

MINUTES

PUBLIC AGENCY COALITION ENTERPRISE (PACE)

EXECUTIVE COMMITTEE MEETING

May 29, 2024

2:00 pm

I. CALL TO ORDER

The meeting was called to order at 2:03 pm.

II. ROLL CALL

EXECUTIVE COMMITTEE MEMBERS:

SUPERIOR COURT OF CA, MENDOCINO COUNTY
TRUCKEE DONNER RECREATION & PARK DISTRICT
GUSTINE, CITY OF

Kim Turner, Vice President
David Faris, President
Melanie Correa, Non-Officer Member
Open Position, Non-Officer Member

MANAGERS:

KEENAN & ASSOCIATES

Peter McNamara
Christine Hough
Melissa King
Mariana Torres Hernandez

BOARD MEMBERS:

SAN BERNARDINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

Stacey Barnier

OTHERS:

KEENAN & ASSOCIATES

Sam Mel-Chan
Dayna Gowan
Robin Rager
Mariah Caracoza
Alexandria Van Brunt

ANTHEM

Darren Reddick

EMPIRX

Michelle Rimes
Haajar Yanes

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF AGENDA – May 29, 2024, Action
Presented by David Faris 2024-012

Motion to approve the May 29, 2024, Agenda 1. Kim Turner and 2. Melanie Correa.

V. APPROVAL OF MINUTES – January 24, 2024, Action
Presented by David Faris 2024-013

Motion to approve the January 24, 2024, Minutes 1. Kim Turner and 2. Melanie Correa.

VI. CORRESPONDENCE Information and Action, if needed
Presented by E. Peter McNamara 2024-014

Correspondence was reviewed.

VII. FINANCIAL

MONTHLY FINANCIAL REVIEW Information and Action
PACE 2024 FINAL BUDGET 2024-015
WELLNESS BUDGET HISTORY
Presented by Sam Mel-Chan

The Executive Committee heard a report on the Monthly Financial Review as of March 31, 2024.

- Sam reviewed the 1Q2024 performance compared to budget. Expenditures outpaced operating revenues by 1%, while non-operating revenues came in 4.55% higher than anticipated. Overall, PACE JPA performance is closely aligned with budget for first quarter. Total assets have increased by 11.88% (\$1.4m) while total liability have increased by 41.17% (\$1.7m) since December 31, 2023.
- PACE’s investment account with CAMP is performing at 5.44% interest rate.
- Peter advised that weekly claims have been \$100k higher than the last four prior years. We have added new members, but overall frequency of claims has been up.

The Executive Committee reviewed the PACE 2024 Final Budget. Amounts were updated to include the new PACE member agencies joining in 2024 and the increased anticipated investment income. Motion to accept the 2024 Final Budget 1. Kim Turner and 2. Melanie Correa.

Peter reviewing PACE’s historical Wellness Program Budget vs. Expense report. Any unused wellness funds go to our PACE general fund as claim reserves.

REVIEW OF PACE INVESTMENT POLICY FOR LAIF ACCOUNT Action
Presented by Melissa King 2024-016

The Executive Committee completed the annual review of the PACE investment policy. Motion to accept the Investment Policy as presented 1. Kim Turner and 2. David Faris.

ANTHEM UPDATE
Presented by Darren Reddick

Information
2024-017

The Executive Committee heard a report on Anthem claims experience. Peter introduced Darren Reddick, PACE's new Anthem representative.

PMPM trend is up. 63.7%, higher frequency in claims. The number of claims increased versus cost of individual claims. High-cost claimant members are driving the per member per month trend. HCC spend is related to cancer. Risk score is up as well by 66.5%.

Discussion around our utilization history and that it is normal for a group to run high three years out of ten.

ANCILLARY UPDATE - EMPIRX
Presented by Melissa King

Information
2024-018

The Executive Committee heard a report on EmpiRx specialty drug utilization and EmpiRx platform transition effective July 1, 2024.

WELLNESS UPDATES
Presented by Dayna Gowan

Action
2024-019

The Executive Committee heard a report on 2023 Wellness Program feedback, 2024 Wellness Program activities and participation to-dates, and discuss the 2025 Wellness Program Recommendations and costs.

Dayna will be out on leave through October 2024; Mariah Caracoza, Robin Rager, and others from the KeenanWell team will provide PACE support in the interim.

Participation has been stable for the 2024 plan year. 149 members (4%) are registered. 48 members are already eligible for rewards, which is much higher in the past due to the program restructuring. The KeenanWell team received rave feedback from members of the 2023 program year.

2024 Campaigns:

- Intuitive Eating
 - 84 participants (67%) of 125 registered for Wellness Program
 - 76 participants completed the campaign and earned points.
- Posture Perfect
 - Just started this month (May)
 - 75 members currently engaged in the campaign.

