

MEETING
STATE OF CALIFORNIA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
PENSION & HEALTH BENEFITS COMMITTEE

ROBERT F. CARLSON AUDITORIUM
LINCOLN PLAZA NORTH
400 P STREET
SACRAMENTO, CALIFORNIA

TUESDAY, DECEMBER 17, 2019

9:01 A.M.

JAMES F. PETERS, CSR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 10063

A P P E A R A N C E S

COMMITTEE MEMBERS:

Ms. Rob Feckner, Chairperson
Mr. Ramon Rubalcava, Vice Chairperson
Mr. Henry Jones
Mr. David Miller
Ms. Eraina Ortega
Ms. Mona Pasquil Rogers
Ms. Theresa Taylor
Ms. Betty Yee, represented by Ms. Karen Greene-Ross

BOARD MEMBERS:

Ms. Fiona Ma, represented by Mr. Frank Ruffino
Ms. Lisa Middleton
Ms. Stacie Olivares
Mr. Jason Perez

STAFF:

Ms. Marcie Frost, Chief Executive Officer
Mr. Matt Jacobs, General Counsel
Ms. Donna Lum, Deputy Executive Officer
Dr. Donald Moulds, Chief Health Director
Ms. Jennifer Jimenez, Committee Secretary
Dr. Julia Logan, Chief Medical Officer

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Dr. Robert Friedman, Anthem Blue Cross

Dr. Dennis Hsieh, UnitedHealthcare

Mr. Rob Honaker, Anthem Blue Cross

Dr. Tosha Larios, Magellan

Dr. Jeffrey Meyerhoff, UnitedHealthcare

Dr. Michael Millman, Blue Shield of California

Mr. Dan Prettyman, Blue Shield of California

I N D E X

	PAGE
1. Call to Order and Roll Call	1
2. Approval of the December 17, 2019, Pension and Health Benefits Committee Meeting Timed Agenda	2
3. Executive Report - Don Moulds, Donna Lum	4
4. Action Consent Items - Don Moulds	11
a. Approval of the November 19, 2019, Pension and Health Benefits Committee Meeting Minutes	
5. Information Consent Items - Don Moulds	11
a. Annual Calendar Review	
b. Draft Agenda for the March 17, 2020, Pension and Health Benefits Committee Meeting	
c. PERS Select Value Based Insurance Design Update	
6. Information Agenda Items	
a. Mental Health: An Update on Challenges and Innovations - Don Moulds and Julia Logan, MD; Robert Friedman, MD, Anthem Blue Cross; Michael Millman, PhD, Blue Shield of California; Dr. Jeffrey Meyerhoff and Dr. Dennis Hsieh, UnitedHealthcare	15
b. Summary of Committee Direction - Don Moulds	101
c. Public Comment	102
Adjournment	107
Reporter's Certificate	108

1 P R O C E E D I N G S

2 CHAIRPERSON FECKNER: Good morning. We'd like to
3 call the Pension and Health Benefits Committee meeting to
4 order.

5 The first order of business will be to call the
6 roll, please.

7 COMMITTEE SECRETARY JIMENEZ: Rob Feckner?

8 CHAIRPERSON FECKNER: Good morning.

9 COMMITTEE SECRETARY JIMENEZ: Ramon Rubalcava?

10 VICE CHAIRPERSON RUBALCAVA: Here.

11 COMMITTEE SECRETARY JIMENEZ: Margaret Brown?

12 CHAIRPERSON FECKNER: Excused.

13 COMMITTEE SECRETARY JIMENEZ: Henry Jones?

14 COMMITTEE MEMBER JONES: Here.

15 COMMITTEE SECRETARY JIMENEZ: David Miller?

16 COMMITTEE MEMBER MILLER: Here.

17 COMMITTEE SECRETARY JIMENEZ: Eraina Ortega?

18 COMMITTEE MEMBER ORTEGA: Here.

19 COMMITTEE SECRETARY JIMENEZ: Mona Pasquil

20 Rogers?

21 COMMITTEE MEMBER PASQUIL ROGERS: Here.

22 COMMITTEE SECRETARY JIMENEZ: Theresa Taylor?

23 COMMITTEE MEMBER TAYLOR: Here.

24 COMMITTEE SECRETARY JIMENEZ: Karen Greene-Ross

25 for Betty Yee?

1 ACTING COMMITTEE MEMBER GREENE-ROSS: Here.

2 CHAIRPERSON FECKNER: Thank you. Please also
3 show Ms. Taylor, Ms. Olivares, Mr. Ruffino, Ms. Middleton,
4 and Mr. Perez joining the Committee today.

5 I'm sorry. I thought you said you weren't
6 earlier. I missed that.

7 Next order of business, Item 2, is the
8 approved -- approval of the timed agenda. What's the
9 pleasure of the Committee?

10 COMMITTEE MEMBER MILLER: So moved.

11 CHAIRPERSON FECKNER: Moved by Miller.
12 Seconded?

13 COMMITTEE MEMBER TAYLOR: Second.

14 CHAIRPERSON FECKNER: Second by Taylor.

15 Any discussion on the motion?

16 Seeing none.

17 All in favor say aye?

18 (Ayes.)

19 CHAIRPERSON FECKNER: Opposed, no?

20 Motion carries.

21 Before we move on to Item 3, I'm going to take a
22 moment to honor the service of Donna Lum. Donna is our
23 Deputy Executive Officer over our Customer Services and
24 our Support Teams. Donna will be retiring next week after
25 21 years here at CalPERS, and another 15 with the State of

1 California. Throughout her career, she put her passion
2 for mission here into action as she led her teams to
3 improve customer service. Donna joined us early in 1999,
4 about three months after me, so she's about the only one
5 left here that was here when I started. And she certainly
6 was here to help us begin preparation for Y2K, if any of
7 you remember those days.

8 She had a strong vision for how technology could
9 enhance our services and was deeply involved in the
10 creation of the myCalPERS system. In 2012, Donna joined
11 the executive team and I've seen many customer service
12 enhancements throughout her leadership. Here are just a
13 few. Our Customer Contact Center receives over one
14 million calls each year with a 94 percent satisfaction
15 rate. Our Employer Response Team handles near 1,000
16 critical time-sensitive issues each year, usually within
17 one day, consistently exceeding a 90 percent satisfaction
18 rating. Donna created the Employer Leadership Dialogues,
19 which are held throughout the state, to listen to employer
20 needs and facilitate their communication.

21 And finally, there's be an increase in compliance
22 with payroll reporting with 99 percent of employers
23 submitting reports on time. Donna, we're all very
24 grateful for your dedication to our CalPERS team, to the
25 members of this System, and to this Board.

1 So on behalf of us, enjoy your retirement. You
2 and Alan have a great time. And we certainly will always
3 remember the work you've done here. Thank you very much.

4 (Applause.)

5 (Standing applause.)

6 CHAIRPERSON FECKNER: With that we'll move to
7 Agenda Item 3, is the Executive Report, Mr. Moulds, Ms.
8 Lum. Who's first?

9 DEPUTY EXECUTIVE OFFICER LUM: Good morning, Mr.
10 Chair. Donna Lum, CalPERS team member.

11 First of all, I'd also like to take a moment of
12 personal privilege and thank you Mr. Chair for the kind
13 words that you shared. It seems like it's not been so
14 long ago where I was the liaison to the Benefit Program
15 and Administration Committee, also known as BPAC. And
16 certainly have known you and Mr. Jones the longest with
17 regards to the work that I've done on the Board.

18 But it's been my pleasure to have worked with
19 this Committee specifically on the many legislative and
20 regulatory implementations that we've gone through over
21 the many years that I've been involved with the Committee.
22 In addition to that, we've worked on a lot of strategic
23 and policy issues, many that have really shaped the way
24 that we deliver our services, our customer services to our
25 members and our employers. And for that, I do want to

1 thank all of you for the support that you've given, not
2 only to the customer service teams, but to all CalPERS
3 team members.

4 It's really been an honor and a pleasure to have
5 worked with you all and to be able to end my public
6 service career here at CalPERS. It's been, as I've said
7 several times in several celebrations that I've had over
8 the last couple weeks, the most rewarding part of my
9 career being here at CalPERS and fulfilling and serving on
10 the mission that is extremely important for our members,
11 our beneficiaries, and our survivors.

12 So thank you all.

13 CHAIRPERSON FECKNER: Thank you.

14 With that, I do have one item to report out to
15 close this fis -- this calendar year. And that is we are
16 preparing for the 2020 CalPERS Benefit Education Events.
17 Our first event is going to be held at Rohnert Park on
18 January 10th and 11th. And this is expected to be a
19 fairly large event. The ast time we were in Rohnert Park
20 it was 2016 and we had nearly 1,110 attendees. Yesterday,
21 we sent out emails to nearly 45,000 members in the
22 surrounding counties, including Contra Costa, Marin,
23 Mendocino, Napa, and Sonoma encouraging members who are
24 either nearing retirement or mid-career to come and join
25 us at this CBEE.

1 At the CBEEs, we do surveys and we take a lot of
2 member input on what we can do to improve the delivery of
3 the presentations and the education that we provide. And
4 one of the things that we received feedback on that we are
5 implementing for the 2020 CBEEs is, what we call, a new QR
6 code capability. And so members that are attending the
7 CBEE will have the option to easily scan a QR code, and
8 the materials that are available on the website will be
9 easily available to them on their mobile devices. And so
10 that does help to reduce the paper plan that we --
11 initiative that we have, but it also gives direct access
12 to the attendees to the material.

13 In addition to that, we have developed, what
14 we're calling, learning guides for the CBEEs. And these
15 are very concise references that will again help our
16 attendees to retain the information that they're
17 receiving.

