessary piece of safety-net
- \* Revenue generating with PPS rate
- \* Innovative health community
- \* Dedicated workforce
- \* Historically stable bipartisan supported federal funding

## Weaknesses

- \* Space
- \* Competing priorities
- \* Case Management
- \* Prenatal care (losing revenue)
- \* NoCo Clinical Leadership

## Opportunities

- \* COVID 19 Funding
- \* Strategic Planning
- \* Deeper collaboration with FQHCs
- \* Opioid crisis funding
- \* Homeless funding
- \* CalAIM

## Threats

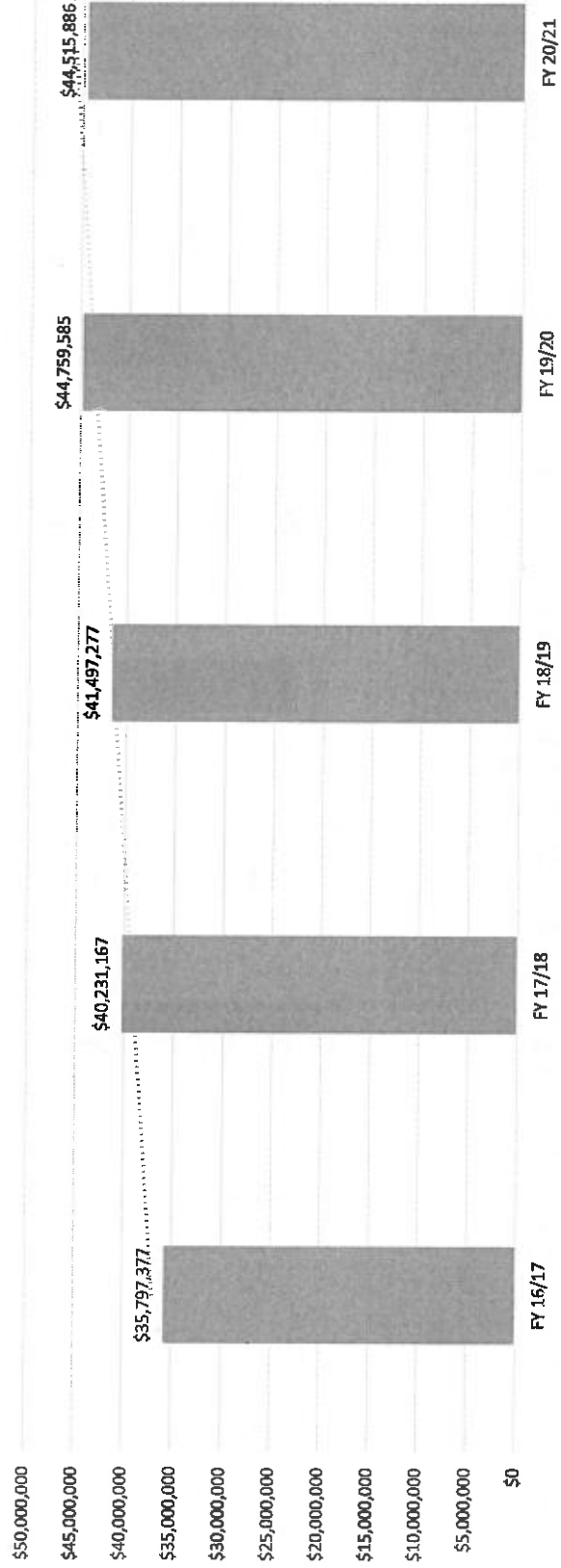
- \* Governor May Revise
- \* Recruitment (provider and RN)
- \* Loss of Space
- \* PH Emergencies
- \* Political threats to ACA
- \* Immigration fears (Public Charge, etc.)

