

MINUTES

PUBLIC AGENCY COALITION ENTERPRISE (PACE)

EXECUTIVE COMMITTEE MEETING

December 6, 2023

2:00 pm

I. CALL TO ORDER

The meeting was called to order at 2:02 pm.

II. ROLL CALL

EXECUTIVE COMMITTEE MEMBERS:

REGIONAL GOVERNMENT SERVICES
SANGER, CITY OF
SUPERIOR COURT OF CA, MENDOCINO COUNTY
TRUCKEE DONNER RECREATION & PARK DISTRICT
GUSTINE, CITY OF

Christina Nygard, Non-Officer Member
Becky Padron, **Secretary/Treasurer**
Kim Turner, **Vice President**
David Faris, **President**
Melanie Correa, Non-Officer Member

MANAGERS:

KEENAN & ASSOCIATES

Peter McNamara
Christine Hough
Melissa King
Nancy Schott

OTHERS:

KEENAN & ASSOCIATES

Sam Mel-Chan
Dayna Gowan
Alexandria Van Brunt

ANTHEM

Emma Rodriguez

EMPIRX

Michelle Rimes
Haajar Yanes

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF AGENDA – December 6, 2023

Presented by David Faris

Action
2023-062

Motion to approve the December 6, 2023 Agenda: 1. Kim Turner and 2. Christina Nygard. Motion unanimously approved by the Executive Committee.

V. APPROVAL OF MINUTES – October 25, 2023 **Action**
Presented by David Faris **2023-063**

Motion to approve October 25, 2023 Minutes: 1. Kim Turner and 2. Christina Nygard. Motion unanimously approved by the Executive Committee.

VI. CORRESPONDENCE **Information**
Presented by E. Peter McNamara **2023-064**

The 2022 audit final report and governance letter were reviewed.

VII. FINANCIAL

MONTHLY FINANCIAL REVIEW **Information**
Presented by Sam Mel-Chan **2023-065**

The Monthly Financial Review as of October 31, 2023, was reviewed, including very favorable returns on funds invested in the CAMP program. There will be a premium refund from Symetra, PACE's reinsurer of \$124,470 for 2022. The 2023 premium refund, if any, will not be available until summer of 2024.

ANTHEM UPDATE **Information**
Presented by E. Peter McNamara **2023-066**

Recent claims experience was reviewed. Typically, Anthem claims have been running \$305k per week in 2023 and claims for the week of November 27 were much higher at \$735k. There continue to be additional claims for the two high-cost claimants previously reported and PACE will continue to receive stop loss reimbursements for additional claims. As well, there are two new high-cost claimants.

Joelle Jarmillo is no longer with Anthem and Emma Rodriguez will be PACE's interim and possibly permanent Account Executive.

ANCILLARY UPDATE - EMPIRX **Information**
Presented by Melissa King **2023-067**

The Executive Committee heard an update on EmpiRx specialty drug utilization. With the cost containments put in place in 2022, drug spend has been 36% of total claim cost through October 2023 rather than 64% in 2022. Overall drug spend in 2023 is lower than 2022.

EMPIRX COST CONTAINMENT PROGRAMS UPDATE **Information or Action if need be**
Presented by Melissa King **2023-068**

The Executive Committee reviewed the cost containment program options discussed at the October Executive Committee Meeting including changing the weight loss medication restriction protocols, Humira biosimilar member education strategy and mandatory mail order for maintenance medication.

Haajar Yanes from EmpiRx shared that patients go through step therapy (such as a biosimilar medication or weight loss program) prior to being prescribed a GLP-1 Receptor Agonist weight loss medication. Once patients begin a weight loss medication, they typically need to take a weight loss medication for life as the weight will return if the medication is discontinued. There are 31 members currently utilizing weight loss medications.