18 And then lastly, the additional input that we
19 received from members is that we do have a CBEE checklist
20 available on the website. And that's to help attendees
21 plan well in advance, which of the presentations they want
22 to attend. And that also helps us to plan for capacity
23 needs for the locations that we are hosting at.

24 The Rohnert Park CBEE will then be followed by
25 San Luis Obispo on 7 -- February 7th and 8th. And the

1 full calendar of the 2020 CBEEs is located on the CalPERS
2 website.

3 Mr. Chair, that concludes my remarks and I'm
4 happy to answer any questions you may have.

5 CHAIRPERSON FECKNER: Thank you very much.

6 None for your lucky day.

7 DEPUTY EXECUTIVE OFFICER LUM: Thank you.

8 CHAIRPERSON FECKNER: Mr. Moulds.

9 CHIEF HEALTH DIRECTOR MOULDS: Good morning, Mr.
10 Chair, members of the Committee. Don Moulds, CalPERS
11 team. First, I have three items for my remarks today.

12 First, I want to share with the Committee that
13 our Annual Health Plan Member Survey will be kicking off
14 January 7th. The survey assesses member's experience with
15 their health plans during the 2019 health plan year. The
16 results will help us measure member satisfaction with
17 their health plan, specific outcomes and trends, as well
18 as quality and access to health care, including in rural
19 areas. This year, we also added six new validated mental
20 health questions to help us improve the quality of mental
21 health services for our members. The survey will run
22 through March 3rd.

23 Second, I want to let the Committee know that
24 last week we sent a letter to Cottage Health after
25 learning that they were at an impasse in their contract

1 extension negotiations with Anthem. Cottage runs three
2 hospitals in Santa Barbara. If Cottage and Anthem are
3 unable to reach an agreement by the end of the year,
4 members living in the area who have our PPO plans or
5 Anthem traditional HMO will no longer have in-network
6 access to the three Santa Barbara hospitals. The next
7 closest hospital is roughly 40 miles away.

8 The situation not only affects our existing
9 members, but we are bringing two new public agencies in
10 Santa Barbara on board effective January 1st, the City of
11 Santa Barbara and the Santa Barbara Housing Authority. So
12 this would impact them as well.

13 We're closely monitoring the situation. I've
14 personally spoken to both Anthem and Cottage multiple
15 times over the last few days. And while this is a
16 negotiation between two private parties, we're pressing
17 both sides to resolve the dispute.

18 Anthem has sent letters to potentially impacted
19 members. And we've communicated internally with the call
20 center and stakeholders in the area. We'll keep everyone
21 apprised as we know more.

22 And lastly, our agenda today continues our
23 important discussion of how to improve mental health care
24 for our members. As you'll recall, last month, we had a
25 discussion with Kaiser. Today, Dr. Logan will facilitate

1 the discussion with our three other large health plans,
2 Anthem, Blue Shield of California, and UnitedHealthcare.

3 Kaiser's answers to questions that arose at the
4 last meeting are in your packet. I also want to let folks
5 in the audience know that they're available in the back of
6 the room over there.

7 That concludes my opening remarks. I'm available
8 for any questions.

9 CHAIRPERSON FECKNER: Thank you.

10 Seeing none -- oh, we have one. Here, we go.
11 Ms. Taylor.

12 COMMITTEE MEMBER TAYLOR: Sorry about that. Mr.
13 Chair, thank you.

14 The Cottage Health issue, I'm just trying to --
15 we have members in the area, so how -- if they don't
16 come -- if they're at an impasse and they don't come to an
17 agreement -- we're urging them to come to an agreement.

18 CHIEF HEALTH DIRECTOR MOULDS: Correct. We've
19 sent a letter to Cottage. We've been on the phone to
20 Cottage multiple times and with Anthem multiple times, and
21 are pressing them to come to an agreement.

22 COMMITTEE MEMBER TAYLOR: I don't know that we
23 can discuss this or not, but do we know what the sticking
24 points are?

25 CHIEF HEALTH DIRECTOR MOULDS: I don't want to go

1 into -- into a lot of detail here, because it's a -- it's
2 a private negotiation. Considerations of cost are
3 always -- are always front and center in these -- in these
4 issues. We want to make sure obviously that everyone is
5 focused on the potential harm to our members in the area
6 as well.

7 COMMITTEE MEMBER TAYLOR: All right. Well, thank
8 you. Maybe we can talk offline about this.

9 CHAIRPERSON FECKNER: Great. Thank you.

10 Seeing no other -- pardon?

11 Push your button.

12 Ms. Greene-Ross.

13 ACTING COMMITTEE MEMBER GREENE-ROSS: Just how --
14 with respect to our contract with the plan, how would that
15 disruption affect the terms of our contract? Are they
16 bound by our contract with them to provide service that's
17 more accessible for the members in that area.

18 CHIEF HEALTH DIRECTOR MOULDS: Yeah, that's one
19 of the ones that I'll probably not get into too much
20 detail, just because of the private nature of it. But
21 it -- the short answer is it differs depending on whether
22 we're talking about members in our PPO where Anthem is a
23 third-party administrator to benefits that we purchase
24 versus the HMO, where they're an insured entity. So
25 there's a little bit of a difference in the two cases.

1 ACTING COMMITTEE MEMBER GREENE-ROSS: Great. It
2 would be great to just have an update once we --

3 CHIEF HEALTH DIRECTOR MOULDS: Yep.

4 ACTING COMMITTEE MEMBER GREENE-ROSS: -- we know
5 anything more.

6 Thank you.

7 CHAIRPERSON FECKNER: Thank you. See no other
8 requests.

9 That brings us Item 4, action consent, the
10 approval of the November 19th meeting minutes.

11 What's the pleasure of the Committee?

12 VICE CHAIRPERSON RUBALCAVA: Move approval.

13 COMMITTEE MEMBER TAYLOR: Second.

14 CHAIRPERSON FECKNER: Moved by Rubalcava,
15 seconded by Taylor.

16 Any discussion on the motion?

17 Seeing none.

18 All in favor say aye?

19 (Ayes.)

20 CHAIRPERSON FECKNER: Opposed, no? Motion
21 carries.

22 Item 5, information consent items. There's been
23 a request to take 5c off of consent, so we can get an
24 update on that. So with that, we will move onto 5c, Mr.
25 Moulds.

1 CHIEF HEALTH DIRECTOR MOULDS: I have Marta Green
2 from our team.

3 CHAIRPERSON FECKNER: FECKNER: There you.

4 HEALTH POLICY RESEARCH ADMINISTRATION CHIEF
5 GREEN: Thank you. Good morning, Mr. Chair, Committee
6 members. Marta Green, CalPERS team member.

7 I'm happy to address any questions you may have
8 about this report.

9 CHAIRPERSON FECKNER: Thank you.

10 Mr. Rubalcava.

11 VICE CHAIRPERSON RUBALCAVA: Yes. First, thank
12 you. I think this is a very innovative program, where we
13 try to provide incentive for members to select a personal
14 doctor and participate in preventive care. I think it was
15 a very concise report and I thank you for that.

16 But I was a little concerned that under the
17 Future Moms Programs only -- only about 11 percent have
18 actually enrolled. And I was wondering what outreach
19 efforts -- I know Anthem is trying to reach out to the
20 health benefit officers. But what other -- what can be
21 done to -- I mean, this is a beautiful program and I wish
22 more expectant mothers would take advantage. I was
23 wondering what efforts we can do to help or what resources
24 are available --

25 HEALTH POLICY RESEARCH ADMINISTRATION CHIEF

1 GREEN: Great.

2 VICE CHAIRPERSON RUBALCAVA: -- to promote this
3 program, which is very Beneficial.

4 HEALTH POLICY RESEARCH ADMINISTRATION CHIEF

5 GREEN: Great question thank you for it.

6 So in addition to reaching out to the health
7 benefit officers, Anthem's clinical team is also reaching
8 out to the providers that are known to be providing
9 services to expectant women to try to get to them earlier
10 in their pregnancy to encourage them to participate in the
11 program.

12 One of the challenges Anthem faces is that it
13 may -- there may be a lag in time before Anthem, through
14 the claims data that they receive, know that a woman is
15 expecting because they need to see claims specific --

16 VICE CHAIRPERSON RUBALCAVA: Right.

17 HEALTH POLICY RESEARCH ADMINISTRATION CHIEF

18 GREEN: -- to the fact that she's expecting.

19 And so by getting the providers that are
20 providing these services to the women in advance of them
21 presenting as pregnant, they can encourage them earlier in
22 the pregnancy and hopefully increase uptake. So between
23 the health benefit officers, which usually know earlier in
24 a pregnancy and they can encourage the women to uptake in
25 the program, as well as the providers, as soon as a woman

1 whom presents who is pregnant that she can then join the
2 program.

3 So those are the two strategies that they're
4 implementing. But we did, like you, notice that the
5 uptake was much lower than the other health related --

6 VICE CHAIRPERSON RUBALCAVA: Yeah, I noticed
7 that.

8 HEALTH POLICY RESEARCH ADMINISTRATION CHIEF
9 GREEN: -- in the program.

10 VICE CHAIRPERSON RUBALCAVA: There's also an app.
11 Does the app also work for this program?

12 HEALTH POLICY RESEARCH ADMINISTRATION CHIEF

13 GREEN: I actually don't know the answer to that question,
14 but I'm happy to research it and get back to you.

15 VICE CHAIRPERSON RUBALCAVA: Because I wonder if
16 that could be a way to reach out to them? I know -- so
17 anyway.

18 HEALTH POLICY RESEARCH ADMINISTRATION CHIEF

19 GREEN: It's an excellent question and I will find out get
20 back to you.

21 VICE CHAIRPERSON RUBALCAVA: Thank you. I think
22 I really appreciate the report and look forward to next
23 quarter's report.