**CLINIC SERVICES DIVISION  
FY 2019-20 RECOMMENDED BUDGET  
4 Year Budget Trend**

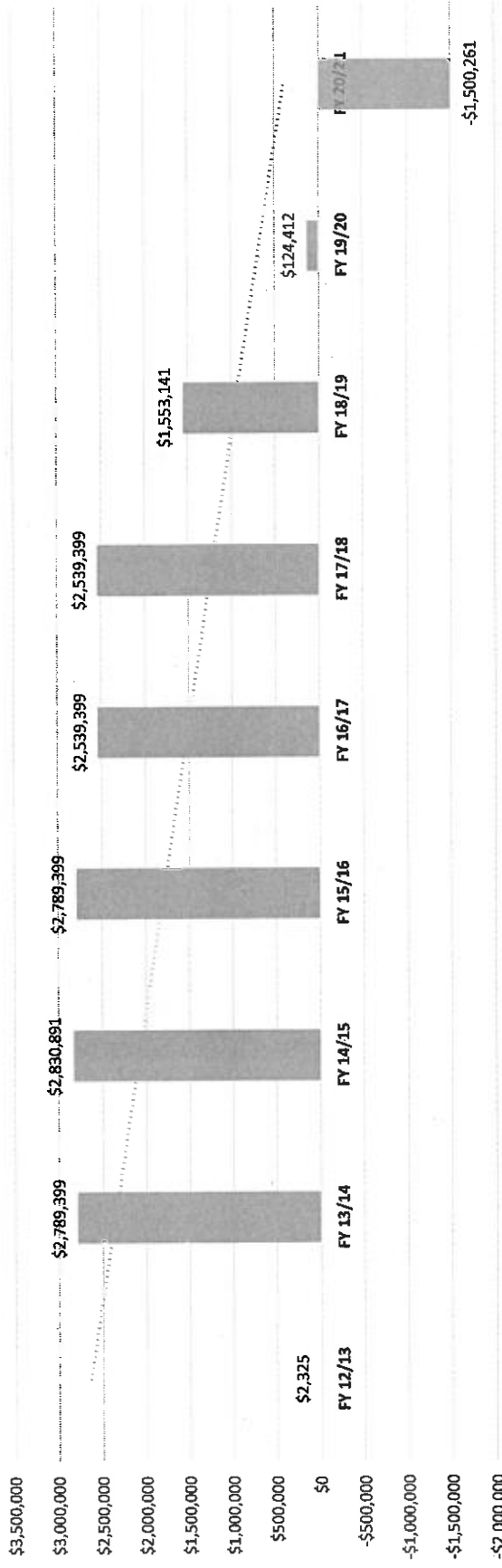
	FY 2017-18 Budgeted	FY 18-19 Budgeted	FY 19-20 Budgeted	FY 20-21 Recommended
<b>EXPENDITURES</b>				
50-SALARIES AND EMPLOYEE BENEF	40,231,167	41,497,277	44,759,585	44,515,886
60-SERVICES AND SUPPLIES	18,038,795	19,263,247	25,985,173	25,909,400
70-OTHER CHARGES	6,073,508	5,870,899	6,566,010	6,259,301
80-FIXED ASSETS	2,552,629	2,663,589	2,741,421	2,564,870
95-INTRAFUND TRANSFERS	431,000	10,468	323,334	196,135
90-OTHER FINANCING USES	13,135,235	13,689,074	9,235,873	9,386,180
			100,000	200,000
<b>REVENUES</b>				
15-INTERGOVERNMENTAL REVENUES	-37,883,508	-39,944,386	-44,827,400	-46,016,147
19-CHARGES FOR SERVICES	-3,167,351	-3,390,153	-4,030,520	-5,144,475
23-MISC. REVENUES	-33,148,243	-35,479,533	-39,307,722	-39,192,367
	-1,567,914	-1,074,700	-1,489,158	-1,679,305
<b>NET COUNTY COST (GENERAL FUND)</b>	<b>2,347,659</b>	<b>1,552,891</b>	<b>124,412</b>	<b>-1,500,261</b>



