

MINUTES

PUBLIC AGENCY COALITION ENTERPRISE (PACE)

EXECUTIVE COMMITTEE MEETING

May 19, 2021

2:00 pm

I. CALL TO ORDER

The meeting was called to order at 2:06 pm.

II. ROLL CALL

EXECUTIVE COMMITTEE MEMBERS:

DANVILLE, TOWN OF
LIVINGSTON, CITY OF
REGIONAL GOVERNMENT SERVICES

Lani Ha, Non-officer Member
Danna Rasmussen, **Vice President**
Jennifer Bower, **President**

MANAGERS:

KEENAN & ASSOCIATES

Peter McNamara
Christine Hough
Stacey Comerchero
Nancy Schott

OTHERS:

KEENAN & ASSOCIATES

Sam Mel-Chan
Dayna Gowan
Kelly Hall

ANTHEM

Dan Saeger
Alaina Mattox

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF AGENDA – May 19, 2021

Presented by Jennifer Bower

**Action
2021-023**

Motion to approve the May 19, 2021 agenda: 1st – Danna Rasmussen , 2nd- Lani Ha. Motion unanimously approved by the Executive Committee.

V. APPROVAL OF MINUTES – January 20, 2021 and March 24, 2021 **Action**
Presented by Jennifer Bower **2021-024**

Motion to approve the January 21, 2021 and March 24, 2021 Minutes: 1st- Danna Rasmussen , 2nd- Lani Ha. Motion unanimously approved by the Executive Committee.

VI. CORRESPONDENCE **Information**
Presented by Peter McNamara **2021-025**

The Registry of Public Agencies Form was updated with the PACE Board Members who have joined and left since January 2021 and sent to the Secretary of State.

EideBailly 2018 and 2019 audit engagement letters, with a “not to exceed” amounts per audit, were signed by Jennifer Bower. It was determined that although PACE was a part of MCSIG for those calendar years, a independent financial audit was required. EideBailly will also provide a proposal for the 2020 audit. Sam Mel-Chan shared that SETECH has compared EideBailly’s fees with other firms who prepare public agency audits and they have been the lowest.

The EmpiRx Pharmacy & Therapeutics Committee clinical review list effective 4/1/21 was reviewed.

VII. FINANCIAL

REFERENCE BASED PRICING **Information**
Presented by The Phia Group **2021-026**

Peter McNamara spoke with several vendors regarding referenced based pricing as a potential option for reducing PACE’s out of network claims costs. Some PACE groups have members who live in more rural areas and see out-of-network providers due to a lack of in network Anthem providers, resulting in balance billing to the member. Reference based pricing would have no affect on in network utilization.

Garrick Hunt presented information on Phia Group’s reference based pricing model available for out-of-network claims processing (for providers, facilities, air ambulance and anesthesiologists).

Reference based pricing (RBP) is pricing based on a reference, such as the Medicare reimbursement rate, and claims are repriced relative to that reference at a more cost effective rate than billed to the member, producing cost savings. When RBP is used, non-network providers submit a bill directly to the RBP vendor who will re-price the bill based on the Medicare reimbursement rate. A pre-determined margin will be added to create a justifiable rate to reimburse a provider. The repriced rate is then submitted to the provider as payment. Nationally, reference based pricing is typically 140% above Medicare reimbursement rate and will be accepted nine times out of ten as payment in full by a provider.

If a provider does not accept the repriced bill as payment, a member may receive a balance bill. The RBP vendor will then defend the member in two ways: 1) advocacy directly with the provider to accept the data based RBP repriced amount as payment in full and if needed 2) negotiation between the RBP vendor and the provider to agree on a renegotiated payment amount as payment in full. The main focus of the RBP vendor is to insulate members from balance bills while reducing overall claims costs.

Phia Group is paid based on a percentage of actual savings (not the billed amount) or a PEPM model based

on total member population. A fee cap can also be put in place.