24 Thank you.

25 HEALTH POLICY RESEARCH ADMINISTRATION CHIEF

1 GREEN: Thank you.

2 CHAIRPERSON FECKNER: Very good. Thank you very
3 much. No other questions. Appreciate it.

4 Okay. That takes us to Item 6, information item.
5 Mr. Moulds.

6 CHIEF HEALTH DIRECTOR MOULDS: I'm going to turn
7 this one over to Dr. Logan.

8 (Thereupon an overhead presentation was
9 presented as follows.)

10 CHAIRPERSON FECKNER: Very good. Good morning,
11 Dr. Logan.

12 Other side.

13 The other side.

14 There you go.

15 CHIEF MEDICAL OFFICER LOGAN: Good morning. How
16 does that sound?

17 CHAIRPERSON FECKNER: Good morning.

18 CHIEF MEDICAL OFFICER LOGAN: Okay. Thank you,
19 Mr. Chair. And good morning again. My name is Julia
20 Logan, CalPERS team member. If I may, I would like to
21 take a moment of personal privilege to honor an important
22 person in my life who was taken too soon.

23 CHAIRPERSON FECKNER: Please do.

24 CHIEF MEDICAL OFFICER LOGAN: A few weeks ago, I
25 was painfully reminded how mental health personally

1 impacts all of us. My eight year old son's devoted and
2 wonderful second grade teacher took her own life a few
3 days before Thanksgiving. She was full of life, passion,
4 and was easily the best teacher my kids will ever have.
5 She taught her students and her community to love and
6 respect each other and our differences. Our community and
7 world lost a unique and amazing soul.

8 Her life and death will have a lifelong effect on
9 my children and thousands of others in our community. Her
10 family hopes that something positive will emerge as a
11 result of her suicide, starting with more widespread
12 understanding that mental illness is nothing to be ashamed
13 of. At her memorial service a few days ago, her husband
14 said that mental health is something that we should all
15 talk about and be open about, so that we can make a
16 difference in people's lives and prevent the unthinkable.
17 And that's my hope too.

18 And so I thank you for listening and thank you
19 all for continuing to discuss mental health so openly. I
20 really appreciate it.

21 CHAIRPERSON FECKNER: Thank you for sharing with
22 us.

23 CHIEF MEDICAL OFFICER LOGAN: Thank you.
24 So on with our program.

25 Over the last several months, this Committee has

1 taken a closer look at how mental health is delivered to
2 CalPERS' members and how CalPERS is working strategically
3 and innovatively with our health plans and other
4 stakeholders to achieve mental and physical wellness for
5 our members.

6 As a quick recap, in August of this year, CalPERS
7 team members presented an overview of mental health
8 disorders, their social, financial, and physical impacts,
9 and discussed barriers to achieve mental health wellness,
10 including stigma and a shortage of mental health care
11 providers.

12 At last month's PHBC the Department of Managed
13 Health Care presented on their responsibility to protect
14 CalPERS' members health care rights and ensure a stable
15 health care delivery system through their enforcement of
16 the Knox-Keene Act and the Mental Health Parity and
17 Addiction Equity Act of 2008.

18 Additionally, Kaiser Permanente provided a report
19 on their own challenges and innovations regarding mental
20 health access and treatment, using a standard set of
21 guidelines that CalPERS' team members put together based
22 on PHBC feedback.

23 The Committee requested that all the large health
24 plans present using the same set of guidelines. Today, we
25 will be hearing from the three remaining health plans with

1 large CalPERS membership, Anthem Blue Cross, Blue Shield
2 of California, and UnitedHealthcare.

3 They will each provide an overview of efforts to
4 improve mental health access and services for CalPERS
5 members and will also demonstrate how they're integrating
6 mental health and primary care, addressing the social
7 drivers of health, and are complying with mental health
8 parity laws.

9 As you will hear throughout their presentations,
10 each of these three health plans has different ways in
11 which they deliver or contract to deliver their behavioral
12 health service, including using an affiliated company or a
13 separately contracted behavioral health plan.

14 From Anthem Blue Cross, we will have Dr. Robert
15 Friedman, Managing Medical Director at Anthem Blue Cross;
16 from Blue Shield, Dr. Michael Millman, Behavioral Health
17 Clinical Director, Dan Prettyman, Vice President and
18 General Manager CalPERS and Federal Employees Program.
19 And for the Q&A portion, Dr. Millman and Mr. Prettyman
20 will be joined by Blue Shield's Mental Health Service
21 Administrator Magellan Health represented by Dr. Tosha
22 Larios, Chief Operating Officer of California Markets.

23 And finally from UnitedHealthcare, Dr. Jeffrey
24 Meyerhoff, Senior National Medical Director, Optum
25 Behavioral Health, and Dr. Dennis Hsieh, Senior Medical

1 Director UnitedHealthcare will be presenting.

2 To be able to get through all three of these
3 presentations, we ask that you hold questions until all
4 three presentations are complete.

5 And with that, I will now invite Dr. Robert
6 Friedman from Anthem Blue Cross to present.

7 DR. FRIEDMAN: Thank you very much. Thanks for
8 that introduction. And I'm sorry for the loss.

9 Thank you, everybody, for inviting us here today.
10 My name is Rob Friedman. I'm a child, adolescent, and
11 adult psychiatrist. I am still in practice and a provider
12 of behavioral health services in San Diego, and also the
13 Managing Medical Director for Anthem Blue Cross Behavioral
14 Health and focused mostly on the west region and
15 California.

16 Anthem has made tremendous strides in the past
17 several years in enhancing behavioral health services and
18 bolstering up what Anthem can do as a -- and a health plan
19 can do to help address some of the challenging issues that
20 we face in the state and frankly the nation, regarding
21 access, coordination of care services. And happy to go
22 through some of -- a quick summary of what Anthem does.

23 Is somebody advancing the slides, or am I doing
24 that, or there are no slides.

25 All right. Thanks.

1 --o0o--

2 DR. FRIEDMAN: So I think CalPERS had posed some
3 questions to us about the top diagnoses and by diagnosis
4 and cost.

5 --o0o--

6 DR. FRIEDMAN: And it shouldn't be surprise
7 that -- it's pretty much we are faced with a high
8 percentage of depressive diagnoses. When we look at
9 really what kind of diagnoses are most prevalent, it's
10 some variation of depression, depression and anxiety. I
11 think we know that one out of four people suffer mental
12 illness at some point in our country, and one out of five
13 people suffer depression.

14 I think we've all become much more aware over the
15 past few years that identifying issues like depression,
16 substance abuse, and improving access for members who
17 suffer from those disorders to get treatment, not only
18 improves their depression and substance use disorders, but
19 also improves their physical health, outcomes, and
20 compliance with treatment.

21 --o0o--

22 DR. FRIEDMAN: So Anthem has taken a whole person
23 approach to health care and recognizing that, of course,
24 you can't separate the physical from the mental. And
25 Anthem being one integrated health plan has all of the

1 management of physical health and mental health services
2 under one umbrella. There's one record system. There's
3 coordination of care between the physical health medical
4 directors and clinicians, as well as the behavioral health
5 medical directors and clinicians, because it's an
6 integrated health plan.

7 On the mental health side, we approach care for
8 our members and your members by having two parallel
9 systems, a utilization management system, and a case
10 management system. And these are all licensed
11 professionals who work hand-in-hand to make sure on the
12 utilization side that people are getting the appropriate
13 treatment, the medically necessary treatment, and trying
14 to steer people towards evidence-based treatments.

15 And on the case management side, also licensed
16 professionals that are more member facing, clinician
17 facing, and help members access treatment, and coordinate
18 care between their medical providers, their behavioral
19 health providers, discharges from hospitals, and getting
20 the resources that they need in the community.

21 --o0o--

22 DR. FRIEDMAN: So again, of course, you've heard
23 the expression the right care at the right place, better
24 coordination of care. We've -- we -- the care man -- the
25 case managers follow patients from the time they may be

1 admitted to the hospital through discharge, and the
2 importance of finding follow-up care in the community.

3 --o0o--

4 DR. FRIEDMAN: Because everything is under one
5 umbrella, we're able to coordinate medical and behavioral
6 care, as I said. So we have medical case managers who are
7 routinely reviewing medical cases, complex care cases, and
8 behavioral health case managers are participating in those
9 treatment team discussions.

10 So there's a flow of information back and forth
11 between the medical side, the behavioral side, at the
12 utilization level and at the case management level.

13 --o0o--

14 DR. FRIEDMAN: We've -- we all know that access
15 is one of the biggest problems facing our communities.
16 Several years ago, Anthem introduced a live health online
17 for Anthem members. They can access telehealth service
18 directly from their phone, their tablet, their computer by
19 just click a button the screen. And it will pull up
20 therapists and psychiatrists that have availability.
21 Where it used to take sometimes four weeks to get in to
22 see a therapist, now somebody can find a therapist who's
23 available within four days typically.

24 Psychiatrists, you know, it takes months to get
25 if. And now with LiveHealth Online, the average time to

1 get in has been reduced to less than ten days. The
2 satisfaction measures are taken on LiveHealth Online. And
3 these are Anthem providers already. They're in-network
4 providers that are having this as an add-on service. And
5 the satisfaction is extremely high for patients/members
6 that are using that service.