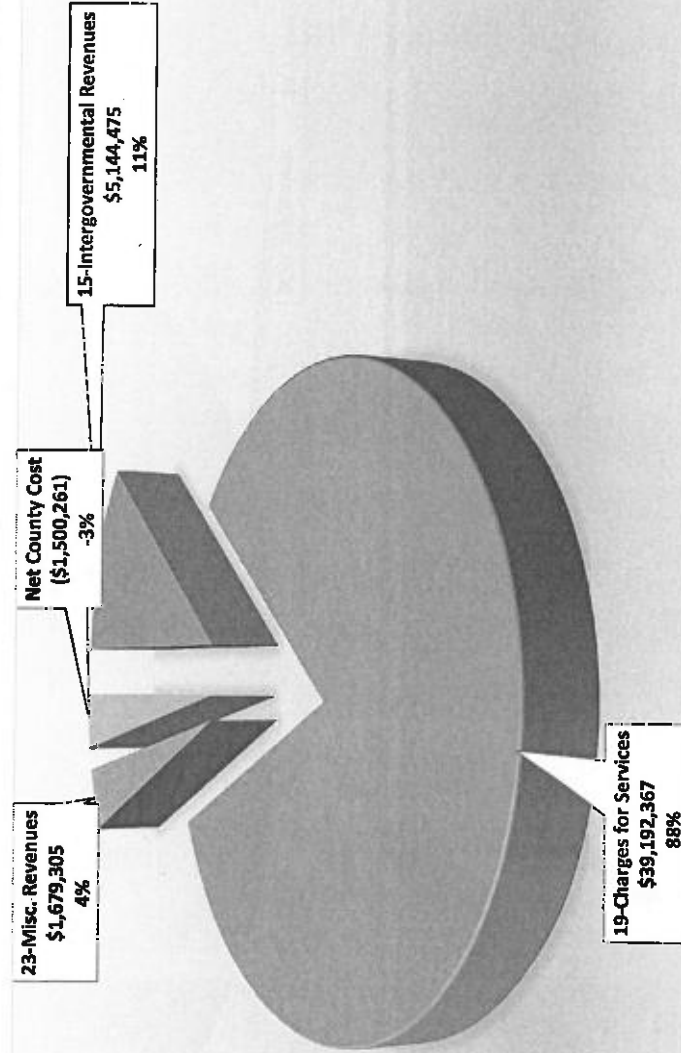
# Total Budget Trend



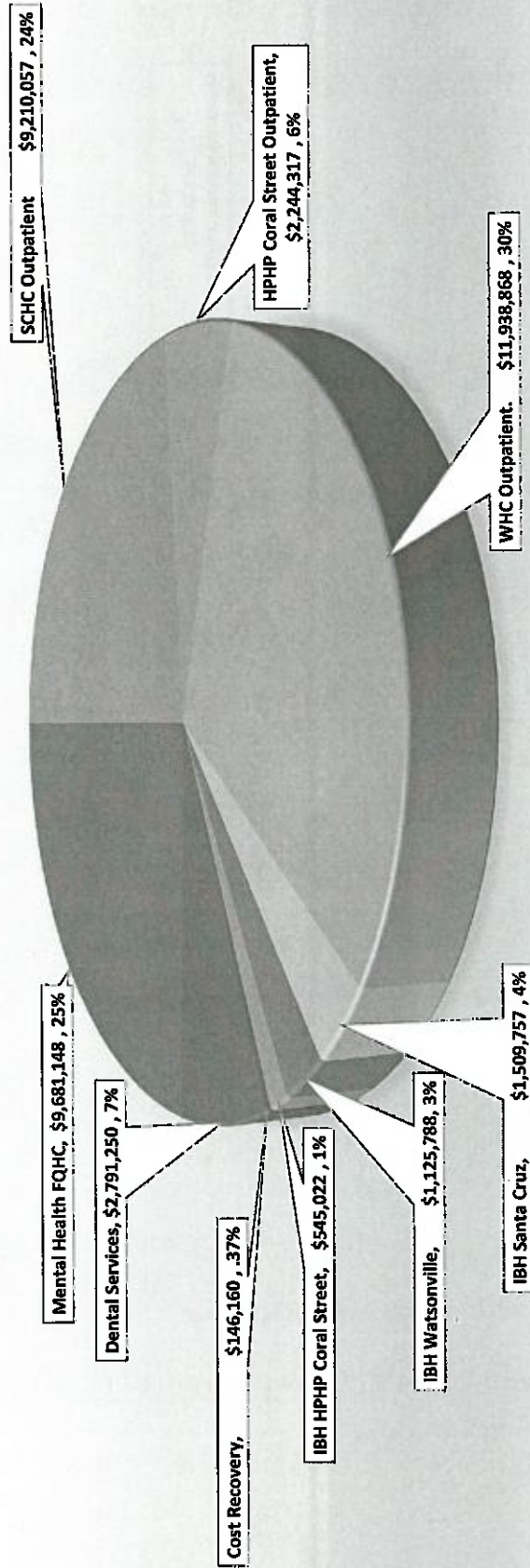
# Net County Cost Trend (Budgeted)



