

DATE: May 26, 2020
TO: Honorable Members of the Board of Supervisors
Jeffrey V. Smith, County Executive
FROM: Laura E. Rosas, Chief Executive Officer, Valley Health Plan
SUBJECT: Off-agenda Report, Agenda Item 5 (Part 2), ID# 100042

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Laura E. Rosas
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BACKGROUND

Under advisement from the Health and Hospital Committee (HHC) meeting on January 22, 2020 (per Agenda Item 5, ID# 100042), and at the request of Supervisor Susan Ellenberg, Valley Health Plan (VHP) is providing this second of two off-agenda reports, which reflects operational performance measures and monitoring, member outreach and support strategies, and Medical Management priorities and challenges.

OPERATIONAL PERFORMANCE MEASURES AND MONITORING

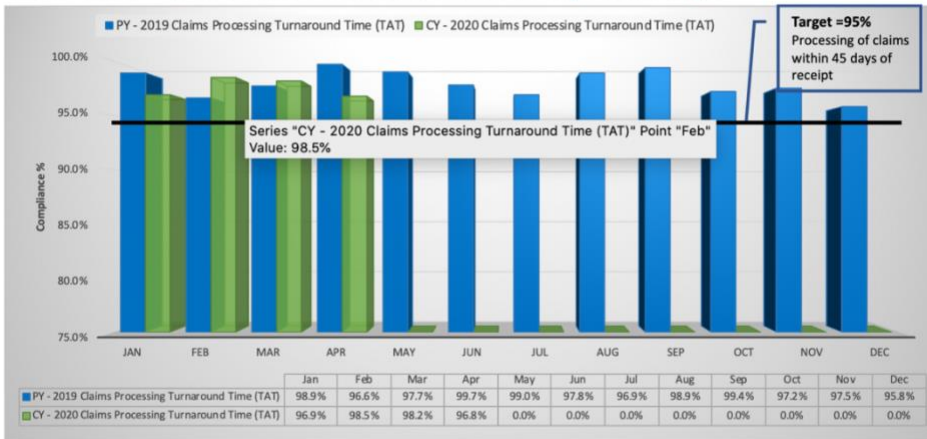
VHP has maintained a core set of operational performance measures, such as for claims processing and member services calls answered, as well as enrollment and financial benchmarks. The Shelter-in-Place (SIP) order issued by the County to combat the COVID-19 pandemic not only prompted VHP to move its operations to a now 98% virtual environment but also accelerated the development of a robust dashboard to track VHP performance.

In early March 2020, as the first COVID-19 cases were identified by the County of Santa Clara Public Health Department (PHD), VHP began addressing the technical and operational challenges of an extended telework environment. VHP created a quick response team to ensure key issues were addressed related to employee equipment needs and remote access to the claims system (QNXT). These efforts quickly expanded to ensure that nearly all VHP staff would be ready to telework. On March 11, about 50% of VHP staff were instructed to work from home and document any barriers in accomplishing work-related tasks. This information was used to troubleshoot and solve issues. On March 16, when the initial SIP order was announced, VHP was immediately able to move 85% of its operations remotely, and within two weeks, achieved 95% operations remotely—with virtually no loss in productivity, and in some cases, increased productivity (see graphs below).

The first iteration of VHP's performance dashboard, an "Operational Capacity" matrix, identified and monitored unit functions on a weekly basis. This effort has given VHP leadership insight as to how the organization performed remotely as well as provided a test case for a performance application that could be used in the future. Starting in May 2020, VHP management also began entering data on monthly performance metrics into a comprehensive "Performance Dashboard." Through an ongoing evaluation process, operational units continue to identify metrics that best represent performance related to regulatory requirements and organizational objectives; define performance targets so that goals can be achieved; and catalog data sources so that a future version of the dashboard can include automated, real-time data. In addition, Business Performance Reviews (BPRs) are being implemented so that unit management can discuss successes and opportunities with both staff and VHP leadership, while growing the business acumen of team members. Performance data gathered will support day-to-day operations, Information Technology (IT) project prioritization, internal organizational decision-making, and reports such as to the HHC and Board of Supervisors (BOS). Below are examples of current operational performance graphs for the Claims, Member Services, and IT units.