7 --o0o--

8 DR. FRIEDMAN: So the collaboration and
9 coordination of care between behavioral health and medical
10 providers is also a focus. And finding ways to help
11 primary care doctors and behavior health providers work
12 together has also been a focus. There's a whole team
13 that's been put into place to incentivize the coordination
14 of care and the collaborative care model through
15 value-based reimbursement and supporting the medical
16 behavior integration through those efforts.

17 Through outcome measures, if behavioral health
18 providers are coordinating care with primary care
19 clinicians, they have the opportunity to get an increase
20 in their pay for the upcoming year.

21 And that program was just launched like two years
22 ago and it's increasing, and being used throughout
23 California. The same with substance abuse facilities, we
24 know that one way to try to decrease the relapse rate is
25 to make sure people get appointments upon discharge,

1 rather than just having a revolving door and turned back
2 out onto the street.

3 So the substance abuse facilities are also
4 incented to make sure their patients get appointments
5 immediately post-discharge. And if they do, then they
6 have the opportunity to get a high reimbursement rate
7 coming -- going forward.

8 --o0o--

9 DR. FRIEDMAN: You know, one of the questions
10 was, you know, what does Anthem do or what do health plans
11 do to ensure the quality of care? And there's an
12 elaborate quality improvement program. There's one that
13 focuses on behavioral health. We look at the needs and
14 to -- for where improvements can be made. A big focus of
15 the behavioral health quality improvement program this
16 past few years is focused on the opioid epidemic. Trying
17 to increase the providers that are able to prescribe
18 medication-assisted treatment to make sure that those
19 getting medication-assisted treatment are also getting
20 quality medication-assisted treatment, which means
21 behavioral health therapeutic interventions, not just the
22 medication. And we monitor and measure the various
23 programs that impact behavioral health and members with
24 behavioral health conditions.

25 --o0o--

1 DR. FRIEDMAN: There was a question about the
2 social determinants of health care. Well, you know, there
3 are two ways that Anthem has gone about this. And this
4 is, you know, a relatively new concept that's getting a
5 lot more attention at the health plan level. The case
6 managers that I mentioned work with members to help make
7 sure they have transportation, that they have access to
8 care. And that's a big role for case management.

9 We know that people need safe housing. They need
10 transportation to get to appointments and they need
11 healthy food. Through the Anthem Foundation, there are
12 programs for grants to make sure that communities with
13 those kind of needs receive funding and grants for food
14 banks, cooking classes, and support at the local level.

15 I think we'll see more of that on the commercial
16 side. I think, you know, Anthem being a provider of the
17 government business Medicaid, Medi-Cal, and also on the
18 commercial side, I think there's an opportunity to
19 leverage a lot of this -- the programs that have fiscally
20 been able to be implemented on the government business
21 kind of side and leverage that for the commercial side.
22 And we're seeing more of that.

23 --o0o--

24 DR. FRIEDMAN: Okay. I think that is the end of
25 my slides. And I hope I didn't take too much time and

1 thanks for your attention.

2 CHAIRPERSON FECKNER: Thank you very much. No,
3 you did not take too much time. That was great
4 information.

5 CHIEF MEDICAL OFFICER LOGAN: Thank you. I will
6 now turn it over to Mr. Prettyman on behalf of Blue
7 Shield.

8 (Thereupon an overhead presentation was
9 presented as follows.)

10 MR. PRETTYMAN: Thank you, Dr. Logan.

11 All right. Thank you, Dr. Logan.

12 Blue Shield is sorry to hear of your family's
13 loss.

14 Hello. Good morning, Mr. Chair and Committee
15 members. My name is Dan Prettyman. And I'm the Vice
16 President of the CalPERS and Federal Employee Program at
17 Blue Shield of California.

18 Thank you for inviting us to participate in
19 today's discussion. And we appreciate CalPERS attention
20 and commitment to ensuring appropriate mental health care
21 for our members. At Blue Shield, we recognize the
22 importance of mental health and partner with Magellan
23 Health to provide services to our members, our employees,
24 and the communities we serve.

25 Joining me today is Dr. Michael Millman from Blue

1 Shield.

2 DR. MILLMAN: Good morning. My name is Dr. Mike
3 Millman. I'm a clinical psychologist, Clinical Director
4 for Behavioral Health at Blue Shield of California.

5 MR. PRETTYMAN: Also joining us today to answer
6 any questions you may have is our -- Tosh -- Dr. Tosha
7 Larios from Magellan Health.

8 DR. LARIOS: Hi. Good morning. My name is Tosha
9 Larios. I'm dual board certified in primary care and rare
10 foot surgery. I spent 13 years in the military. So I
11 continue my active -- active reserve as a primary care
12 provider. I'm really happy to be here. Mental health
13 means a lot to me with the service members that I've seen
14 go through various issues. And integration is really key
15 to helping to serve our members. So thank you for having
16 me.

17 --o0o--

18 MR. PRETTYMAN: Per your request today, we will
19 speak to a number of ways that Blue Shield ensures CalPERS
20 members receive the proper mental health care they
21 deserve. And our focus will be based on the questions
22 that CalPERS team previously provided.

23 --o0o--

24 MR. PRETTYMAN: Here, of course, are those
25 questions that we have been asked to discuss, which are

1 addressing throughout today's presentation. And the
2 corresponding slides to those questions are identified
3 here.

4 I will now hand it off to Dr. Michael Millman to
5 provide further insights on our approach.

6 --o0o--

7 DR. MILLMAN: Thank you. To highlight our top
8 five mental health diagnoses by prevalence and cost for
9 our CalPERS population, you will see that both lists have
10 diagnoses surrounding autism, anxiety and depression, with
11 a slight difference between the rankings within the two
12 lists.

13 Keep in mind, this information will look
14 different depending on how you pull the data. For
15 instance, if we put all the depressive disorders into a
16 single category, rather than listing them separately, you
17 would likely see depression move to the top of the list.

18 Throughout our discussion, we will highlight some
19 of the programs, services, and initiatives Blue Shield is
20 undertaking.

21 Next slide.

22 --o0o--

23 DR. MILLMAN: During the last Board meeting, Dr.
24 Logan referenced a number of alarming statistics
25 associated with mental health in the CalPERS population.

1 Recognizing these challenges, Blue Shield is committed to
2 helping improve access and quality of care. Blue Shield
3 partners with Magellan Health to access a broad provider
4 network of almost 12,000 behavioral health clinicians,
5 which has grown by 23 percent over the last five years.

6 Magellan Health has de -- has a dedicated team
7 that recruits both facility and individual providers, as
8 we work to establish and maintain strong relationships.
9 Blue Shield monitors and partners with Magellan Health in
10 this statewide effort.

11 In addition to traditional network growth, we see
12 a huge opportunity to leverage telebehavioral health. We
13 continue to expand the telebehavioral health network
14 providing easy and secure access for our members through a
15 mobile device at a time and place that is convenient for
16 them.

17 Next slide.

18 --o0o--

19 DR. MILLMAN: You also asked us to speak to
20 screening and treatment for mental health and chronic
21 health comorbidity. In addition to the importance of
22 continuing to improve access to providers, we also see an
23 opportunity to further improve the integration between
24 behavioral health and medical care. Behavioral health
25 conditions add significantly to the overall cost of care

1 are frequent -- and are frequently treated inadequately.

2 To help improve integration, we screen for mental
3 health and chronic medical conditions in a variety of
4 ways. We leverage information from medical and pharmacy
5 claims to proactively identify members with unmet mental
6 health needs. We have a chronic condition program that
7 identifies mental health condition and refers members to
8 appropriate resources. We also leverage patient health
9 questionnaires to screen for members' needs, connect them
10 to treatment, and enroll them in Blue Shield's Shield
11 Support Program.

12 Shield Support includes access to a team of
13 co-located mental health and medical professionals
14 offering personalized care and support, including care
15 coordination, case management, and home visits.

16 Through these integrated behavioral health and
17 medical care programs, we are better able to support our
18 members, we're able to improve health outcomes, and lower
19 costs.

20 --o0o--

21 MR. PRETTYMAN: Mental health stigma has long
22 been prevalent throughout our society. Recently, Blue
23 Shield has taken action to address the mental health
24 stigma in two important segments of our populations, our
25 students and our first responders.

1 The following two slides will speak to Blue
2 Shield's approach to improve mental health awareness and
3 mitigate the stigma in both these populations. With one
4 in five students having a serious mental health need and
5 too few of those not understanding how to seek help,
6 breaking down the stigma of asking for help is crucial.

7 Earlier this month, Blue Shield announced an
8 initiative that will do just that called the BlueSky
9 Initiative. BlueSky is a statewide multi-year effort to
10 support mental health care for California's students. It
11 will enhance awareness, increase advocacy, and improve
12 access to mental health services for students across the
13 state.

14 The program provides additional mental health
15 clinicians in the schools, trains teachers to recognize
16 the typical signs and symptoms of mental health illness,
17 and empowers students to overcome mental health stigma and
18 get the help they need.

19 Blue Shield is proud to partner with the
20 California Department of Education and other nonprofit
21 organizations to support mental health for California
22 students through this BlueSky Initiative.

23 Dr. Millman will now discuss Blue Shield's work
24 with our first responders.

25 DR. MILLMAN: We have a tremendous amount of

1 respect and appreciation for our first responders. They
2 make a tremendous sacrifice on a daily basis to help keep
3 us and our families safe and healthy, which unfortunately
4 often impacts the health of the first responder
5 themselves.

6 We recognize first responders also face a
7 challenge with the stigma surrounding the use of mental
8 health services. Some of the examples of our commitments
9 to help include our focused efforts on employer-based
10 programs that reduce stigma and promote mental wellness.
11 We also are partnering with organizations such as the
12 Center for Firefighter Behavioral Health to give them
13 access to technology-based resources. And to reduce the
14 negative impacts of stress and trauma amongst first
15 responders, we are working to offer mental health first
16 aid training program for first responders.

