

MINUTES

PUBLIC AGENCY COALITION ENTERPRISE (PACE)

BOARD OF DIRECTORS MEETING

December 8, 2022

2:00 pm

I. CALL TO ORDER

The meeting was called to order at 2:06 pm.

II. ROLL CALL

BOARD MEMBERS:

COMPASS CHARTER SCHOOLS	Sophia Trivino
DANVILLE, TOWN OF	Lani Ha
DESERT HOT SPRINGS, CITY OF	Clyde Thomas
FOWLER, CITY OF	Angela Vasquez
GUSTINE, CITY OF	Melanie
Correa	
LINDSAY, CITY OF	Mari Carrillo
MODOC COUNTY	Chester Robertson
REDWOOD COAST ENERGY AUTHORITY	Eileen Verbeck
REGIONAL GOVERNMENT SERVICES	Jennifer Bower, President
SANGER, CITY OF	Becky Ramirez
SUPERIOR COURT OF CALIFORNIA, EL DORADO COUNTY	Heather Nelson
SUPERIOR COURT OF CALIFORNIA, KINGS COUNTY	Nocona Soboleski
SUPERIOR COURT OF CALIFORNIA, MENDOCINO CO.	Kim Turner, Secretary/Treasurer
SUPERIOR COURT OF CALIFORNIA, SUTTER COUNTY	Joe Azevedo
TRUCKEE-DONNER RECREATION & PARK DISTRICT	David Faris, Vice President

ALTERNATES:

AVENAL, CITY OF	Griselda Price
CARMEL AREA WASTEWATER DISTRICT	James Grover
LIVINGSTON, CITY OF	Jennifer Riedeman
MODOC COUNTY	Pam Randall
REDWOOD COAST ENERGY AUTHORITY	Kristy Siino
REGIONAL GOVERNMENT SERVICES	Christina Nygard
RIO DELL, CITY OF	Karen Dunham

MANAGERS:

KEENAN & ASSOCIATES	Peter McNamara
	Christine Hough
	Chris Jordan
	Nancy Schott

OTHERS:

KEENAN & ASSOCIATES

Dayna Gowan
Sam Mel-Chan
Pam Cote
Mona Reese
Elizabeth Childers
Tiffany Garcia
Sista Duncan
Dawn Almanzor
Melissa King

ANTHEM

Joelle Jarmillo

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF AGENDA – December 8, 2022

**Action
2022-033**

Presented by Jennifer Bower

Motion to approve the December 8, 2022 agenda: 1. Melanie Correa and 2. David Faris. Motion unanimously approved by the Full Board.

V. APPROVAL OF MINUTES – August 24, 2022

Action

Presented by Jennifer Bower

2022-034

Motion to approve the August 24, 2022 minutes: 1. Chester Robertson and 2. Lani Ha. Motion unanimously approved by the Full Board.

VI. CORRESPONDENCE

**Information
2022-035**

Presented by E. Peter McNamara

Flyers about a name change for Anthem’s Ingenio RX specialty drug plan for HDHP plans were reviewed.

The EmpiRx Pharmacy & Therapeutic changes effective January 1, 2023 will be posted on the PACE website.

VII. FINANCIAL

QUARTERLY FINANCIAL REPORT

**Information
2022-036**

Presented by Sam Mel-Chan

The Quarterly Financial Report and LAIF Account Statement as of September 30, 2022 and the Monthly Financial Review as of October 31, 2022 were reviewed. The final MCSIG deficit recoupment invoice was paid and as of December 31, 2022 PACE will have paid the recoupment amount in full. The LAIF Account Statements for July – September 2022 were reviewed.

The estimated net position as of December 31, 2022 will be approximately \$9M. In 2022, Anthem claims have been running approximately \$240k per week, similar to 2021.

Members are encouraged to send in payments by ACH wire rather than the mail to avoid lost or stolen mail issues with USPS.

ANTHEM UPDATE

Presented by Joelle Jarmillo

Information

2022-037

The October 2022 Anthem utilization report was reviewed. There was an 18% membership increase in 2022 compared to 2021 due to new groups joining PACE. In network claims accounted for 94.5% of claims. There are 18 high cost claims over \$100k which account for approximately 28% of total claims cost. Only three of the high cost claims exceeded the stop loss attachment point, triggering reimbursement from the stop loss carrier. Claims costs are still normalizing after COVID.

ANCILLARY UPDATES

Presented by E. Peter McNamara

Information

2022-038

The LiveHealth Online October 2022 utilization report was reviewed. In 2022, there were 74 additional registrations bring the PACE total to 430 participating members (approximately 25% of overall population). There were approximately 171 physical health visits and 29 behavioral health visits.

Consumer Medical was notified PACE will be terminating their contract effective February 1, 2022.