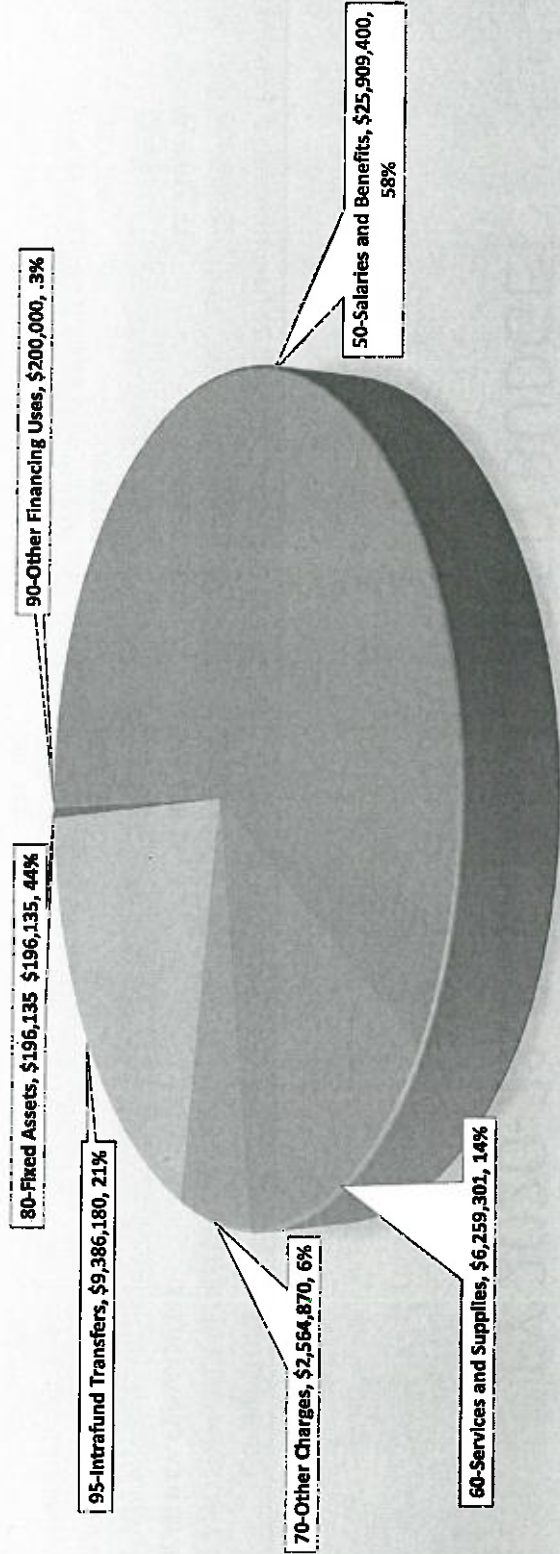
CLINIC SERVICES DIVISION  
FY 2019-20 RECOMMENDED BUDGET  
\$46,016,147 FUNDING SOURCES



