



COUNTY OF SAN DIEGO

BOARD OF SUPERVISORS

1600 PACIFIC HIGHWAY, ROOM 335, SAN DIEGO, CALIFORNIA 92101-2470

AGENDA ITEM

DATE: July 13, 2021

TO: Board of Supervisors

SUBJECT

FRAMEWORK FOR THE FUTURE: IMPROVING THE COUNTY'S WELLNESS CARE DELIVERY SYSTEM TO ADDRESS HEALTH DISPARITIES EXASPERATED BY THE COVID-19 PANDEMIC (DISTRICTS: ALL)

OVERVIEW

In the midst of the COVID-19 pandemic, the entire region's health, economy and well-being hinged on our actions, yet we don't have controls over the system that serves the daily healthcare needs of our residents.

The County is the regional governance for the local health and social service department and the public health agency, but we do not oversee a health plan, nor do we have an established network of healthcare providers under our authority. The health care network in San Diego County overseen by Medi-Cal Managed Healthcare Plans (Medi-Cal Plans) must be symbiotic with the County's public health system and other County health and social service delivery systems. This lofty pursuit is a critical linchpin to our future success in meeting the need and responding to public health challenges, like the COVID19 pandemic, behavioral health epidemic, homelessness, as well as the inequitable health disparities suffered by communities of color.

It is incumbent on us to assess lessons learned and pursue new opportunities to improve and strengthen our care delivery system. We are primed to take a greater role in overseeing the full spectrum of services that make up this system. Although the County is not the payer or manager for all health services in our region, we can and should hold local stakeholders more accountable and make every effort to ensure a coordinated healthcare delivery system to cultivate a more resilient, healthier region.

Throughout this pandemic the data shows that communities of color which tend to lack access to healthcare were disproportionately impacted. As of June 30, 2021, the Hispanic/Latino population accounts for 54.5 percent of the total positive cases in the County, even though they only make up 34.1 percent of the population. Additionally, among African American and the Native Hawaiian/Pacific Islander populations, the case rates are among the highest with a case rate of 5473 and 17,134 per 100,000 residents respectively.

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As members of the Board’s Sub-committee, we are proposing to expand the scope of our work to include exploring policy reforms to improve and strengthen our County Wellness Delivery System to achieve better health outcomes for our residents, address long-term health impacts of COVID19 and make our region better positioned to handle any future pandemics, or strain to our health system. We’re asking the Chief Administrative Officer to assign Health and Human Services Agency (HHS) to support this endeavor and plan to engage professionals, community health care advocates and consumer groups that have experience working with individuals covered by Medi-Cal to help steer and inform our efforts.

Being an Engaged Partner

Our experience serving on the COVID19 Sub-committee shed light on the importance of formal partnerships and interconnectivity among the County’s system and the network of healthcare and social service providers outside the County’s authority. This partnership is needed to address the fractured safety net and on-going challenges with data sharing, care coordination and access to care barriers. In the absence of this construct, it is paramount that coordination and local oversight be strengthened.

With this proposal, we assert our commitment to be an active partner working alongside San Diego’s Medi-Cal Plans and jointly delivering services to our mutual clients in a continuous, equitable and just manner. This is imperative despite the absence of any existing legal authority or contractual agreement joining the systems. Under the expanded scope of the COVID19 Sub-committee, we propose to assess the function of the existing Healthy San Diego Joint Consumer and Professional Advisory Committee, which is a citizen advisory committee of the County of San Diego that advises the Director of HHS and participates in problem solving of local Medi-Cal managed care system issues and informs standards of care but has no independent authority. We must ensure this body has a balanced representation of consumers and professionals as well as robust county oversight, participation, and regular reporting to decision makers, including our Board.

Explore New Models

Battling the public health threat of the COVID19 pandemic was a herculean feat. Unfortunately, we don’t manage a healthcare network and thus were restrained from helping residents be more resilient and less vulnerable to the COVID19 illness or help them access treatments or on-going care from side effects, which played out at disproportionate rates in certain zip codes in our communities.

As we reflect back on the last year and a half, we wonder, if the County had been an administrator of a Medi-Cal Plan and managed a network of health service providers, would we have been able to respond in a more cohesive manner? Would we have been more successful at addressing health inequities, like chronic conditions, which are prevalent at a higher rate in marginalized communities, and a critical indicator for being resilient when infected by COVID19 and avoiding complications causing hospitalization and death.

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Currently, we do not have the option of contracting with the state to be a health plan under Medi-Cal. This should not hold us back from starting a conversation with community stakeholders and professionals to vet the pros and cons of our current Medi-Cal model and assessing actions our County could take to strengthen our role to achieve better outcomes for consumers. Under the expanded scope of the COVID19 Sub-committee, we propose evaluating whether the current Medi-Cal managed care model in San Diego is best suited to deliver coordinated care and support for our residents, especially those that experience traditional access to care challenges and researching potential options for modifying it in the future.

