

MINUTES

PUBLIC AGENCY COALITION ENTERPRISE (PACE)

EXECUTIVE COMMITTEE MEETING

January 26, 2022

2:00 pm

I. CALL TO ORDER

The meeting was called to order at 2:02 pm.

II. ROLL CALL

EXECUTIVE COMMITTEE MEMBERS:

LIVINGSTON, CITY OF
REGIONAL GOVERNMENT SERVICES
SUPERIOR COURT OF CA, MENDOCINO COUNTY
TRUCKEE DONNER RECREATION & PARK DISTRICT
UPLAND, CITY OF

Lam Silva, Non-Officer Member
Jennifer Bower, **President**
Kim Turner, **Secretary/Treasurer**
David Faris, **Vice President***
Theresa Doyle, Non-Officer Member

MANAGERS:

KEENAN & ASSOCIATES

Peter McNamara
Christine Hough
Stacey Comerchero
Nancy Schott

OTHERS:

KEENAN & ASSOCIATES

Sam Mel-Chan
Dayna Gowan
Chris Jordan

ANTHEM

Joelle Jarmillo
Alaina Mattox

*Not in attendance

III. PUBLIC COMMENTS

There were no public comments

IV. APPROVAL OF AGENDA – January 26, 2022

Presented by Jennifer Bower

Action
2022-001

Motion to approve the January 26, 2022 agenda: 1. Theresa Doyle and 2. Kim Turner. Motion unanimously approved by the Executive Committee.

V. APPROVAL OF MINUTES – December 8, 2021 **Action**
2022-002
Presented by Jennifer Bower

Motion to approve the December 8, 2021 Minutes: 1. Lam Silva and 2. Kim Turner. Motion unanimously approved by the Executive Committee.

VI. CORRESPONDENCE **Information**
2022-003
Presented by E. Peter McNamara

An email from Anthem regarding changes mandated by the No Surprises Act and an updated sample Explanation of Benefits based on those changes were reviewed.

As of January 15, 2022, new federal regulations require up to 8 at home FDA approved COVID tests per member per month to be covered at no cost to the member, although the health plan itself will be charged for the tests. EmpiRx requested confirmation if PACE would like to have the at home tests covered under the Anthem medical plan or through the EmpiRx pharmacy plan. Peter McNamara recommended leaving the at home COVID test coverage with Anthem and after discussion the Executive Committee agreed.

Joelle Jarmillo indicated a claim for at home COVID tests purchased after January 15, 2022 will be processed as a standard claim requiring submission of a reimbursement claim form. She noted Anthem is unable to track/enforce the monthly limit of 8 at home tests per covered member per month. Christine Hough indicated it doesn't matter actuarially whether the claim for an at home COVID test comes from Anthem or EmpiRx since claims costs are added together monthly.

Peter McNamara and Stacey Comerchero have been working with a web designer to develop a PACE website and a Scope of Work was discussed. The initial cost would be approx. \$7,000 with an ongoing monthly cost of approx. \$25 to manage content. After discussion, the Executive Committee agreed the Scope of Work will be placed on the February Executive Committee meeting as an action item.

VII. FINANCIAL

QUARTERLY FINANCIAL REPORT **Information**
2022-004
Presented by Sam Mel-Chan

The Quarterly Financial Report as of December 31, 2021 was reviewed. As of December 31, 2021, PACE's total net position increased by \$2,067,039 over the prior year and the total ending cash balance was \$5,816,099. This is positive news for PACE's reserves after only two years since becoming a standalone JPA in 2020.

Peter McNamara informed the Executive Committee of a high cost medication claim for a member with a rare, chronic genetic disorder that is estimated to cost \$98k per month or \$1.2M per year. PACE will pay \$250k for the claim in 2021, based on the contracted attachment point, and the balance will be reimbursed by the stop loss carrier. PACE Management is working with EmpiRx to identify possible cost mitigation options. Any cost mitigation options will be proposed in consultation with the member and/or member's guardian if the affected member is a minor to minimize additional distress to them.

2022 PACE FINAL BUDGET

Presented by Sam Mel-Chan

**Action
2022-005**

The 2022 PACE final budget was reviewed. 2022 is the third and final year of the MCSIG deficit recoupment payments.

Motion to approve the 2022 PACE final budget: 1. Kim Turner and 2. Theresa Doyle. Motion unanimously approved by the Executive Committee (3-0, Y - Jennifer Bower, Kim Turner, Theresa Doyle; N – 0. Lam Silva left the meeting temporarily).