17 Next slide.

18 --o0o--

19 DR. MILLMAN: Moving on to embedding mental
20 health in primary care, we recognize the need for all care
21 to be coordinated and with the primary care physicians at
22 the center of the care hub. We believe that behavioral
23 health must be embedded to ensure whole person care. To
24 help, we have implemented a number of strategies. One
25 example is that we have provided our primary care

1 physicians with a behavioral health toolkit that supports
2 the interactions with CalPERS' members.

3 This toolkit gives providers access to
4 guidelines, referral information, and screening tools.
5 Blue Shield has also partnered with our medical groups and
6 primary care physicians to provide space for members to
7 access telebehavioral health services in primary care
8 practices.

9 Next slide, please.

10 --o0o--

11 DR. MILLMAN: To address your questions on mental
12 health parity compliance, Blue Shield and Magellan partner
13 to provide ongoing monitoring and compliance with all
14 parity laws. Plan benefit changes and business operations
15 are evaluated prior to the implementation for parity
16 compliance. Both Blue Shield and Magellan Health are
17 audited by the Department of Managed Health Care for
18 continued compliance with mental health parity
19 regulations.

20 Next slide.

21 --o0o--

22 DR. MILLMAN: Research shows that the majority of
23 a person's health is related to social drivers of health,
24 such as socioeconomic factors, health behaviors, and a
25 person's physical environment. In looking at the impact

1 of social drivers on health, an example of what Blue
2 Shield is doing to address these drivers, takes place
3 right here in Sacramento.

4 In Sacramento, we've identified health outcomes
5 are generally impacted by transportation barriers. We
6 have partnered with Lyft, the rideshare company, to offer
7 our members no-cost medical transportation to and from
8 appointments with one of our Sacramento-based providers.

9 This program can potentially benefit over 500
10 Blue Shield CalPERS members. Additionally, we have a
11 suite of clinically tested wellness programs for our
12 members that address several key health behaviors, such as
13 smoking cessation, diabetes prevention and fitness club
14 discounts.

15 Dan will now share a few comments to conclude our
16 presentation.

17 MR. PRETTYMAN: I'd like to close our
18 presentation today by thanking the Board for giving Blue
19 Shield this opportunity to speak on this critical topic
20 that impacts each of us in one form or another.

21 Thank you again.

22 CHIEF MEDICAL OFFICER LOGAN: Okay. I will now
23 turn it over to Drs. Meyerhoff and Hsieh from
24 UnitedHealthcare.

25 (Thereupon an overhead presentation was

1 which is the next slide, I just want to tell you we're
2 going to cover all the questions that you gave us about
3 access, which is our biggest focus. Integrated care. I
4 am Senior National Medical Director at Optum Behavioral,
5 which is owned by United -- UnitedHealth. And my primary
6 job is medical behavioral integrative solutions.

7 And then we'll talk about the social determinants
8 of health, parity, and some of your stats with your
9 membership.

10 --o0o--

11 DR. MEYERHOFF: If you go to the next page, we
12 can't have access without addressing the shame and stigma
13 that comes along with having a mental health or substance
14 use disorder diagnosis. That is a huge barrier to people
15 seeking treatment and getting the care that they need.
16 And we recognize that. And as part of our solution to
17 getting access is we really are aggressively trying to
18 change this conversation. We've been working with
19 national organizations that are well respected in this
20 area.

21 This year, we partnered with Coping After
22 Suicide; Give an Hour, which is an organization that asks
23 therapists to donate one hour a week to military and
24 veterans; Psych Hub, which is a tremendous online source
25 for psychiatric information; ShatterProof, which focuses

1 on substance use conditions; and Stamp Out Stigma
2 Campaign.

3 And this next year, we're going to expand that,
4 because we know that's not enough to the American
5 Foundation of Suicide Prevention, Mental Health American.
6 We're going to expand our first -- our Mental Health First
7 Aid offerings through the National Council for Behavioral
8 Health. We're going to work with a group called Mental
9 Health Innovations that tries to kind of approach this
10 stigma issue and alternative ways. The Trevor Project,
11 which focuses on the LGBTQ plus community, which has a
12 huge prevalence of some of these issues.

13 And we're also partnering with University of
14 Maryland to do some more research. And what else do we
15 need to do to change this conversation?

16 CHIEF MEDICAL OFFICER LOGAN: Dr. Meyerhoff, I
17 hate to interrupt, but would you mind advancing the
18 slides?

19 DR. MEYERHOFF: Oh, I'm sorry.

20 CHIEF MEDICAL OFFICER LOGAN: Thank you.

21 --o0o--

22 DR. MEYERHOFF: I said I would do it and then I
23 never did. I'm really excited. Sorry.

24 Okay. So the next one is really what are we
25 doing at the workplace level.

1 Ooh, I hope this didn't go on.

2 Yeah. So we also have campaigns at the workplace
3 level to try to reduce stigma. And we're doing that for
4 CalPERS currently working with leadership to kind of talk
5 about how do we communicate the importance of behavioral
6 health wellness, how do we create a culture within the
7 workplace environment that is more supportive of people
8 who have these conditions, how do we connect them with
9 similarity to physical conditions, and how do we kind of
10 engage your members in more kind of preventative wellness
11 programs.

12 We also have efforts that are at the member level
13 to try to reduce stigma. You know, we have -- we have
14 care advocates that help kind of help people understand
15 the importance of seeking care. We make sure people
16 are -- know, and understand, and use their benefits when
17 necessary. We work to provide early intervention
18 screening, which we'll talk about in a minute, because the
19 quicker we get in front of us the less severe hopefully
20 the condition is going to become. And again, even
21 focusing with members regarding this is really equivalent
22 to having a medical condition.

23 So we're going to talk a little bit about our PCP
24 connection and then we'll continue -- I'll continue.

25 DR. HSIEH: I'm Dennis Hsieh. I'm a Senior

1 Medical Director UnitedHealthcare. My background is
2 Internal Medicine and geriatric medicine. And I wanted to
3 talk a little bit about our collaboration with our PCPs on
4 behavioral health.

5 --o0o--

6 DR. HSIEH: So we share with them various
7 clinical resources, including information about cultural
8 competency, screening for depression, alcohol, and
9 substance misuse, management of ADHD, and patient
10 education materials.

11 We also provide real-time data on clinical care
12 opportunities for our PCPs. As an example, for our
13 Medicare members, we share with our PCPs reports that
14 include ER visits, inpatient hospitalizations, emissions,
15 and discharges, which includes behavioral health
16 hospitalizations in those reports. And we don't
17 differentiate between medical and behavioral health
18 hospitalizations. And we ask our PCPs to outreach to
19 every member -- every one of their patients after a
20 hospital discharge to follow up on that -- on their
21 patient.

22 The majority of our members in our disease and
23 care management programs are screened for depression. And
24 if a member has an elevated score, with the member's
25 permission, we share their results of that assessment with

1 the PCP. And then we also have an Optum --
2 UnitedHealthcare Optum behavioral health clinical advocate
3 reach out to the member to assist them in getting
4 additional care.

5 And finally, an example of how we're working on
6 addressing and supporting our members and PCPs around the
7 social determinants of health, our Medicare members have
8 as -- available to them a free annual in-home assessment.
9 And part -- that assess -- the results of that assessment
10 is sent to the PCP. And the member is also given a
11 checklist of things to follow up and discuss with their
12 PCP. And in that assessment, it includes evaluation of
13 things such as safety in the home, access to food,
14 utilities, transportation, medical care, income level,
15 work situation, VA status, and evidence of social
16 isolation.

17 And between January and September of 2019, 1,075
18 CalPERS Medicare members were identified and were referred
19 to a UnitedHealthcare social worker for additional support
20 around the social issue that we identified.

21 --o0o--

22 DR. MEYERHOFF: Thank you.

23 And that in-home assessment also includes mental
24 health screening and referrals to behavior, if necessary.

25 And United behavioral health, Optum behavioral

1 has the largest network of providers in the country. We
2 have an extensive network. But we know just having a
3 large network doesn't necessarily mean that you have
4 access. And so we have actually focused on developing,
5 what we call, our Express Access Network, where we
6 actually contract with providers to get a member into care
7 within five days. The industry standard, as you heard, is
8 closer to two weeks. So this is a face-to-face
9 appointment within five days for our members when they
10 need more immediate access.

11 We also have the largest network of virtual
12 providers in the country for tele-mental health.

13 --o0o--

14 DR. MEYERHOFF: And we actually own -- thank you.
15 We actually own the largest -- the largest provider of
16 tele-mental health services, Genoa Healthcare. So they
17 are actually one of our affiliates and they're the largest
18 provider of tele-mental health, including about 3,000
19 psychiatrists and nurse practitioners.

20 We also have a huge network of specialty
21 networks, ABA, medication-assisted treatment, and autism
22 spectrum providers.

23 Next slide.

24 --o0o--

25 DR. MEYERHOFF: So for California, because

1 obviously that's where you're interested, over the last
2 couple of years, we have increased your behavioral health
3 network by 22 percent. We've increased the number of
4 substance use disorder facilities by almost 50 percent.
5 We've increased the number of medication-assisted
6 treatment providers to prevent worsening of the opioid
7 epidemic by 30 percent. We've increased the express
8 access appointments that I talked about by almost 50
9 percent. Our virtual visits went up 174 percent in
10 California. And our ABA practices, we increased that by
11 33 percent. So really working aggressively to make sure
12 your members have good access to care throughout the
13 state.