MONTHLY FINANCIAL REVIEW

Presented by Sam Mel-Chan

Information

2021-027

The Monthly Financial Review as of April 30, 2021 was reviewed. PACE has already reached 100% loss ratio due to several high cost claims, including one very large claim. PACE has received stop loss reimbursement of approx. \$1.6 million for a high cost claim of approx. \$2 million to date. While the 2021 stop loss renewal had a reduction of 12% from 2020, the 2022 stop loss renewal will be higher due to the high loss ratio for 2021.

ANTHEM UPDATE

Presented by Dan Saeger

Information

2021-028

The Anthem utilization report for April 2021 was reviewed. Approx. 97% of claims have been paid in network. The paid claims totals do not include any stop loss reimbursements. One high cost claim has increased the total claims paid in 2021 compared to the same time period in 2020. High cost claims to date for 2021 are approx. \$2.4 million with \$1.7 due to one claimant who is no longer on the plan.

LIVEHEALTH ONLINE UPDATE

Presented by Peter McNamara

Information

2021-029

The LiveHealth Online utilization report was reviewed. Through April 2021, 15 additional members registered for the program. The LiveHealth Online physical and mental flyers were reviewed and were sent to PACE groups in April.

CONSUMERMEDICAL UPDATE

Presented by Stacey Comerchero

Information

2021-030

The ConsumerMedical Overview webinar was held on April 28, 2021 and the link to the recorded webinar was sent to the Full Board and Wellness Advisory Committee members. There have been 13 participants utilizing 20 services to date although no participation in the surgery decision support yet. Stacey Comerchero reviewed the June communication piece focusing on Women's Health.

EMPIRX HEALTH UPDATE

Presented by Peter McNamara

Information

2021-031

The EmpiRx utilization report was reviewed and claims are running a little lower to date for 2021 than in 2020.

WELLNESS UPDATES

Presented by Dayna Gowan

Information

2021-032

An update on the PACE 2021 Health Management Program was reviewed. 167 members registered on the

WellSteps platform so far in 2021. Most people have logged points on the platform and some have submitted their biometric screening numbers. There are 22 of 29 agencies participating in the program. The first behavior change campaign finished on May 16, 2021 with approx. 56 members completing the campaign; gift card winners will be notified soon. The second behavior change campaign focusing on stress management begins June 7, 2021. At the May 12, 2021 Wellness Advisory Committee Meeting, the group discussed how to promote the Wellness program within their agencies.

VIII. ADMINISTRATION

PACE NEW MEMBER ACTIVITY

Information

Presented by Christine Hough

2021-033

There were two requests for quotes evaluated and quoted as potential members of PACE:

1. Needles Unified School District – 94 employees. Due to group risk factors, PACE rates quoted were 25% higher than their current plan.

2. Calbright Online Community College District – 51 employees with 11 waivers (higher than the 20% PACE allows). If they decide to move to PACE, EC approval would be required based on the number of waivers. Members reside all over the state. Rates would be approx. 11% higher than their current rates. There was a state audit that noted some possible financial mismanagement and the state legislature is considering changes to the program which may render the PACE quote moot.

There are four additional agencies interested in a PACE quote which will be reported on at the next Executive Committee Meeting: Fontana, San Luis Obispo Regional Transit Authority, Sierra County and Superior Court of CA, Kings County.

IX. INFORMATION

EXECUTIVE COMMITTEE COMMENTS

Information

Danna Rasmussen will be retiring as of July 6, 2021. Her replacement has been hired and will attend the June Executive Committee meeting.

MANAGER COMMENTS

Information

There were no Manager comments.

X. AGENDA ITEMS NEXT MEETING

Information

Executive Committee Members and others may suggest items for consideration at the next meeting scheduled for June 23, 2021 via Zoom.

(Note: at the June 2, 2021 Full Board Meeting, the June 23, 2021 Executive Committee Meeting was cancelled. The next Executive Committee Meeting will be July 28, 2021 via Zoom)

- Monthly Financial Review, Anthem update, LiveHealth Online update, EmpiRx update and ConsumerMedical updates.

XI. ADJOURNMENT

The meeting was adjourned at 3:10 pm.