CLINIC SERVICES DIVISION  
 FY 2019-20 RECOMMENDED BUDGET  
 CHARGES FOR SERVICES \$39,192,637



CLINIC SERVICES DIVISION  
 FY 2019-20 RECOMMENDED BUDGET  
 \$44,515,886 EXPENDITURES



CLINIC SERVICES DIVISION  
 FY 2020-21 RECOMMENDED BUDGET  
 Salaries and Benefits

EXPENDITURE	FY 2018-19 Budgeted	FY 2019-20 Budgeted	FY 2020-21 Recommended	Percent Change
<b>50-SALARIES AND EMPLOYEE BENEFITS</b>	<b>19,263,247</b>	<b>25,985,173</b>	<b>25,909,400</b>	<b>-0.3%</b>
51000-REGULAR PAY-PERMANENT	11,827,629	16,269,681	15,910,574	-2.2%
51005-OVERTIME PAY-PERMANENT	274,500	274,500	274,500	0.0%
51010-REGULAR PAY-EXTRA HELP	661,000	661,000	661,000	0.0%
51040-DIFFERENTIAL PAY	246,975	297,538	272,827	-8.3%
52010-OASDI-SOCIAL SECURITY	886,708	1,224,380	1,207,934	-1.3%
52015-PERS	2,404,755	3,700,842	3,855,862	4.2%
53010-EMPLOYEE INSURANCE & BENEFITS	2,634,210	3,147,840	3,304,627	5.0%
53015-UNEMPLOYMENT INSURANCE	21,998	27,443	24,081	-12.3%
54010-WORKERS COMPENSATION INSURANCE	305,472	381,950	397,995	4.2%
55021-OTHER BENEFITS MISC	0	0	0	0%
<b>SALARIES AND EMPLOYEE BENEFITS TOTAL</b>	<b>19,263,247</b>	<b>25,985,173</b>	<b>25,909,400</b>	<b>-0.3%</b>

## Potential revenue

- Total pending grants: \$5,968,964
- State Opioid Response: \$1,834,524
- Center for Care innovations/Adverse Childhood Experience Screening: \$70,000
- SAMHSA grants for the Benefits of Homeless Individuals: \$2,000,000 (on hold)
- DHCS BHI Incentive Program (CAAH): \$2,064,440 (on hold)

# FTE Details



Whole Person Care - transfer of 2 MHCS  
2.5 FTE positions mid year  
1 Supv. MHCS



CARe Team – transfer of 2 FTE  
case managers from PH mid year  
1 PHN  
1 Sr MHCS



1 FTE Health Client Benefit Rep transfer from BH



Reclassification of PHN to ASO II



1 FTE Certified Acupuncturist



1 FTE ASO II – (credentialing,/privileging, training coordinator, flu clinic/staff IZ, and HRSA Compliance)



# Supplies & Fixed Assets



HPHP Pre-Approved Remodel, HVAC Unit, and  
Hydro-surgery System, and Exam Table (\$196,134)



HPHP Medical Outreach Van (\$155,000)

# Budget Summary



Decreased budgeted expenditures by adjusting services and supplies and ID of grants to cover costs normally paid by clinic revenue.



Decrease in budgeted fixed assets purchases reflects one-time expenditures made in FY 19/20.



Increase in Other Financing Uses for the purchase of the HPHP Mobile Health Unit.