PACE INVESTMENT POLICY FOR LAIF ACCOUNT

Presented by E. Peter McNamara

**Information
2022-006**

PACE was approved to join LAIF and SETECH recommended PACE have an investment policy for the funds being invested there. If a transfer is under \$10M, funds can be transferred in and out of the LAIF account with one day's notice. Sam Mel-Chan suggested transferring approx. 90% into the LAIF account leaving enough in the PACE checking account for average operating expenses. Kim Turner suggested the option of paying the weekly PACE check runs then sweeping any leftover funds into LAIF until the next weekly check run to maximize interest earned through LAIF. Sam Mel-Chan will provide the minimum threshold to keep for operating expenses to Peter McNamara which can be incorporated into an investment policy along the recommendation of a weekly sweep into LAIF after each check run.

A formal investment policy will be developed and brought to the February Executive Committee Meeting for discussion and approval.

ANTHEM UPDATE

Presented by Joelle Jarmillo

**Information
2022-007**

The December 2021 Anthem utilization report was reviewed. There were 12 high cost claimants with paid claims over \$100k for January 2021 – December 2021. This utilization report used a \$100k threshold for a high cost claim compared to the previous \$50k threshold. Peter McNamara suggested keeping the high cost claim threshold at \$100k for the next several months on the utilization report and the threshold can be reduced to \$75k or \$50k if there is an increase in the number of claims at the lower threshold warranting ongoing reporting.

Joelle Jarmillo will review the new Anthem virtual primary care program at the February Executive Committee Meeting.

ANCILLARY UPDATES

Presented by E. Peter McNamara and Stacey Comerchero

**Information
2022-008**

The LiveHealth Online November utilization report was reviewed. In 2020 there were 139 new registrations while in 2021, there were 72 new registrations for a total of 211. Anything agencies can do to encourage registrations and utilization helps PACE contain claims costs.

Anthem is offering a new telehealth program, separate from LiveHealth Online, which she will review at the

February Executive Committee Meeting.

For ConsumerMedical, Stacey Comerchero shared the annual home mailer was recently sent out. Through January 2021, there were 28 participants utilizing 51 services; however, none of the services were for surgery decision support which would result in cost savings to PACE.

For February ConsumerMedical communications, the surgery decision flyer and the video link to the customer testimonial shared with the Executive Committee in December will be sent out. Candi Fiorvanti, from ConsumerMedical, will attend the March Executive Committee meeting and provide a utilization report.

The November EmpiRx utilization report was reviewed. Of the \$2.5M total pharmacy claims, \$1.4M is from specialty drug claims. There were 19,000 drug claims, 286 of which were for specialty drugs, resulting in 57% of total claims costs.

WELLNESS UPDATES

Presented by Dayna Gowan

Information

2022-009

An update on the PACE 2022 Health Management Program was reviewed. Everyone who received rewards for 2021 were sent out. The 2022 program begins February 1, 2022. The rewards are increasing from \$125 to a maximum of \$150 with 12 required points instead of 9 to earn the highest reward and more point earning opportunities. The three required activities remain the same for 2022: an online Personal Health Assessment, a biometric screening and a behavior change campaign. There will be a drawing to encourage early WellSteps registration in February. The 2022 PACE Wellness Program FAQ flyer was reviewed.

The Wise@Work meditation app contract is under review by Keenan's Legal Department. Once finalized, the app will be available to all PACE members whether they participate in the wellness program or not.

VIII. ADMINISTRATION

PACE NEW MEMBER ACTIVITY

Presented by Christine Hough

Information

2022-010

There was one request received for evaluation since the last Executive Committee Meeting.

1. Palos Verdes Library District – 43 eligible employees with 3 waivers. They currently are with a small business private exchange with age banded rates. Christine Hough provided a quote and has yet to hear if they will be joining PACE.

PACE EXECUTIVE COMMITTEE STRATEGIC PLANNING MEETING DISCUSSION

Presented by E. Peter McNamara

Information

2022-011

This item was not discussed and will be brought up at a future Executive Committee Meeting.

IX. INFORMATION

EXECUTIVE COMMITTEE COMMENTS

Information

Jennifer Bower welcomed Theresa Doyle to the Executive Committee.

MANAGER COMMENTS

Information

Peter McNamara introduced Chris Jordan, an Account Manager with Keenan, who will be working with the PACE Management team.

X. AGENDA ITEMS NEXT MEETING

Information

Executive Committee Members and others may suggest items for consideration at the next meeting scheduled for February 23, 2022 via Zoom.

- Monthly Financial Review, Anthem update, LiveHealth Online update, EmpiRx update and ConsumerMedical update.
- PACE investment policy for LAIF account.
- PACE website design proposal as an action item.
- Anthem new virtual care program to be presented by Joelle Jarmillo.

XI. ADJOURNMENT

The meeting was adjourned at 3:00 pm.