



Health Authorities and Health Commissions Overview

SACRAMENTO COUNTY HEALTH AUTHORITY COMMISSION

Prepared by Pacific Health Consulting Group
June 6, 2022

Today's Discussion

- History of Local Health Authority Governance Models
- Examples of Health Authorities with Health Plans
- Examples of Health Authorities without Health Plans
- Available Funding and the Development of Health Authorities
- Advantages and Challenges of Developing a Health Plan
- Sacramento Health Commissions

Local County Health Authority History

- The Health Authority concept was developed to bring the Medi-Cal program down to the local level. The idea was to create a local health plan governed by a public board.
- State Statues were written to authorize Counties to create a governance structure for these local plans by County ordinance.
- The plans would not be operated by the counties and would be governed by stakeholder Boards, including providers and elected officials.
- All of the County Organized Health System (COHS) have this governance model. The Two Plan Local Initiatives followed with the same governance structure, except for Contra Costa
- Since that time other Counties have created Health Authorities to provide some measure of oversight on Medi-Cal even if they didn't create a health plan

Local County Health Authorities

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Examples of Health Authorities with Health Plans

- COHSs developed full-service health plans and fully administer the benefits in house. The closest COHS is Partnership Health Plan of Ca. The Central California Alliance for Health is expanding from their current counties (SantaCruz/Monterrey/Merced) to San Benito and Mariposa counties.
- All original Two Plan Local Initiative model plans developed full service health plans administered by in house staff and systems. Health Plan of San Joaquin and Alameda are examples of Two Plan Local Health Authorities.
- In a later development CalViva Local Initiative Health Authority (Fresno, Kings & Madera) created a plan but it is supported through a partnership with Health Net. CalViva did not have the development funds to start their own plan from scratch. They are a licensed Knox-Keene Plan but fulfill their responsibility through a plan to plan contract with Health Net.

Examples of Health Authorities without Health Plans

- Imperial County created a Health Authority to oversee Medi-Cal in their community and DHCS allowed them to designate which commercial plan could fill one of the two commercial plan spots. Imperial has designated Health Net to that slot. Similar to what Tulare and Stanislaus counties did without Health Authorities.
- However, Imperial anticipated one day they would want their own health plan and are in the process of developing it now.
- Sacramento provides oversight of its GMC model plans without any contractual authority. San Diego County has a similar arrangement.
- Some Counties have moved their County Public Hospital Systems into Health Authority model governance structures. They do not operate health plan. There has been some interest in merging the Local Health Authorities that run health plans with the Health Authorities that run hospitals.

Available Funding has Influenced the Development of Health Authorities

- All the Health Authorities that developed health plans had some seed money from Federal and State sources.
- COHS had seed money from the State and received grants from Foundations and loans from their respective counties
- The original Local Initiatives all were created in counties that had public hospitals which incentivized Counties to lend money through subordinated loans to start the local plans.
- **Those counties that created Health Authorities, but not health plans, were all without sufficient capital to pay for the creation of a health plan**

Advantages of becoming a Health Plan

- The Health Authority are empowered as a Knox Keene (KK) licensed plan (or COHS). Advantages include:
 - ▣ Member, Quality and Network policies and initiatives developed and approved by Commission
 - ▣ Plan can invest in Member Benefits and Provider Network
 - ▣ Plan Savings can be retained locally
 - ▣ New Products can be added as appropriate to service the needs of community



Challenges to being a Health Plan in Sacramento

- ❑ COHS model difficult to do because it require Federal approval and potentially displacing a number of plans.
- ❑ Development Costs and Reserve Requirements are the biggest hurdle for most considering license.
- ❑ DHCS would have to approve the approach and offer a Health Plan Agreement during the next procurement cycle. That would limit enrollment.
- ❑ DMHC must approve application. Approval is more difficult if staffing is limited to being fulfilled through a plan-to-plan agreement like CalViva is currently doing and Imperial is proposing to do.
- ❑ Local political support and approval.

Related Sacramento Health Commissions & Boards

15 have overlapping purposes:

- Adult and Aging Commission
- Area 4 Agency on Aging
- Children's Coalition
- Developmental Disabilities Planning and Advisory Council
- Disability Advisory Commission
- First 5 Sacramento Commission
- HIV Health Services Planning Council
- In-Home Supportive Services Advisory Committee
- Maternal, Child & Adolescent Health Advisory Board
- Public Health Advisory Board
- Sacramento County Alcohol and Drug Advisory Board
- Sacramento County Behavioral Youth Advisory Board
- Sacramento County Medi-Cal Dental Advisory Committee
- Sacramento County Mental Health Board
- Steering Committee on the Reduction of African American Child Deaths

Related Health Commissions & Boards

- Focus on populations often covered by Medi-Cal managed care:
 - Older adults (2)
 - Children and youth (5)
 - People with disabilities (2)
- Focus on relevant services:
 - Behavioral health (3)
 - Public health and primary care (1)
 - HIV/AIDS (1)
 - In-home support services (1)
 - Dental care (1)

Key Issues Related to Commissions

- What kinds of connection and communication does the Health Authority want with these related boards and commissions?

Next Steps

- Strategic Planning Session #2

June 21, 2022 at 3:00 – 5:00pm

- Strategic Planning Session #3

July 19, 2022 at 3:00 – 5:00pm