Guidelines for County Letter of Support for State Managed Healthcare Procurement Applicants

In the meantime, while we cannot evolve our status in the healthcare market, we believe it is critical that our Board weigh in on the state led procurement for determining which commercial plans will provide managed care in our County as of 2024 and to express our desire for current Medi-Cal Plans to participate in the optional state Medi-Cal waiver opportunities, otherwise referred to as Advancing Innovation in Medi-Cal (CalAIM), starting in 2022. As such, we are proposing a set of guidelines detailed in Attachment A, which are based on the Board’s Framework for the Future and informed by County departments that will serve as the basis for obtaining a Letter of Support (LOS) from our County. We are also proposing that the Director of HHSA refine the guidelines based on community, professional, advocates and consumer input and oversee the process for prospective health plans to obtain a LOS per state instructions.

RECOMMENDATION(S)

CHAIR NATHAN FLETCHER AND VICE CHAIR NORA VARGAS

- 1) Direct Chief Administrative Officer (CAO) to administer the optional CalAIM County Letter of Support (LOS) process in conformance with the April 13, 2021 California Department of Health Care Services (DHCS) memorandum titled: “Managed Care Plan (MCP) Procurement – County Letter of Support,” and use the Guiding Principles contained in Attachment A (as may be refined with input from the Health and Human Services Agency Director) as the basis for Managed Care Plan applicants to obtain a LOS.
- 2) Authorize the Chair of the Board of Supervisors to sign the Letters of Support and related certifications required by DHCS.
- 3) Direct the Board’s COVID19 Sub-committee to support COVID19 recovery efforts and address emergent public health needs by identifying local, state and federal policy reforms to improve the County Wellness Delivery System to achieve better health outcomes for low income residents and apply lessons learned during the COVID19 pandemic, including, but not limited to, strategies to align and enhance coordination, cooperation, innovation and accountability of Medi-Cal managed care plans and maximize opportunities afforded in the State’s Medi-Cal waiver and managed care procurement.

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- 4) Direct the CAO to assign Health and Human Services Agency staff to support the additional work of the COVID-19 Sub-committee and report back with a workplan that will guide the process and development of policy reforms to improve the County Wellness Delivery System in San Diego County as we pivot toward the COVID19 recovery mode.

EQUITY IMPACT STATEMENT

The COVID-19 pandemic has had a significant impact on the lives of individuals, businesses, and communities across San Diego County. However, COVID19 also exacerbated the inequities in accessing health care. In order to support the most vulnerable, an equity lens has been used in this board policy to prioritize, when appropriate. Using this equity lens, the County's distribution of COVID-19 response and recovery-related federal, State, and local funding and resources are based on a data-driven approach, identifying communities that have the highest need for support in relation to the number of positive COVID-19 cases. Throughout this pandemic, the data has shown that the communities of color in our county, which tend to experience more health disparities and lack of or reduced access to healthcare, were the most severely impacted by COVID-19, with increased positivity COVID-19 rates, hospitalizations, and number of deaths from this virus.

Today's proposed action demonstrates the County's commitment to continue to actively provide COVID-19 response throughout the county with an equity lens and provide opportunities to address broader health disparity issues among vulnerable populations as we work on recovery. With these actions, the County will work on achieving better health outcomes and reducing health disparities for county residents by taking an active role by evaluating the current Medi-Cal managed care model in San Diego and researching the best options for our County's Wellness Delivery System in the future.

FISCAL IMPACT

There is no fiscal impact associated with this item.

BUSINESS IMPACT STATEMENT

This action will help support individuals, families and small businesses impacted by COVID19.

ADVISORY BOARD STATEMENT

N/A

BACKGROUND

As your appointees of the COVID19 Sub-committee charged with steering the response to the pandemic alongside County staff, we witnessed up close the challenges of our complicated healthcare delivery system. During the height of the pandemic, as the leading public health authority, the County was held accountable for access to and availability of testing, treating and inoculating services for the region's residents. Under normal circumstances, without an emergency declaration and public health order, we have no real authority to require the health

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system network managed by commercial health plans and funded by the state to cooperate, report, or act.

The inequitable health related consequences of COVID19 that we were limited in our power to mitigate, ravished our community, disproportionately impacting the same communities that suffer from poor health status. The health of individuals in these communities is related to barriers to healthcare, long-standing lack of culturally competent information, education and access to preventative and healthcare related services. Our Board reviewed daily reports for over a year showing the disproportionate hospitalizations and death toll of individuals in certain zip codes and racial and ethnic backgrounds. This data also showed similar trends with testing and vaccinates rates, and economic hardships suffered by our residents. The entire region's health, economy and well-being hinged on our actions, yet San Diego County does not oversee a health plan, nor do we have a network of healthcare providers.