BUSINESS OPERATIONS – CLAIMS

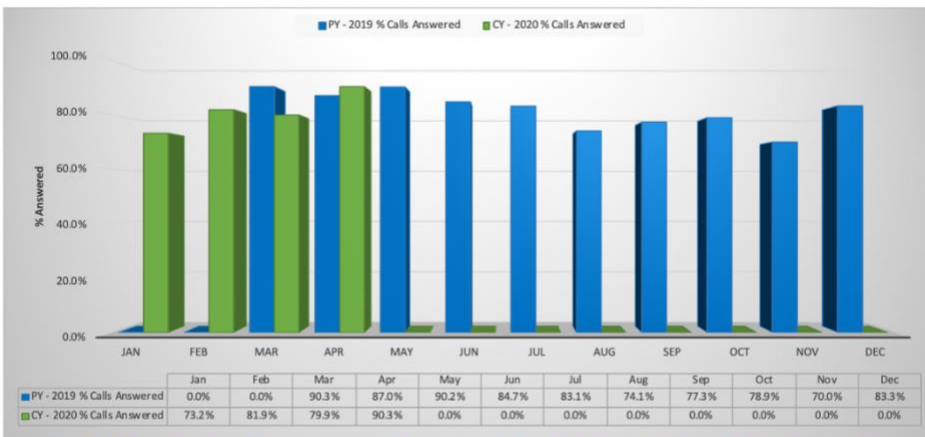
2019 - 2020 – % of Claims Processed within 45 days of Receipt



- April '20 - Compliance rate of 96.8% or 1.9% fav. to target. 3.0% unfav. vs prior year.
- YTD April '20 – Compliance rate of 97.6% or 2.7% fav. to target. 0.6% unfav. vs prior year.

BUSINESS OPERATIONS – MEMBER SERVICES

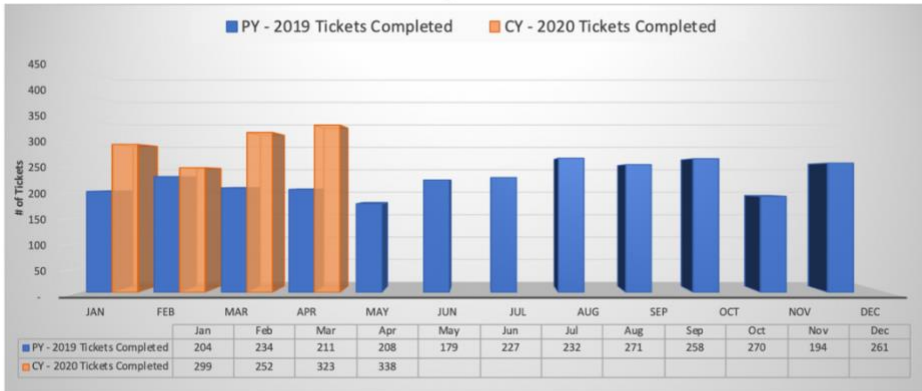
2019 - 2020 – % of Claims Related Calls Answered



- April '20 - % of calls answered improved by 3% from PY and 15% from Q1 2020.

BUSINESS OPERATIONS – INFORMATION TECHNOLOGY

2019 - 2020 – # of Service Tickets Completed



- April '20 - Avg. # of service tickets completed per month increased by 130 or 63% from PY.
- YTD April '20 – Avg. # of service tickets completed per month increased by 89 or 42% from PY.

MEMBER OUTREACH AND SUPPORT STRATEGIES

The commercial line of business includes group plans for County employees, In-home Support Services (IHSS), and individual and family coverage through the Covered California health benefit exchange or directly from VHP. The government line of business includes enrollees delegated from Santa Clara Family Health Plan (FHP) for Medi-Cal.

For calendar year 2020, VHP developed a robust outreach and engagement strategy for all lines of business. This included outreach activities at the San José Earthquakes games as well as townhalls, health fairs, and other community events. However, with the advent of COVID-19 and the subsequent SIP order, those outreach opportunities have been indefinitely postponed. Instead, VHP is actively augmenting an online and media engagement strategy, including digital, web, and television ads to increase VHP's visibility in the community, raise awareness of its programs, and drive enrollment for Covered California. Covered California has also expanded its special enrollment period allowing those affected by the pandemic to enroll until June 30, making this online and media engagement even more critical. Based on Covered California's most recent report, VHP has gained 3,235 Covered California members since the start of the special enrollment period on February 1. This represents 44% of new Covered California enrollments in Santa Clara County.

In addition, the COVID-19 crisis led to an increased use of telehealth, as many medical practices have limited their hours, or even stopped seeing patients entirely except for telehealth visits. The Centers for Medicare and Medicaid Services (CMS) and the California Department of Health Care Services (DHCS) have both expanded the ability of providers to bill for telehealth or telephonic visits. Moreover, the Office of Civil Rights at the U.S. Department of Health and Human Services has waived enforcement for the good faith use of telehealth through consumer facing technologies such as Facetime and Skype. VHP maintains a contract with MDLive for Covered California and Employer Group plans and is close to completing a contract with MDLive for Medi-Cal members.