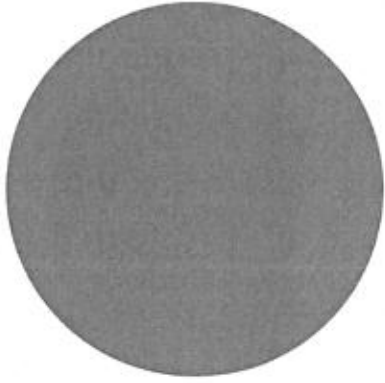
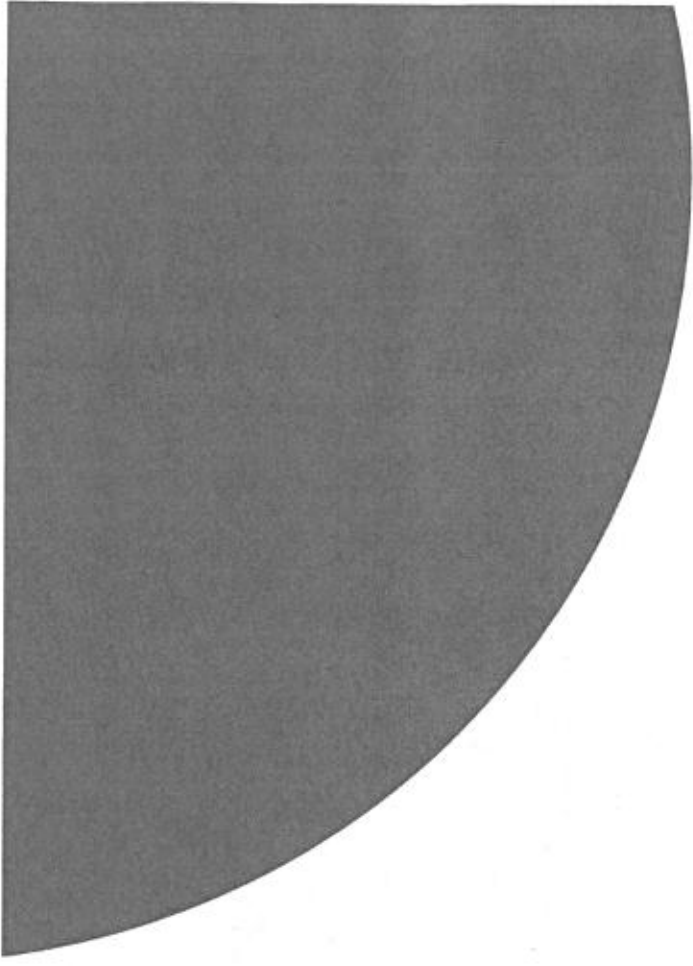
Increased budgeted Revenue by filling vacancies using incentives, expanding services (acupuncture), incentive payments, grant funding, and HPHP Mobile Health Unit.



Health Benefits Rep to increase Medi-Cal and Medi-Care enrollment will increase net collection revenue.



\*\*The COVID-19 pandemic is and will continue to have a significant effect on all areas of the budget that were unforeseen.

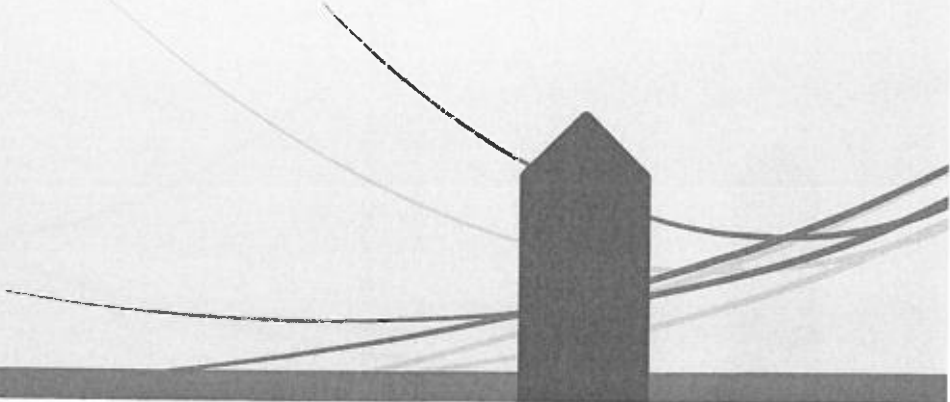


Questions? |



# Quality Management Report

June 4, 2020



## Current Projects

- ▶ List of patients with an A1c value of 9 or greater
- ▶ Produce box distribution for 300 families (Collaboration with Esperanza Community Farms)
- ▶ COVID-19 Recovery Team Meetings
- ▶ Medication Therapy Management Pilot (Collaboration with Central California Alliance for Health)

Medication  
Therapy  
Management  
Pilot

**AIM/OBJECTIVE – WHAT DO YOU WANT TO ACCOMPLISH?**

To assist providers in managing Alliance members with uncontrolled diabetes by providing comprehensive medication therapy and medical nutritional therapy review by Alliance Pharmacy Department staff.