As of June 30, 2021, the County of San Diego has confirmed a total of 282,582 positive COVID19 cases of which 3,780 have resulted in deaths due to the virus. During the course of the pandemic, a total of 15, 536 individuals have been hospitalized, of which over 50 percent are from the Hispanic/Latino populations. Throughout this pandemic the data shows that communities of color which tend to lack access to healthcare were disproportionately impacted. As of June 30, 2021, the Hispanic/Latino population accounts for 54.5 percent of the total positive cases in the County, even though they only make up 34.1 percent of the population. Additionally, among African American and the Native Hawaiian/Pacific Islander populations, the case rates are among the highest with a case rate of 5473 and 17,134 per 100,000 residents respectively.

As such, we are asking the Board to support the guidelines detailed in Attachment A, which outlines requirements for Medi-Cal Plans to receive a Letter of Support (LOS) from the County if they choose to request one to accompany their state procurement application. This proposal would also direct the CAO to consult healthcare professionals, consumers, and community health care advocacy groups that do not have financial conflicts to refine the LOS before finalizing the guidelines and to administer the LOS process on behalf of the Board.

We are proposing to expand the purview of the COVID19 Sub-committee in the aftermath of the pandemic in specific ways. With this proposal, the Sub-committee would be tasked with identifying local, state and federal policy reforms to improve the County Wellness Delivery System to achieve better health outcomes for all, with emphasis on low-income residents. This effort will take into account lessons learned during the pandemic response and create strategies for better coordination, cooperation, innovation and accountability between Medi-Cal Managed Care Plans and County. Doing so will help addressing long term health impacts of COVID19 and make our region better positioned to handle any future pandemics, or strain to our health system.

We are also asking the Chief Administrative Officer to task HHSA staff to support our exploratory work and the development of a work plan. This endeavor will also be informed by

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professionals and consumer advocacy groups that have experience working with community that are served by Medi-Cal. We must chart the course forward focusing on improving the wellbeing of the individual seeking access to health care as our priority.

The County Board of Supervisors oversees the safety net for San Diego residents as the policy makers that govern the Health and Human Services Agency (HHS). HHS is made up of Behavioral Health Services, Public Health Services, Medical Care Services, Aging and Independence Services, Child Welfare Services, Self Sufficiency Programs and Housing and Community Development Services. The County has been a long-standing enroller, provider and steward of critical care and social supports and strives daily to move the pendulum toward better wellness outcomes and social determinants of health for all San Diegans, including more than a million residents we provided assistance to in the last year through our programs and services.

Over the past year we treated nearly 120,000 residents through our mental health and alcohol and drug services, assisted more than 65,000 older adults with disabilities through a variety of programs to help keep them safe in their homes, protected nearly 4,800 vulnerable children, prevented infectious diseases through investigation of over 300,000 cases and contact tracing of approximately 130,000 close contacts as part of the response to COVID19, hepatitis A and C, measles, tuberculosis, and other diseases, and ensured over 888,000 children, adults and seniors are connected to federal and state benefits to help them meet their basic needs.

Although San Diego County plays a significant role as a safety net provider, we do not administer a Medi-Cal Plan for the participants in our region. We are one of a couple of large counties in California that does not run a health plan as part of their continuum of services. This is due to a decision made in 1994 by the Board of Supervisors that rejected the state's Medi-Cal plan to reform the system asking counties to implement a two-plan model consisting of one commercial plan and one county led plan.

Medi-Cal is the state's federal Medicaid program and provides health care coverage to over 13 million Californians with low incomes. One third of all Californians have health insurance through Medi-Cal, similar to San Diego County's rate, and of that total 50 percent are children. As a joint state-federal program, costs are shared between federal, state and- local governments. Each county determines the model by which Medi-Cal is administered in their region.

The total number of San Diegans enrolled in Medi-Cal as of May 2021 is 879,778 representing 27 percent of our total population. Of this total, about 91 percent or 800,513 of individuals are served by the network of seven different managed healthcare plans operating in our region. In the past 12 months, during the COVID19 pandemic, enrollment in Medi-Cal locally increased by almost 20 percent.

In managed care, the state contracts directly with health plans to take care of Medi-Cal beneficiaries. The health plan is responsible for contracting with a network of health providers and coordinating care, including, but not limited to, physical, dental and mental health providers

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and social service professionals. In fee for service (FFS) models the state contracts directly with providers. Beneficiaries manage their own care and can go to any FFS provider.

Over 27 years ago, state legislation required the County of San Diego to move most Medi-Cal recipients into managed care, eventually eliminating FFS all together in our region. After this point, the California Department of Health Care Services (DHCS) began contracting directly with county governments, via County Organized Health Systems and Two-plan model, and commercial health insurance plans. DHCS also regulates, how Medi-Cal Managed Care Plans operate and holds them accountable for access to care, quality services and health outcomes.

