

## MINUTES

### PUBLIC AGENCY COALITION ENTERPRISE (PACE)

#### EXECUTIVE COMMITTEE MEETING

August 24, 2022

10:00 am

#### I. CALL TO ORDER

The meeting was called to order at 10:04 am.

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#### II. ROLL CALL

##### EXECUTIVE COMMITTEE MEMBERS:

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

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

##### MANAGERS:

KEENAN & ASSOCIATES

Peter McNamara  
Christine Hough  
Stacey Comerchero  
Chris Jordan  
Nancy Schott

##### OTHERS:

KEENAN & ASSOCIATES

Dayna Gowan

ANTHEM

Joelle Jarmillo

REGIONAL GOVERNMENT SERVICES

Christina Nygard

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#### III. PUBLIC COMMENTS

There were no public comments.

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#### IV. APPROVAL OF AGENDA – August 24, 2022

Presented by Jennifer Bower

**Action**  
**2022-055**

Motion to approve the August 24, 2022 Agenda: 1. Kim Turner and 2. Becky Ramirez. Motion unanimously approved by the Executive Committee.

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**V. APPROVAL OF MINUTES – July 27, 2022** **Action**  
Presented by Jennifer Bower **2022-056**

Motion to approve the July 27, 2022 Minutes: 1. Kim Turner and 2. Becky Ramirez. Motion unanimously approved by the Executive Committee.

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**VI. CORRESPONDENCE** **Information**  
Presented by E. Peter McNamara **2022-057**

The PACE 2022 FPPC Biennial Notice submitted to the FPPC was reviewed.

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**VII. FINANCIAL**

**MONTHLY FINANCIAL REVIEW AS OF JULY 31, 2022** **Information**  
Presented by E. Peter McNamara **2022-058**

The Monthly Financial Report as of July 31, 2022 was reviewed. Claims have been running approximately \$250k per week and were lower in August. PACE keeps approximately \$500k in a checking account and the rest of the funds are invested in LAIF to earn interest income. SETECH estimates a \$5M net position at the end of 2022.

**2023 RENEWAL ACTION** **Action**  
Presented by Christine Hough **2022-059**

Christine Hough presented the Anthem self-funded renewal. Based on experience through July 2022 and reducing the Wellness fee from \$8.00 to \$5.00 PEPM, the renewal is 2.66% without margin and 5.21% with a 3% margin. Although the wellness monthly fee included in the renewal calculation was reduced, the addition of the \$50k in Anthem wellness funds will make up the difference and overall revenue to the wellness program will remain the same.

PACE Management recommends PACE accept a renewal with an approximately 3% margin to maintain reserves at a healthy level. Christine Hough analyzes new groups carefully before issuing quotes which contributes to PACE's ability to provide the most favorable renewals possible. The Executive Committee discussed how a 5% renewal sends a message to the Full Board PACE is working to stabilize medical costs.

Motion to recommend a 5% renewal to the Full Board for the Anthem self-funded plans 1. Kim Turner and 2. Becky Ramirez. Motion was unanimously approved by the Executive Committee.

**CONSUMERMEDICAL DISCUSSION** **Action**  
Presented by E. Peter McNamara **2022-060**

The Executive Committee discussed ConsumerMedical's 2022 utilization and contract renewal for February 1, 2023. Since the ConsumerMedical was added in 2020, it has had very low participation despite continuous outreach and communications efforts. The program fee is \$2.92 PEPM or approximately \$45,000 annually. PACE Management recommended termination of the ConsumerMedical contract effective February 1, 2023 with a 90 day termination notice by October 31, 2022. After discussion, the Executive Committee agreed to terminate the ConsumerMedical contract due to low member utilization. PACE's other value add programs, LiveHealth Online and Anthem's Virtual Primary Care programs, remain good options for PACE Anthem

members.

Motion for PACE to terminate its relationship with ConsumerMedical effective February 1, 2023: 1. Kim Turner and 2. David Faris. Motion unanimously approved by the Executive Committee.

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## VIII. ADMINISTRATION

### REQUEST FOR DURABLE MEDICAL EQUIPMENT PAYMENT EXCEPTION

Information or Action if need be  
2022-061

Presented by E. Peter McNamara

The Executive Committee heard an update and considered processing any future claims for an Omnipod 5 insulin pump through the pharmacy plan if a peer to peer review between EmpiRx and the prescribing physician resulted in the medical necessity of providing the device to the member.