Review of VirginPulse:

- Decision will need to be made at the July 24, 2024, EC meeting.
- Review of additional pricing options/considerations from the January Strategic Meeting
 - Cost with Total Population Health Coaching
 - \$14 PEPY or \$250 PPPY – recommending the PPPY pricing, so cost is only incurred by PACE for utilizers.
 - Est. 20 – 50 participants for our pool
 - Include Spouses to allow match to current Wellness Program eligibility.
 - \$16k in additional annual PEPY program costs to allow for spousal participation.

- Only 11 spouses currently participating in PACE’s Wellness Program for 2024
- Increasing the maximum rewards from \$100 to \$200 annually

VirginPulse Cost Summary Options:

- PACE can support the VirginPulse platform with an increase from \$5 to \$6 monthly wellness premium fee at \$100 annual reward level with spouse participation and \$200 without spouse participation.
- PACE can support the VirginPulse platform including health coaching with an increase from \$5 to \$6 monthly wellness premium fee at just the \$100 without spouse participation.

EC’s decision in July 2024 will be dependent on renewal estimates. Danya noted that client engagement in VirginPulse has been higher than groups using WellSteps due to the streamlined and modern VirginPulse platform capabilities.

For July meeting, the Peter is interested in understanding how VirginPulse will help PACE outlined as pros and cons. Kim is interested in metrics for VirginPulse program adopters that KeenanWell has seen. KeenanWell has some non-JPA clients that they can pull 6-months of metrics for on this program.

Motion to accept Wellness Report – 1. Kim Turner and 2. David Faris

VIII. ADMINISTRATION

PACE NEW MEMBER ACTIVITY Presented by Christine Hough

Information
2024-020

PACE Management reviewed new marketing activity of the PACE JPA. There have been 9 groups requesting quotes to join PACE, 4 of which PACE declined to quote.

ELECTION OF NON-OFFICER EXECUTIVE COMMITTEE MEMBER FOR MAY 29, 2024 – DECEMBER 31, 2025, TERM Presented by E. Peter McNamara

Action
2024-021

The Executive Committee voted on one Non-Officer Executive Committee Member position for the May 29, 2024 – December 31, 2025, term. Stacey Barnier from SBCERA volunteered to join.

Motion to approve Stacey Barnier as the Non-Officer Executive Committee Member 1. Kim Turner and 2. Melanie Correa.

AUDIT SERVICES RFP RESULTS

Action
2024-022

The Executive Committee heard an update on the PACE Audit Services Request for Proposal and vote on new auditing service provider. Christy White and CWDL, CPAs were the two firms that provided PACE with proposals. CWDL’s proposal came in most competitively with pricing, \$5k below Christy White, and \$10k lower than Eide Bailey’s new contract minimum.

Motion to approve CWDL 1. Kim Turner and 2. Melanie Correa.

ANTHEM CLAIM APPEAL

Information or Action if need be.
2024-023

The Executive Committee will hear a report on City of Sanger and Superior Court of Mendocino County's subscribers' claim appeals and vote on claim appeals.

1. Superior Court of Mendocino County - \$300 charge for a CAT scan was denied, physician did not provide the correct documentation for approval for the claim.

Motion to reimburse the claim 1. David Faris 2. Stacey Barnier

2. City of Sanger – Employee's 17-year-old son has had hearing impairments since birth, the physician is recommending they continue to use hearing aids. The patient prefers the hearing aids over the physician review recommended hearing aids. The member has tried to appeal but has not been resolved due to limited jurisdiction by various agencies.

Motion to override and allow the dependent to continue to use hearing aids 1. David Faris 2. Kim Turner.

Amended motion to first appeal, step therapy process with EmpiRx for Superior Court of Mendocino County employee 1. Stacey Barnier 2. Melanie Correa

IX. INFORMATION

EXECUTIVE COMMITTEE COMMENTS

Information

Each Executive Committee member may report about various matters involving the Authority. There will be no Executive Committee discussion except to ask questions, and no action will be taken unless listed on a subsequent agenda.

MANAGER COMMENTS

Information

PACE Management will report to the Executive Committee about various matters involving the Authority. There will be no Executive Committee discussion except to ask questions, and no action will be taken unless listed on a subsequent agenda.

Peter discussed projected self-funded renewal increases and noted that for each dollar added to wellness is 0.1% to the renewal. At the July meeting we will have more data to review to discuss firmer renewal projections.

X. AGENDA ITEMS NEXT MEETING

Information

Executive Committee Members and others may suggest items for consideration at the next meeting scheduled for July 24, 2024, via Zoom.

XI. ADJOURNMENT

The meeting was adjourned at 4:01 pm.