The Board of Supervisors at the time objected to becoming a Medi-Cal Plan due to concerns about financial risk. Because of this decision, the state created legislation forming a pilot project in San Diego called Geographic Managed Care. By design, this model allows a unlimited number of commercial health plans contracted directly with the state to serve a specified area and excludes a county run plan. This resulted in the County having no liability or involvement in the procurement or contracts of Medi-Cal managed care and no mechanisms to enforce or hold plans accountable for network adequacy or access to service requirements. Today, only San Diego and Sacramento counties operate with a Geographic Managed Care models.

These actions were reinforced over the past 28 years, through the Board of Supervisors who divested the County's interest, awareness and engagement with Medi-Cal Plans and the citizen advisory body, Healthy San Diego Joint Consumer and Professional Advisory Committee, was established in state legislation by the county to work to solve problems and advise the Director of HHS. The County's role continued to be diluted by subsequent state legislation and County leadership stopped interacting with the advisory board, transferring the authority to appoint board members to staff, rather than Board of Supervisors and didn't require reporting or updates to be shared about Medi-Cal Plans performance or issues to be presented at public meetings. Also, the membership of the Advisory Committee has waned overtime with significant vacancies especially among its consumer seats, which is not in conformance with the bylaws and underscores concerns of whether the Advisory Committee is fulfilling its role of being an impartial barometer. In essence, this body is not being used for its full potential.

This healthcare landscape in our County consists of multiple government (county, state and federal government) administrators and payers with disparate responsibilities and minimal oversight is a fragmented and complicated system of care for low-income constituents to navigate.

This requires an unusual level of cooperation between County department staff, our County service providers and Medi-Cal Plans and local healthcare providers to ensure adequate access to the continuum of services collectively provided to eligible San Diegans. More immediately, the Geographic Managed Care model also complicates County efforts to orchestrate a massive pandemic response to public health threats and other widespread health challenges like chronic diseases, because there is not a single health delivery system under our control.

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The system within which we are working, makes our County’s public health response to the COVID19 pandemic, that much more impressive. We have a mighty County team of public health nurses, epidemiologists, physicians, mental health providers, and public health experts who served as the backbone of our COVID19 response. To manage, we had to significantly augment our capacity through rapid hiring, contracting and reassigning County personnel to meet the task at hand to combat the pandemic. Thankfully, Board leadership supported the declaration of a public health emergency early in the pandemic, which provided leverage for us to require timely reporting of data, testing and vaccine administration to residents to aid our response, determine hot spots and be prescriptive with allocation of resources.

Also, our County’s fiscal health allowed us to step up and front the costs for increasing staff capacity through contracting with health systems to help us operate vaccination sites, community health workers to help educate the public, and new county staff members to help with public health surveillance and disease tracking. We met the moment with outstanding marks despite the challenges. It is a testament to the dedicated individuals who serve the County and our partners that voluntarily stepped up in extraordinary ways to meet the moment at such a critical time.

If this Board was faced with the same decision today of whether to participate as a Medi-Cal Plan, we are confident there would have been a different outcome from the one made decades ago. Nevertheless, at this current juncture, this Board of Supervisors should take bold steps to be at the table, monitoring, asking questions, and demanding more from our Medi-Cal Managed Care system and its providers. It is time for change.

We urge your support for this measure.

LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today’s proposed actions support the Building Better Health and Living Safely initiatives in the County of San Diego’s 2021-2026 Strategic Plan, as well as the County of San Diego’s *Live Well San Diego* vision, by protecting the population from the COVID-19 pandemic.

Respectfully submitted,



CHAIR NATHAN FLETCHER
Supervisor Fourth District



VICE CHAIR NORA VARGAS
Supervisor, First District

ATTACHMENT(S)

Attachment A: Guidelines and Instructions for Optional Letter of Support for State Department of Health Care Plan Medi-Cal Managed Care Plan Procurement

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AGENDA ITEM INFORMATION SHEET

REQUIRES FOUR VOTES: Yes No

WRITTEN DISCLOSURE PER COUNTY CHARTER SECTION 1000.1 REQUIRED
 Yes No

PREVIOUS RELEVANT BOARD ACTIONS:
March 10, 2020 (10), Review And Continue Local Health Emergency And Local Emergency Regarding Covid-19.

BOARD POLICIES APPLICABLE:
N/A

BOARD POLICY STATEMENTS:
N/A

MANDATORY COMPLIANCE:
N/A

ORACLE AWARD NUMBER(S) AND CONTRACT AND/OR REQUISITION NUMBER(S):
N/A

ORIGINATING DEPARTMENT: First and Fourth Supervisorial Districts

OTHER CONCURRENCE(S): N/A

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