14 --o0o--

15 DR. MEYERHOFF: The other thing that we do to
16 improve access is actually partner with providers at
17 higher levels of care. All that we've talked about so far
18 is our outpatient services. But at higher levels of care,
19 it's really important that we have access as well. So one
20 of the things we've done is instead of the industry
21 standard, which is to review a case every couple days to
22 make sure it meets medical necessity, we actually use our
23 data, and we have a lot of data, and compare it to
24 severity, age, diagnosis. And we actually know what the
25 average length of stay is going to be for that member at

1 that level of care.

2 And we go ahead and we authorize that average
3 length of stay, plus one extra day to be able to get out
4 of the provider's way and let them really take good care
5 of your members.

6 The reason we get involved after that is if
7 someone stays longer, we know something is different about
8 that case. It's not your average bipolar case, let's say.
9 And so they might need more services when they get out of
10 the hospital. They might need something else. They might
11 need some increased case care engagement. And so we
12 partner with providers. And this really had a really
13 positive effect on the care that our members receive,
14 because not only do we get out of their way, but we also
15 help them provide solutions when a case really isn't your
16 standard case.

17 --o0o--

18 DR. MEYERHOFF: We also have really revamped our
19 care engagement program. It used to be our case
20 management program and it really is about engaging
21 members. And we've gone beyond just looking at behavioral
22 claims and behavior -- and behavioral clinical data. We
23 actually bring in medical claims, medical data, pharmacy
24 data. And that gives us a much more holistic view of your
25 members.

1 And therefore, we can really figure out who's
2 falling through the cracks, who needs more high touch, and
3 who could we -- who could we kind of put those high-level
4 resources towards, whereas who could benefit from more
5 educational resources and lower level touch services.

6 So it's really been a great thing. And we, of
7 course, in addition to all that, transition everybody out
8 of the hospital and make sure they get a timely
9 appointment once they're leaving, a substance use
10 facility, or an inpatient facility.

11 --o0o--

12 DR. MEYERHOFF: We also -- and I'm almost done.
13 But we also did a study, because one of the problems with
14 medical behavioral integration is there was a study about
15 ten years ago that said if you just chase everybody with a
16 comorbid disorder, you're going to save tons of money.
17 And nobody in the industry has really managed to achieve
18 those savings.

19 So we looked at the study, found some serious
20 problems with it and redid our own study looking at 60,000
21 matched conditions. And what we found is it's not
22 everybody. That, in fact, in this slide, it's really a
23 heterogeneous population, meaning that 14 percent of the
24 population has a comorbid medical and behavioral
25 condition. But only 25 percent of that 14 percent is

1 driving 80 percent of health care costs in that group.

2 So historically, we've been chasing the other 75
3 percent with really expensive resources, and that has not
4 paid off. We've been able to figure out and actually
5 create an algorithm that helps us identify who are these
6 25 percent, really throw those high-level resources at
7 them, case managers, medical doctors, behavioral, you
8 know, psychiatrists within the organization, partnering
9 with their providers in the community. And we've been
10 able to have a tremendous outcome with wellness --
11 improved wellness in this chronically medically ill
12 population, as well as serious reduction in total cost of
13 care for this group.

14 Some of our initiatives on the next slide --

15 --o0o--

16 DR. MEYERHOFF: -- for medical behavioral
17 integrative activities are screening, as we talked about.
18 We now have every disease management program that sees
19 your members, screening for depression, anxiety, substance
20 use. We have programs that if somebody has a chronic
21 medical condition and depression and anxiety, they can get
22 an eight-week session of coaching once a week and
23 cognitive behavioral therapy once a week. And after eight
24 weeks, their total cost of care dramatically declines, as
25 and well -- and their wellness, their adherence to

1 treatment goes way up.

2 And we also, of course, offer all the other
3 services I talked about, and we report on this. So we
4 report to you, how we're doing with our medical,
5 behavioral integrative activities, and the reporting helps
6 us continually improve the program.

7 --o0o--

8 DR. MEYERHOFF: We address social determinants of
9 health. We actually have an algorithm that identifies
10 people who might be falling through the cracks, because of
11 their barriers to care. Our care advocates always inquire
12 when anybody -- whenever they're talking to members, what
13 are the barriers that they're receiving. We have a
14 connector tool that helps reach the community resources
15 necessary to help improve transportation, housing, how to
16 get to the pharmacy. Whatever it is that they need, our
17 care advocates really resp -- really work to close those
18 gaps in care, because we know without closing those gaps
19 in care, these people are going to fall through the crack
20 and not get the proper mental health and substance use
21 care that they need.

22 --o0o--

23 DR. MEYERHOFF: We comply with parity. We
24 partner extensively with the health plan in this regard.
25 And we have an annual assessment of our -- of our tool,

1 and we also comply with your California specific
2 guidelines, which are different and the Department of
3 Managed Health Care surveys.

4 --o0o--

5 DR. MEYERHOFF: And then finally, you did ask
6 about you diagnoses. Your prevalence is really comparable
7 to our national book of business, which I think is really
8 interesting. There are very little differences between
9 the way your membership prevalence comes out and our
10 national book of business, and the same with cost.
11 There's a little more in your -- in your basic plan, a
12 little more anxiety than maybe in the national book of
13 business, but really it is quite equivalent.

14 And you can certainly look through that list and
15 see where the costs and the preponderance or prevalence
16 is.

17 I'm really appreciative that you let me talk
18 today and come in front of you.

19 Thank you.

20 CHIEF MEDICAL OFFICER LOGAN: I'd like to thank
21 all of our presenters and now we're all open for any
22 questions you may have.

23 CHAIRPERSON FECKNER: Excellent. Thank you. I
24 thank all of your for being here and for offering such
25 good comments.

1 It's very enlightening to me to see the use of
2 virtual medicine, telemedicine, et cetera, especially in
3 this arena, because we know a lot of folks, one of their
4 biggest hurdles is actually leaving their home. So I
5 think that's good that we're reaching out and trying to
6 find other ways to access these folks.

7 I do have a question, however, for all of you.
8 It seems it's an industry-wide issue that it's harder and
9 harder to find professionals in this field. Is that your
10 knowledge as well? I mean, we keep seeing, well, there's
11 longer and longer wait times. And some of that is because
12 there just aren't enough professionals out there. Do you
13 find that in your book of business, any of you?

14 DR. LARIOS: Hi.

15 DR. MEYERHOFF: Yes. I mean, that's absolutely a
16 huge barrier to getting access. And I think it's one of
17 the reasons that we all have talked about alternative
18 solutions, because we can only create so many providers,
19 and we have tried to support initiatives, even at the kind
20 of medical school level to try to encourage more graduates
21 to go into mental health and psychiatry.

22 But, you know, that's the long game. And it
23 takes a long time. So we had to really come up with
24 solutions for the short term. And, yes, I mean, that's --
25 that's the reality all over the county, especially in

1 rural areas. We know how difficult it is to find a
2 provider. And that's why I think we're all talking here
3 today about really going to telemental health, because
4 that does level the playing field at least, especially for
5 people in a rural area.

6 CHAIRPERSON FECKNER: Thank you.

7 DR. FRIEDMAN: Yeah, I would concur. I think,
8 you know, if -- I'm child psychiatrist. There's, I think,
9 only 4,000 or so child psychiatrists in the country. Many
10 psychiatrists and child psychiatrists are, I think, half
11 or like above the age of 50, and, you know, approaching
12 retirement. So it's really more of a national effort to
13 try to encourage more medical students to go into
14 psychiatry. I think we're all -- all of us are
15 understanding the importance of other licensures, like
16 nurse practitioners and getting them trained in mental
17 health. There are programs increasing to train mental
18 health nurse practitioners. And I think we all need to
19 understand that we need to embrace that.

20 And then finally, really the whole collaborative
21 care model, as has been talked about by, I think, all of
22 us. You know, we need to support primary care physicians
23 in recognizing, diagnosing, and treating mental health and
24 substance abuse conditions by specialists being available,
25 either on-site, or for referrals, or through telehealth

1 mechanisms to help bolster their treatment. But it's a
2 shortage.

3 I will say, on a personal level, I've -- I'm
4 doing what I can. My daughter is graduating as a resident
5 in psychiatry this year, so. I told her she had to do it,
6 so...

7 (Laughter.)

8 CHAIRPERSON FECKNER: Add one more. Very good.

9 DR. LARIOS: So I would like to echo everything
10 that they said.

11 CHAIRPERSON FECKNER: Please.

12 DR. LARIOS: I would like to include the
13 telehealth we have seen great success within the
14 cardiology and dermatology paring with primary care. So a
15 few years back, close to ten years ago, there were issues
16 with finding access to dermatology and cardiology. And
17 that was solved through telehealth initiatives within the
18 PCP clinics.

19 And so Dr. Millman had mentioned that we are
20 paring our telehealth services with our larger primary
21 care groups at Blue Shield. And that is to introduce the
22 telehealth for mental health diagnoses to members, so that
23 there is that comfort level of getting on a video and
24 perhaps they want one or two sessions within their primary
25 care office. And after that, they want to take them from

1 home and they have that convenience.

2 Thank you.

3 CHAIRPERSON FECKNER: Excellent. Thank you all
4 for your comments.

5 Microphone

6 DR. MEYERHOFF: We developed telehealth
7 originally, because we thought younger people were going
8 to want to get their care that way. And, in fact, our
9 biggest uptake is in the older population.

10 CHAIRPERSON FECKNER: Sure. Thank you.

11 All right. We have a number of requests from
12 Board members.

13 Mr. Ruffino.

14 ACTING BOARD MEMBER RUFFINO: Thank you, Mr.
15 Chair. First of all, I'd like to begin by thanking, on
16 behalf of my principal the Great Treasurer -- State
17 Treasurer Fiona Ma, to each and every one of you here in
18 the panel and to your respective organizations for all
19 that you do for our members and for the public at large.