Marketing & Communications (MarCom):

- VHP has designed a new ad campaign focused on plan options for those who may have lost their employer-sponsored coverage or are otherwise uninsured. This campaign includes a new TV ad, radio ads, and search

and digital ads that direct consumers to newly designed landing pages on VHP's website. These landing pages provide further information on products and the enrollment process. This campaign was rolled out the week of May 4.

- VHP is coordinating with the Employee Services Agency on a fully virtual enrollment process for the County's Open Enrollment period (May 1-31), as well as communicating updates relating to the provider network and telehealth options. In April and May, VHP conducted several virtual presentations highlighting VHP advantages for interested County departments.
- The MarCom team is also coordinating with internal units on member and provider written communications as well as updates to VHP's website regarding policy, plan benefit, and process changes related to the COVID-19 pandemic.

Sales & Broker Relations (SBR):

The SBR team has modified their processes to ensure brokers and members can get assistance virtually and through direct phone assistance in English, Spanish and Vietnamese. The team has also prepared new information for brokers related to COVID-19 changes and has conducted webinars for brokers and members to highlight VHP's telehealth options and to provide registration instructions. The SBR team will be conducting virtual broker visits throughout the month of May.

MEDICAL MANAGEMENT PRIORITIES AND CHALLENGES

VHP's mission is to ensure high-quality and affordable health care for all VHP members through successful partnerships with its provider community. To that end, VHP's Medical Management division assesses utilization management, case management, and quality improvement metrics and performance measures. Utilization Management (UM) unit considerations include inpatient lengths of stay, inpatient readmission rates, and authorization turn-around times, as well as a variety of emergency department metrics (e.g., overall ED utilization rate, percent of avoidable visits, common diagnosis groupings evaluated in both Medi-Cal and commercial lines of business, etc.). Case Management (CM) unit considerations include caseloads, case closure rates, ability to contact rates, and care coordination encounter efforts. The Quality Management (QM) unit utilizes Healthcare Effectiveness Data and Information Set (HEDIS) measures and Gaps in Care reports to develop and implement strategies to improve member engagement, provider performance, and care initiatives to improve member health status.

During this period of growth and change, VHP has undertaken significant operational initiatives including building of a strong case management team. For example, a vendor currently performs a population risk assessment of members based on claims data and offers complex case management to a subset of high-risk members that have an identified care gap. Moving forward, VHP will bring these complex case management services in-house. This transition will allow VHP to focus on the members with the most complex needs as well as implement a population health framework.

Medical Management Priorities:

1. UM: Restructure the UM unit to include concurrent review (review of hospitalized patients) and prior authorizations (requests for goods or services such as durable medical equipment, referrals for specialty care, and physician-administered medications) as separate functions; distinguish high-yield and low-yield review types; and automate as much as possible to avoid unnecessary or duplicative work.
2. CM: Expand the CM unit to assume responsibilities for transitions of care (hospital to lower level of care) and outpatient support (including on-the-ground nurse case management functions, member assessments, multi-disciplinary team conferences, and patient navigation). The goal is to shorten inpatient length-of-stay, facilitate partner hospital patient flow (which includes member repatriation), and decrease hospital

readmissions while continuing to assure that member medical needs are met by way of a streamlined prior authorization process.

3. QM: Strengthen the QM unit to include a rigorous and informative potential quality issue (PQI) process, targets and outcome measures based on HEDIS, and integration with internal and external partners to assure high-quality care is accessible and delivered timely.
4. Collaborate with other VHP divisions and units to develop a population health framework to target diseases earlier in their course and to decrease emergency department and inpatient utilization as well as future utilization of healthcare goods and services.
5. Address behavioral health integration (as this is a known driver of increased medical utilization).

With the aforementioned priorities, there will be a simultaneous focus on social determinants of health (SDH), such as food insecurity, housing disparities, and transportation access issues. VHP will continue to develop programs as well as leverage existing County resources to address the non-medical gaps that are driving higher utilization (emergency department and inpatient). These initiatives will require time and resources in the coming months. Ultimately, VHP strives for improved member health outcomes, decreased utilization, and a sustainable healthcare delivery system.

Challenges and Gaps:

Due to existing vacancies, VHP continues to struggle with inadequate staffing, related operational inefficiencies, and low staff morale. The hiring challenge is partly due to the limited number of managed care organizations in the region, resulting in a relatively small pool of potential employees. Beginning in January 2020, VHP started a new, highly organized, and focused effort to recruit the appropriate talent and expertise. Fortunately, even with the SIP order in place, VHP has been able to onboard, orient, and support 14 new hires throughout the organization remotely. VHP continues to outreach and recruit candidates to fill vacancies utilizing Skype and other technologies for remote interviews. It is hoped that the current vacancy rate will continue to decline through these aggressive and flexible recruitment efforts.

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