For a member with additional weight-related comorbid conditions, taking the weight loss medication may reduce additional comorbid conditions which may result in lower costs to the plan. PACE Management suggested monitoring usage and cost over the next 6 – 12 months before implementing any criteria changes. After discussion, the Executive Committee was uncomfortable making a clinical decision without further information about usage trend. Any decision to implement changes in clinical protocols would include grandfathering members currently using weight loss medication based on the existing plan requirements.

A draft member education letter regarding Humira biosimilars was reviewed. The reason for the education piece is so members would be aware of the biosimilar options before a doctor a doctor discusses it with them for the first time. Who should send out the education piece to members currently using Humira was discussed. There are 6 members currently on Humira; EmpiRx has conducted outreach to their providers multiple times, but there have not been any changes to a Humira biosimilar yet. If a member switches from Humira to a biosimilar and the new medication doesn't work, the member can return to Humira. Kim Turner thought it would be helpful to include Humira and biosimilar costs to the health plan in a member education letter, so members understand why PACE is suggesting biosimilars as an option.

The Mandatory Mail for non-specialty drugs program was reviewed. There would be cost savings of approx. \$500k to the plan if 75% of members converted and a cost savings to members as mail order is 2x copay for three months rather than 3x copay for three months retail. This information will be shared with the Full Board at tomorrow's Full Board Meeting.

No action was taken.

WELLNESS UPDATES

Presented by Dayna Gowan

**Action
2023-069**

The number of recipients receiving rewards has been similar for 2023, 2022 and 2021. Changing the point structure and increasing the reward amount may encourage engagement.

The Executive Committee discussed the 2024 Wellness Program Recommendations and updated point structure no longer requiring completion of the Biometric Screening. The point structure is weighted toward completing the Biometric Screening and behavior change campaigns; however, if a member does not complete the Biometric Screen yet completes the rest of the points, they would receive a reward, but not at the highest level. This change should result in more people earning rewards as there were 40-50 people who earned enough points for a reward in 2023 yet didn't complete the Biometric Screening so were unable to earn a reward.

Program recommendations for 2024:

1. Continue to include spouses.
2. Revamp the point structure allowing members to earn more points for more time consuming or

challenging tasks as compared to simpler tasks.

3. Include Health Coaching calls.
4. Include an agency challenge such as Walktober as in 2023 as a fourth behavior change campaign.
5. Increase the top reward from \$150 to \$175 per member or spouse. The budget can accommodate the reward increase.

Motion to approve the 2024 Wellness Program Recommendations including an updated point system: 1. Kim Turner and 2. David Faris. Motion unanimously approved by the Executive Committee.

GROUP VOLUNTARY MEDICARE ADVANTAGE PROGRAM Information or Action if need be

Presented by Melissa King

2023-070

After making a request to the Full Board at the August 2023 Meeting, retiree data has been received from nine agencies for approximately 200 retirees. RetireeFirst indicated the more data collected creating a larger pool of retirees, the better the rates should be.

PACE Management wanted to let the Executive Committee know there will be another data request to collect more complete information: 1) retiree data from agencies who have not already provided it for the Group Voluntary Medicare Advantage Program marketing and 2) active employee data, if not already in BenefitBridge, for the Group Voluntary Long Term Care marketing. Sending two data requests at the same time may have been confusing for agencies.

The Executive Committee discussed if agencies might be more receptive to a data request in spring when agencies aren't going through end of the year requirements. There may be some updates to Medicare programs possibly resulting in higher Group Voluntary Medicare Advantage rates which was the strategy for locking in rates now. However, as there is no financial obligation for PACE in implementing either voluntary program, waiting until spring is not an issue. Agencies may be more receptive if wait until January or February to request additional data. Separating the different data requests to the agencies for the different voluntary programs may be helpful.

No action was taken.

GROUP VOLUNTARY LONG TERM CARE PROGRAM SOLUTION

Presented by E. Peter McNamara and Melissa King

Action

2023-071

The Executive Committee heard an update and discussed marketing results for a possible group voluntary long term care program solution offered through PACE.