20 I think we all agree that it's a very, very
21 important critical work. And also thank you for this
22 update that you give us today. It's very helpful to
23 understand.

24 I do have a few questions for all of you. But
25 I'd like to reflect for a moment before I begin the

1 question. If you happened to see yesterday's article in
2 the Los Angeles Times. I'm not sure if you happened to
3 see it or not. But it was describing -- describing the
4 experiences of our enrollees in that particular story that
5 we're referring to, Kaiser's, attempting to access care
6 from Beacon and Magellan therapists.

7 And if you did not see it, I strongly recommend
8 that you look at it, because they reported -- these folks
9 reported making dozens of calls to therapists who were
10 unable to give them appointments. One person, in
11 particular, attempted suicide after spending weeks phoning
12 through 60 therapists and awaiting their return calls in
13 an attempt to find a therapist able to care for him.

14 So I guess the general question is what is
15 Anthem, Blue Shield, UnitedHealthcare, and so on and so
16 forth, what are you doing to make certain that these
17 provider networks actually deliver appointments and care
18 to patients with mental health conditions? I'd like to
19 begin with that question.

20 DR. LARIOS: So hi. Thank you for that question.
21 It is very important to ensure that members have access to
22 care in a timely manner. And it is something that we've
23 been discussing as far as provider availability throughout
24 the state. Again, we've discussed how we are increasing
25 our access by recruiting network providers, by offering

1 additional options in how members seek care through
2 telehealth. And we still are seeing articles that you
3 were pointing out.

4 And so what we have done on Blue Shield's side is
5 we do offer, what we call, appointment assistance. So we
6 are able to call and identify providers within the ten, 14
7 day, and six-hour time frames that regulatory-wise we
8 adhere to. And that is something that we have done to
9 offer assistance to our members.

10 DR. FRIEDMAN: Yeah, again, it's just a real
11 problem. You know, one of the -- it's a supply and demand
12 issue. And it's -- what happens is let's say a new
13 provider joins any of our networks. They're going to be
14 booked. Within three months, their practices are now
15 full. And it's a challenge to get them to see more
16 patients. Of course, it -- there's some geographic
17 variability. But because there's such a shortage of
18 providers and people wanting to access care, which is a
19 good thing, it is an ongoing problem, but -- and I think
20 we were all trying to come up with the same solutions,
21 increase the network, bring more providers into the
22 network, make it desirable for them to want to do that by
23 making the rates attractable, so they will do that.

24 Telehealth is a way to increase access. Anthem
25 is actually starting a pilot project next month in January

1 for California for -- it's going to be hard for me to say
2 this, but I'm going to say it -- chat therapy. Again, we
3 want to reach people where they're at. And there's a huge
4 population that uses texting. And if we can engage people
5 through texting services, then we can pull them into
6 telehealth and even bridge a gap to get them into an
7 online appointment -- an online or in-person appointment.

8 You know, Anthem is trying to increase the
9 network of providers through the pending merger with
10 Beacon that you've probably heard about. And that's going
11 to increase our network of providers as well. So
12 there's -- I think all of us know that access is a problem
13 and there are a number of things that we're all trying to
14 do to address it.

15 DR. MEYERHOFF: So at UnitedHealthcare, we make
16 ourselves available to our members 24 hours a day, seven
17 days a week. We have a care advocate on the -- on the
18 phone to help assess people and assess what their need is
19 at that time. And then if indeed they need an appointment
20 in the community, that we ask them how they want to
21 receive that. So it could be telehealth. It could be an
22 in-person appointment. It could be they want to call a
23 few people and kind of interview them. So if they want to
24 call and interview a few people, we let -- we do that. We
25 give them a few names.

1 But if they call back, then we actually pass that
2 on to a team that does nothing but find people
3 appointments. So that we take the member out of those 60
4 calls and we really do that for them and make sure they
5 have an appointment in hand.

6 Also, our telehealth system, you know, a lot of
7 these shops are one, two, mom and pop kind of shops. And
8 so for telehealth, we actually will provide any of our
9 network providers who don't have access to a
10 HIPAA-compliant system our own system. And what that
11 includes is it's HIPAA compliant. People can get their
12 care right in their home from their computer. But also it
13 has online scheduling for that provider, so the member can
14 go into their computer, look at the provider's appointment
15 schedule, and schedule that appointment right there and
16 know that they have an appointment.

17 ACTING BOARD MEMBER RUFFINO: With respect to
18 shortage, and I -- first of all, by the way, thank you for
19 your comments and thank you for everything that we are
20 trying to do. You know, whether it's Anthem with the
21 LiveHealth Online, I think it's awesome, and some of the
22 other programs.

23 But we are keeping hearing about shortages. And,
24 of course, it's real. There's no questions about it.
25 Everybody acknowledges.

1 But I wanted to ask generally, could it be too
2 that is the low reimbursement rate paid to therapists and
3 psychiatrists who participate in the Beacon and Magellan
4 network, could that potentially be also an issue?

5 As I understand it, for example, I've heard that
6 reports -- I've seen reports that reimbursement rates have
7 not -- have not been increased for eight years or more.
8 And that, in some counties -- in some counties, the rates
9 paid by these networks are lower than the Medi-Cal
10 program's reimbursement rates.

11 So do you know what your rates are and how these
12 rates compare to Medi-Cal rates? How have the rates
13 changed over the past ten years? Can you provide some
14 general -- I know, possibly you may not disclose them, or
15 maybe you can to our staff. But have you -- are you aware
16 of that issue? Because I believe that issue is also
17 contributing, you know, to this difficulty maybe. I'm not
18 sure. What's your thoughts.

19 DR. LARIOS: Hi. Thank you again. So
20 absolutely, I think anytime you discuss insurance,
21 reimbursements, and access to care, the rates have to be
22 discussed. And so we do actively look at our network of
23 where we have our providers. We look at the benchmarks of
24 TRICARE and Medicare for reimbursements. And we actively
25 pursue providers within those areas where we are currently

1 needing additional expertise and we are negotiating to
2 terms.

3 So there may have been issues in the past. I
4 guess you had mentioned ten years. I apologize. I
5 haven't been at Magellan for ten years. But looking over
6 it, I could see that there was probably some issues with
7 reimbursements in the past. But that is something that we
8 actively look at.

9 ACTING BOARD MEMBER RUFFINO: Okay. Thank yo.
10 One last question for -- oh, sorry.

11 DR. FRIEDMAN: I'm happy to pipe in. I mean, I
12 think, you know, this is -- as a physician that's not my
13 responsibility to negotiate rates, but I do work with the
14 provider network teams that negotiate with providers in
15 the community. And I think it's a fair state -- I can't
16 speak for Beacon or Magellan. I can speak for Anthem.
17 And I think they're constantly evaluating the rates in the
18 communities. And they will negotiate rates that are
19 competitive to bring people into the networks, where
20 there's, you know, a supply and demand need. There is
21 some areas where people's rates are higher than other
22 areas, because of that need.

23 But I think, you know, your -- I think you're
24 right, the cost of living goes up and the rates to
25 reimburse providers needs to parallel that at least, so

1 that we can get more people into the network.

2 It's a little more complicated. I'll just make
3 another point, because other experience. If you're a
4 provider in the community and you have a very busy
5 practice, you then will have your cash rates. And as soon
6 as health plans raise their rates to -- for reimbursement,
7 providers then raise their cash rates. And then they cut
8 that -- their -- you're constantly chasing a higher rate
9 in the community.

10 So a provider will say, well, I have -- you know,
11 if somebody calls up and says, well, I have no room to
12 take you, but, oh, I do have room, if you pay cash. Which
13 that shouldn't be happening, but there's, you know, an
14 element of that on the provider side also.

15 DR. MEYERHOFF: Add I'll just add in that, yes, I
16 mean, UnitedHealthcare also has been guilty of the same
17 problem, where we were contributing to the access problem
18 by not increasing our rates for such a long time. And we
19 recognized that we're not going to solve the access
20 problem, unless we change that.

21 So this year, we actually did a substantial rate
22 increase for our provider network. And we have another
23 one scheduled for this next year, because indeed, we need
24 to compete with cash practices and we need to reimburse
25 providers what they -- what they need to be able to take

1 your members.

2 DR. FRIEDMAN: And that -- we need to encourage
3 providers to want to join our networks, because we pay
4 them enough and we make it easy for them to treat our
5 patients, our members.

6 ACTING BOARD MEMBER RUFFINO: Very good. Thank
7 you.

8 One quick question for Anthem. I know that we
9 saw the announcement that in June you reached a deal to
10 acquire Beacon Health, which obviously is one of the
11 state's largest network of mental health providers. I
12 understand that the deal is supposed to close during the
13 fourth quarter of this year. Can you give us an update on
14 the status and whether or not -- how will it impact,
15 hopefully positive. I'm sure it will be positive to
16 provide, again, timely and appropriate outpatient mental
17 health care to our CalPERS members.

18 DR. FRIEDMAN: Sure. I'm -- you know, there's --
19 I'm not privy to a lot of the private information, because
20 all that is very tightly controlled. But I -- the latest
21 I heard was that it may be pushed to the first quarter.
22 All the different -- every state that's involved has to
23 sign off. And there is a few states that still haven't
24 signed off. So I think to get everything in order, it
25 looks like it's been pushed to the first quarter of 2020.