**EXPECTED OUTCOMES / SMART GOALS – HOW DO YOU KNOW IF A CHANGE IS AN IMPROVEMENT?**

By 11/30/2020, the poorly controlled diabetic patient population of 2 providers from WHC will be decreased from 40.6% (13/32) to 34.4% (11/32) by collaborating with CCAH pharmacy staff who will be providing MTM services.

# Draft Project Level Measures

## PROJECT LEVEL MEASURES

### Outcome Measures

Primary	% of DM pts with poorly controlled DM (HgbA1c > 9%)
Secondary	Change in HgbA1c
Weight	
BP	
LDL, TG, Total Cholesterol	
ED/hospitalization rates	
Guideline-based prescribing of statins and ACE-I/ARB	
# recommendations made by pharmacy + RD	
# of accepted recommendation by provider and member	
# of recommendations followed by member	
# of referrals to other health programs	
Dietary adherence	
Medication adherence	
# of member no-shows	
Member/caregiver satisfaction	
Case management/health program satisfaction	
Time spent per patient by pharmacist	

### Process Measures

### Balance Measures



# Sample Communication to the provider with Recommendations

- **Letter for provider, Assessment and Proposed Recommendations**
- Diabetes not at goal: A1C = 12.5
- Trulicity started on 4/29/20. Patient reported nausea, dyspepsia for 2-3 days after, which is affecting her work. The following tips might be helpful:
  - Eat smaller meals — try splitting three daily meals into four or more smaller ones
  - Stop eating when you feel full
  - Avoid fried or fatty foods
  - Try eating bland foods like toast, crackers, or rice
  - Switch administration of Trulicity to a more convenient day of the week and time, for example Friday evening which will result in Saturday and Sunday (days off work) to be the days patient experiences most side effects. The day of weekly administration can be changed as long as the last dose was administered at least 3 days before.
- Increase Trulicity dose to 1.5mg once weekly if after six to eight weeks, blood glucose levels remain above the goal range
- Address barriers to compliance with Lisinopril: Per our records, patient's last fill was on 9/3/2019 for a 90 day supply. If patient is non-compliant due to side effects, consider switching to ARB.
  - ACE-I or ARB therapy will help control BP, address patient's albuminuria and slow progression of renal disease
- Address barriers to compliance with generic Lovaza: Per our records, patient's last fill was on 9/10/2019 for a 90 day supply. If unable to resolve non-compliance, consider increasing fenofibrate dose, adding ezetimibe and/or switching to an alternate agent such as Vascepa. Re-check TG levels six to eight weeks after altering therapy.

May 27, 2020

Dr. Julian N. Wren, MSW, Ed.D.  
Administrative Service Manager  
**Health Services Agency (HSA)**  
Clinics Division  
1080 Emeline Ave, Rm 224  
Santa Cruz, CA 95060

**Re: Master Fee Schedule Analysis**

Dear Dr. Wren,

Wipfli LLP is pleased to provide to the County of Santa Cruz Health Services Agency (Santa Cruz), an analysis related to your Master Fee Schedule. Below is the summary of the analysis performed along with our recommendations.

**Conclusion and Recommendation**

In our analysis as explained in the summary below, we do not feel a rate increase is justified at this time. This suggestion is based on the following factors, which essentially render the market rate analysis and average charge per billable visit unrelated.