Information may be available in January around what the state may do regarding a state funded Long Term Care program based on the recommendations from the task force submitted on December 14, 2023. With only an approximate \$36k planned benefit for the state program, a voluntary private group plan will provide richer benefits and more flexibility (benefits based on an as needed basis) than the state program (benefits based on reimbursement only). There is a risk the state will impose a look back exemption period that begins before the state funded program is announced and an opportunity to implement a group voluntary program before the look back deadline was missed. The Executive Committee discussed waiting to move forward until the state's intentions become clearer and differences between the public v. private options can be better explained to PACE members. If PACE implements a Group Voluntary Long Term Care plan and members wish to cancel their plans in the future, they can.

Motion to not take action at this meeting: 1. Kim Turner and 2. David Faris. Motion unanimously approved by the Executive Committee.

VIII. ADMINISTRATION

PACE NEW MEMBER ACTIVITY

Information

Presented by Christine Hough

2023-072

There have been two requests for quotation since the last Executive Committee Meeting:

1. City of Chowchilla – 49 employees - based on current age rated plans and a young demographic, Christine Hough was unable to offer competitive rates and declined to quote.
2. Anderson Valley USD – 66 employees – currently have benefits through Mendocino County Office of Education’s Staywell JPA and they are looking for a new JPA with more plan options. Due to an older demographic, Christine Hough was unable to offer competitive rates and declined to quote.

DISCUSSION OF ELECTION OF VICE PRESIDENT AND TWO NON-OFFICER EXECUTIVE COMMITTEE MEMBERS FOR JANUARY 1, 2024 – DECEMBER 31, 2025 TERM

Information or Action if need be

2023-073

Presented by E. Peter McNamara

The Executive Committee discussed the upcoming election of Vice President and two Non-Officer Executive Committee Member positions for the January 1, 2024 – December 31, 2025 term. Christina Nygard is leaving RGS effective December 18, 2023.

Kim Turner agreed to serve another full term as Vice President and Melanie Correa agreed to serve a full term as a Non-Officer Member. Peter McNamara will announce Kim Turner and Melanie Correa are willing to serve for the January 1, 2024 – December 31, 2025 term for a Full Board vote at tomorrow’s Full Board meeting. Christina Nygard’s Non-Officer Executive Committee Member position will be filed in 2024.

No action was taken.

STRATEGIC PLANNING MEETING

Information

2023-074

The 2024 PACE Executive Committee Strategic Planning Meeting will be held at the LAX Marriott on January 24, 2024, with a group dinner the night before on January 23, 2024. Details on hotel and airfare reservations will be issued soon.

Amy Donovan from Keenan legal counsel will present compliance updates. If there are any requested topics, please let Peter know.

PACE WEBSITE ANALYTICS UPDATE

Information

2023-075

Analytics on the PACE website through November 2023 were reviewed. With the advent of

remote work, determining individual IP addresses to know if site visitors are Keenan people or agency members.

It was suggested to remind the Full Board quarterly the website is available.

IX. INFORMATION

EXECUTIVE COMMITTEE COMMENTS

Information

There were no Executive Committee Comments.

MANAGER COMMENTS

Information

Gag Clause Prohibition Reporting information due December 31, 2023 will be reviewed at the December 7, 2023 Full Board Meeting.

Delta Dental has been uncooperative regarding moving the Municipal Dental Pool from a standalone JPA to under the PACE umbrella. Keenan continues to pursue the issue with Delta Dental.

X. AGENDA ITEMS NEXT MEETING

Information

Executive Committee Members and others may suggest items for consideration at the next meeting scheduled for January 24, 2024, in-person.

- Additional lines of coverage that might be offered through PACE.
- May include Quarterly Financial Report, Anthem update, Kaiser update and Ancillary updates.

XI. ADJOURNMENT

The meeting was adjourned at 3:17 pm.