EmpiRx met with the manufacturer and was informed they are following the CMS guidelines set for the Omnipod 5 which put the reimbursement of the device under the pharmacy benefit as opposed to the medical benefit. EmpiRx will conduct a peer to peer review for any Omnipod 5 claim to determine medical necessity. PACE needs to decide if an Omnipod 5 claim should be processed at the \$30 pharmacy copay or the approximately \$500 full cost of the pump. The claims cost difference to PACE for the Omnipod 5 pump processed through the pharmacy plan compared to another type of pump processed through the medical plan is minimal. The monthly insulin pods would also be processed at the \$30 pharmacy copay.

After discussion the Executive Committee agreed to process any Omnipod 5 claim at the \$30 pharmacy copay cost if the EmpiRx peer to peer review determines medical necessity.

Motion for PACE to process the cost of the Omnipod 5 insulin pump under the pharmacy benefit if the results of the EmpiRx peer to peer review determines medical necessity. If the EmpiRx peer to peer review does not result in a determination of medical necessity, the member will pay the full cost of the pump: 1. Kim Turner and 2. David Faris. Motion unanimously approved by the Executive Committee.

### PACE NEW MEMBER ACTIVITY

Information  
2022-062

Presented by Christine Hough

There were two requests received for evaluation since the last Executive Committee Meeting.

1. City of Fontana – 752 employees with 119 waivers currently with Anthem and Kaiser plans. This was a requote in which Christine Hough was able to provide competitive rates.
2. City of Farmersville – 36 employees currently with Blue Shield. Christine Hough was able to provide competitive rates.

### DISCUSSION OF ELECTIONS OF PRESIDENT AND SECRETARY/TREASURER FOR JANUARY 1, 2023 – DECEMBER 31, 2024 TERM

Information or Action if need be  
2022-063

Presented by E. Peter McNamara

The Executive Committee discussed the upcoming election of the President and Secretary/Treasurer

positions for the January 1, 2023 – December 31, 2024 term to be held at the August 24, 2022 Full Board Meeting.

After discussion, David Faris, the current Vice President, agreed to run for President and Kim Turner, the current Secretary/Treasurer, agreed to run to fill the second year of the Vice President’s term and Becky Ramirez, currently a Non-Officer Member agreed to run for Secretary/Treasurer.

Motion to recommend a slate to the Full Board of David Faris as President, Kim Turner for Vice President and Becky Ramirez as Secretary/Treasurer for the January 1, 2023 – December 31, 2024 term: 1. Kim Turner and 2. Becky Ramirez. Motion unanimously approved by the Executive Committee.

If the positions are elected by the Full Board as slated, there will be one Non-Officer Member position open, vacated by Becky Ramirez, which will be filled at the October Executive Committee Meeting.

**DISCUSSION OF EXECUTIVE COMMITTEE STRATEGIC PLANNING MEETING**

**Information  
2022-064**

Presented by E. Peter McNamara

The Executive Committee discussed the proposed Executive Committee Strategic Planning Meeting to be held in January 2023. The proposed schedule would be to arrive in the afternoon of the first day, have a group dinner together, hold the strategic planning meeting the next day and fly out the next afternoon. PACE Management presented location options including Palm Springs, Los Angeles/Redondo Beach and Irvine/Newport Beach. After discussion, the Executive Committee decided to focus on January 17, 2023 – January 18, 2023 for the meeting dates and fly into the Los Angeles or Irvine airports for better flight options.

Some topics to be discussed might include Anthem update, EmpiRx update, Wellness industry update, the Inflation Reduction Act and a strategic planning session. More information will be presented at the October Executive Committee Meeting.

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**IX. INFORMATION**

**EXECUTIVE COMMITTEE COMMENTS**

**Information**

There were no Executive Committee Comments.

**MANAGER COMMENTS**

**Information**

There were no Manager Comments.

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**X. AGENDA ITEMS NEXT MEETING**

**Information**

Executive Committee Members and others suggested items for consideration at the next meeting scheduled for October 19, 2022 via Zoom.

- Quarterly Financial Report, Anthem update, Ancillary updates and Wellness update

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**XI. ADJOURNMENT**

The meeting was adjourned at 10:50 am.