- Santa Cruz' current Medi-Cal PPS Rate is \$370 per visit, which is greater than the average cost per visit of \$336. Because 68% of your patient population is covered by Medi-Cal, charges have no impact on that program's reimbursement.
- Under Medicare FQHC PPS, providers are paid the lesser of charges or their geographically adjusted PPS rate. In that regard, Santa Cruz' average charge per billable visit of \$225 for 2019 exceeds its corresponding Medicare PPS rate. As such, charges are not a factor in Santa Cruz' Medicare reimbursement.
- With less than 1% of Santa Cruz' payor mix being commercial, charges have no material impact.
- Santa Cruz' Self-Pay payor mix is 9.5% and reimbursement for those patients is primarily based on the Sliding Fee Scale. As such, charges have no material impact.

**Summary**

In the table on the next page Gross Charges (line 1); Total Costs (line 2); Total Visits (line 4); and Total Billable Visits (line 5) were obtained from the filed 2018 and 2019 UDS reports. This data was used to calculate the Average Charge per Billable Visit (line 6); Average Cost per Visit (line 7); and Payor Mix (line 10).

The Average Charge per Billable Visit for Santa Cruz was then compared to the same statistic from four similar FQHCs to determine Santa Cruz' ranking within the market. With the exception of FQHC #1, Santa Cruz' Average Charge per Billable Visit was reasonably comparable to the other FQHCs in the market sample.

As previously noted, Santa Cruz' PPS Rates (line 9) and Payor Mix (line 10) were reviewed and considered in determining if a rate increase was justified.

	2019	2018
1 Gross Charges per UDS Table 9D	\$ 18,826,594	\$ 17,799,994
2 Total Costs per UDS Table 8A	\$ 33,076,563	\$ 29,537,248
3 Calculated Results (Gross Charges less Total Costs)	\$ (14,249,969)	\$ (11,737,254)
4 Total Visits	\$ 98,455	\$ 89,692
5 Total Billable Visits	\$ 83,566	\$ 87,104
6 Average Charge per Billable Visit	\$ 225.29	\$ 204.35
7 Average Cost per Visit	\$ 335.96	\$ 329.32
8	<b>Market Rate Analysis - Average Charge per Billable Visit</b>	
	County of Santa Cruz Health Service Agency	\$225
	FQHC #1	\$513
	FQHC #2	\$291
	FQHC #3	\$234
	FQHC #4	\$320
9	<b>Current PPS Rates</b>	
	Current Medi-Cal PPS Rate	\$370
	Current Medicare PPS Rate	\$146
10	<b>Payor Mix % Based on 2019 UDS</b>	
	Medi-Cal	68.13%
	Medicare	21.78%
	Commercial	0.53%
	Self-Pay	9.56%

**Other Concerns**

Based on its internal records, Santa Cruz furnished us with the Medicare PPS Rate of \$146 reported on line 9 (above). However, we determined that the applicable 2019 Medicare PPS Rate for Locality 66 (Santa Cruz-Watsonville, CA) was \$185.22. A detailed examination of this variance is outside the scope of the current project, but it is our recommendation that the issue be addressed as soon as possible, as there could be ramifications to Medicare reimbursement and the Medi-Cal PPS Reconciliation.

One factor that could be causing the reported Medicare PPS rate (\$146) to be lower may be the Medicare G Code rates in Santa Cruz' internal patient charges profile. This is because Medicare pays the lesser of G Code charges or the PPS rate. Accordingly, if Santa Cruz' Medicare G Code rates have not been reviewed in some time, we would recommend that an analysis be undertaken.

Dr. Julian Wren  
Master Fee Schedule Analysis  
May 27, 2020  
Page 3

In addition, if Medicare Advantage patients represent a material percentage of your total Medicare population, it may be advantageous to have a discussion about the Medicare Code 519 program. Under this program Santa Cruz could increase the payments received from its Medicare Advantage plan and indemnify itself against potential negative impacts on the PPS Reconciliation.

Thank you for selecting Wipfli for this project and please reach out to Carlos Jimenez of myself if you have any questions. Our contact information is provided below.

Sara Pierce – Manager  
sara.pierce@wipfli.com  
Direct Line: 707-297-3604

Carlos Jimenez – Director  
cjimenez@wipfli.com  
Direct Line: 415-584-1400

Sincerely,

**Wipfli LLP**