The EmpiRx October 2022 utilization report was reviewed. Through October, Specialty drugs accounted for 64% of claims costs generated by only 1.5% of claims. In 2022, PACE approved several specialty cost mitigating programs which should reduce the cost of specialty drug costs by working with providers to prescribe equally efficacious medications at a lesser cost. Members are free to stay on an originally prescribed specialty drug and at no time will members have a medication changed without their approval. PACE's goal is to have the most cost efficient drug prescribed if it has the same effectiveness as the brand name drug.

WELLNESS UPDATES

Presented by Dayna Gowan

Information

2022-039

The PACE 2022 Health Management Program which closed on November 15, 2022 was reviewed. There were 188 participants (7% of eligible PACE members) and 55 participants reached a rewards level. All award recipients except two reached the highest gift card award of \$150. Participation numbers for 2020 and 2021 were also reviewed. 2020 had a higher number of members who reached an award level because the biometric screening, requiring a doctor visit, was not required due to COVID. Gift cards for the 2022 program year will be issued mid-December. For IRS reporting, each agency will receive a list of members who received awards. The WellSteps 2022 Annual Report and aggregated Personal Health Assessment Report were reviewed. The final Wellness Advisory Committee Meeting is December 14, 2022.

The 2022 Wellness Newsletter Recipe document was provided and will be posted to the website.

The 2023 Health Management Program will proceed using the 2022 program structure.

VIII. ADMINISTRATION

PACE NEW MEMBER ACTIVITY

Presented by Christine Hough

Information

2022-040

1. Classical Academies Charter School – Approximately 298 employees without any waivers with Kaiser (40%) and Aetna (60%) plans. Kaiser and Anthem plans. They are mainly interested in the Anthem HMO with a 4 tier rate structure. Anthem declined to quote an HMO 4 tier rate. Christine Hough believed they would be a good risk; however, they decided to join Cigna.
2. San Diego In-House Supportive Services – Approximately 61 employees in an age rated Anthem HMO plan and small group rates. The risk factor is 15% higher than PACE. PACE is waiting to hear if the group is interested.
3. City of Fullerton – Update to the quote discussed at the October Executive Committee Meeting for approximately 412 non-fire fighter employees with 55% in Kaiser, 43% in a Cigna HMO with 15% waiving coverage. In addition to Actives, the City is interested in having early retirees join PACE. Adding the early retirees increased the risk factor by 10% requiring a new quote. Most members are currently in the HMO which is why they are interested in PACE’s HMO. The City is considering the revised quote, including the early retirees.
4. City of California City – 93 employees with 31 waivers (33%) high number of waivers and a low average age. Average age is 7 years younger than PACE’s average age. The high number of waivers may be due to City spouses being employed at the nearby Edwards Airforce Base which provides free coverage for employees and dependents. This group left CalPERS and planned to go into FDAC EBA. Due to a change in the composition of the FDAC EBA pool, the City was unable to join and decided to join PACE.
5. City of Gridley – 39 employees currently with Anthem age rated HDHP plans and a low average age. PPO and EPO plans were quoted; however, PACE rates were not competitive. PACE is waiting for a response from them.

IX. INFORMATION

MEMBER COMMENTS

Information

Jennifer Bower announced she will be retiring at the end of 2022.

MANAGER COMMENTS

Information

At the December 8, 2022 Executive Committee Meeting, Christina Nygard was appointed to the vacant Non-Officer Executive Committee Member #1 position through December 31, 2023. Theresa Doyle will be vacating her position as Non-Officer Executive Committee Member #2 on the Executive Committee eff. January 1, 2023. The Executive Committee will appoint a Board Member to serve the remainder of the Non-Officer Executive Committee Member term through December 31, 2023 at a future EC Meeting. If anyone is interested, please contact Peter McNamara, Chris Jordan, Nancy Schott or their Keenan Account Manager.

Calendar invites for 2023 calendar will be issued by the end of December or early January. Full Board

Meetings will take place in April, August and December in 2023.

SETECH has a new email address for premium back up and an updated Administrative-Premium Payment Reminders document, including that information will be sent to all Board Members.

In January 2023 there will be some updates to the CompleteCare program. The monthly premium equivalent will be reduced and any member agency who provides a premium differential must run the differential cost through the agency's payroll system as the IRS considers it a taxable event.

The website, pacejpa.org, is live and new content is being added.

X. AGENDA ITEMS NEXT MEETING

Information

Members and others may suggest items for consideration at the next meeting which will be held April 27, 2023 via Zoom.

- Quarterly Financial Report, Anthem update, Ancillary updates, New Member Activity

XI. ADJOURNMENT

The meeting was adjourned at 3:04 pm.