1 But it still looks like it's on track to happen from what
2 I'm hearing.

3 And I think you're right, it -- if Anthem and
4 Beacon do it correctly, it's taking the best practices of
5 both of those organizations. It will expand the network
6 for Anthem/Beacon, because now they're -- you know, there
7 are overlapping provider networks, on those two
8 organizations. But there is some that aren't overlapping.
9 So it will automatically increase the network.

10 You know, Beacon has lot of strengths.
11 They're -- a lot of their focus has been on the government
12 side, Medi-Cal, Medicaid. And they've developed some
13 robust case management programs and complex care programs.
14 And I think by picking best practices from both
15 organizations, you're right, it does afford the
16 opportunity to really enhance the delivery of care for
17 members.

18 ACTING BOARD MEMBER RUFFINO: We wish you well in
19 that.

20 DR. FRIEDMAN: Thanks. Thank you.

21 ACTING BOARD MEMBER RUFFINO: Thank you all
22 again -- thank you all again for being here and to give us
23 this presentation.

24 Thank you, Mr. Chair.

25 CHAIRPERSON FECKNER: Thank you.

1 Mr. Rubalcava.

2 VICE CHAIRPERSON RUBALCAVA: Thank you. Very
3 good presentations. Thank you very much. And I thank you
4 for taking this issue very serious, because it is serious
5 to our members.

6 I have a question for each of the plans. Dr.
7 Friedman, in your -- in the discussion and on the slide
8 about coordinated care, it seems to be like a coordination
9 between inpatient and outpatient. So how is -- what is
10 the utilization say inpatient versus outpatient, In your
11 system?

12 DR. FRIEDMAN: What do you mean by what is the
13 utilization? What -- I --

14 VICE CHAIRPERSON RUBALCAVA: I mean, what
15 percentage of medical service -- or health services --
16 mental health services provided outpatient versus
17 inpatient? And the reason I'm asking is because on your
18 slide six, it starts with -- the title is coordination,
19 but it starts basically with an inpatient setting, it
20 seems to me.

21 DR. FRIEDMAN: Okay. Well, no -- well, I think,
22 there's actually more people receiving care on an
23 outpatient basis, and Anthem doesn't do any utilization
24 management of our outpatient services. We want people to
25 access outpatient services very freely. With the

1 exception of autism services, we do require authorizations
2 and with a technique called TMS, transcranial magnetic
3 stimulation. We do require a prior authorization to make
4 sure that that's appropriate. So people don't get that if
5 it's not safe or effective for them.

6 But otherwise, if somebody wants to go to a
7 therapist, a psychiatrist, they don't need an
8 authorization. They don't have any kind of limits on how
9 often or how frequent they can see those providers. So we
10 want to make sure people have open access to outpatient
11 care. So actually, I think there's more treatment going
12 on in the outpatient basis.

13 When people do access higher levels of care, like
14 inpatient, residential treatment, those are the triggers
15 that trigger care -- case management, I think for all the
16 health plans, to try to make sure those folks, when they
17 get out of the hospital, they can access an appointment on
18 an outpatient basis more quickly. I'm not sure if that
19 answered your question directly, but --

20 VICE CHAIRPERSON RUBALCAVA: No, that's fine.
21 Because I was -- when I first saw the questions formatted,
22 I thought we were going to be -- well, from my point of
23 view. When I said the question about coordination was how
24 to -- you know, the screening identification, how do you
25 take them -- you do you identify them, screen them, and

1 take them to the appropriate level of care, I guess? And
2 I was interested, because right away it seemed to focus on
3 how -- once they're in inpatient, how does the
4 coordination follow after that?

5 DR. FRIEDMAN: Right. Well --

6 VICE CHAIRPERSON RUBALCAVA: I thought it was
7 interesting.

8 DR. FRIEDMAN: Sure. Well, people usually access
9 care -- you know, higher levels of care by showing up at
10 an emergency room or directly at a mental health or
11 substance abuse facility. And then a request for coverage
12 of those services comes into the health plan. And then
13 assuming it meets criteria, the -- there's an
14 authorization provided. And as was said a numbers of days
15 are approved. And then there's follow-up reviews to see
16 if patients continue to meet that level of care. And as
17 they improve, they're expected to step down to lower
18 levels of care. It could be going from inpatient to
19 residential. It could be going to partial hospital. It
20 could going to an intensive outpatient program.

21 And those decisions are really made by the
22 clinicians who were treating the patient. And if they
23 provide the information to support those services that are
24 being requested, then Anthem and the other health plans
25 will support that and approve that.

1 And then there's the case managers who facilitate
2 people coming from higher levels of care going to
3 outpatient, as Dr. Meyerhoff said and others said, you
4 know, there's people who are actually making phone calls,
5 finding providers, and making sure that they can get an
6 appointment.

7 The responsibility really is at the treating
8 provider level, like the facility has a responsibility to
9 find appointments, but often they need help, because
10 they're not as familiar with the networks or they're just
11 not as incented. So we work together with them to try to
12 help them -- help find appointments for people, coordinate
13 that care.

14 VICE CHAIRPERSON RUBALCAVA: Thank you, Doctor.

15 I had a question for Blue Shield. Dr. Millman,
16 there was a -- as you can tell, my interest is
17 identification screening of an engagement with a patient.
18 There -- in Blue Shield, there's something called a
19 co-location of mental health and medical care managers.
20 So I was hoping -- and there's a tool that where you
21 create a list, I guess, that goes to the PCP. So how is
22 that list created, what are the triggers, and what are the
23 entry points into that list? And how is that toolkit used
24 by the PCP?

25 DR. MILLMAN: Thank you for the question. The

1 toolkit is something that the primary care provider can
2 use. And some of this may be better answered by Dr.
3 Larios, but I'll give it a go here for the first part of
4 this. The co-located part is Magellan has licensed
5 clinical staff that actually work out of one of our Blue
6 Shield offices and are integrated with, what we call,
7 medical care solutions where -- it's the department where
8 I work. And so they interact with our physicians there
9 directly and our nurses for -- who do medical management.
10 They also interact with the concierge team that provides
11 extra supportive services to members, including CalPERS.

12 Some of the other screenings are done through the
13 Magellan staff. And I'm going to let Dr. Larios talk a
14 little bit about that.

15 DR. LARIOS: Thank you.

16 So we do have our co-located care managers that
17 are capable of screening members utilizing national
18 screening tools for depression, anxiety, substance use
19 disorders. And from there, those screenings are utilized
20 to help gauge where the member needs to get care, so if
21 they need an outpatient provider versus a higher level of
22 care provider.

23 We also have our care managers who are out in the
24 field. And they are linking between outpatient providers
25 through the PCP toolkit. So the PCP toolkit is actually a

1 website that links the primary care providers to
2 clinically based practice guidelines. So the primary care
3 provider can go and look at ADHD, and the current
4 medications, and the best way of treating it, should they
5 send them to a therapist, in addition to giving them
6 medications.

7 They also have a direct link to our clinicians
8 that are field based and our psychiatrists, our Board
9 Certified psychiatrists. So if they have any questions
10 about medication or where they should be taking the
11 treatment of the member, they can outreach in those
12 regards.

13 VICE CHAIRPERSON RUBALCAVA: Thank you.

14 DR. LARIOS: Thank you.

15 VICE CHAIRPERSON RUBALCAVA: I had one final
16 question here, Mr. Chair, for UnitedHealthcare.

17 Dr. Meyerhoff -- sorry about that. So again, my
18 interest is the continuation of care and the integration.
19 So and maybe I should have asked Dr. Millman too, but I'll
20 ask it. How -- what is the -- how does the integration
21 work between Optum and UnitedHealthcare? At what point is
22 there a hand-off, or is it integrated, or is there -- how
23 does the reimbursement work, and -- because for most
24 people, I would think, and you correct me if I'm wrong,
25 their first interaction would be with their primary care

1 physician. So how does that go from their primary care
2 physician to say an Optum service provider? How would
3 that work?

4 DR. MEYERHOFF: Yeah. Well, that's a great
5 questions. I might let Dr. Hsieh also jump in. But, you
6 know, at the PCP level -- first of all, Optum and
7 UnitedHealthcare are really just one company and we are
8 really seamless in the way we do business. Optum being a
9 little more of the service side of the company, so that,
10 you know, the networks, and providers, and United being a
11 little more of the insurance side of the company. But
12 generally, all of the services, whether they be medical
13 or, you know, behavioral, are really seamless in the
14 integration.

15 But at the PCP level, we have a number of
16 initiatives that we engage to try to bring best practices
17 to PCPs. We really want to help support. And especially
18 when you saw our case care engagement grid, that middle
19 group that doesn't drive all the costs but still needs
20 good treatment, if they're getting their care with the
21 PCP, we actually -- so we identify and stratify the entire
22 population. And we assess what do they need? Do they --
23 are they in that top group, where they have medical and
24 behavioral risks and they need more serious -- more
25 intensive care engagement or are they more in the middle

1 group, where we can support their provider that they have.

2 If they have a provider that's a PCP, we will
3 outreach to that provider, let them know what we have
4 found, and also help them with best tools, so best green
5 tools, and best treatment algorithms.

6 And in fact, what we have found is that our PCPs
7 have been really amenable to those conversations and
8 willing to kind of continue to treat that member up until
9 the point when they don't feel that they, you know, are
10 comfortable.

11 The key to this is when they don't feel
12 comfortable getting them a really quick and easy referral,
13 so that they can hand that person off to a provider. And
14 so we are working, especially one -- now that we own the
15 largest provider of telehealth -- telemental health
16 services with a huge number of psychiatrists, we are
17 working to see if we can actually support that PCP right
18 there in their office through an appointment immediately
19 with one of our telemental health providers. So that's
20 the PCP level.

21 We also have the disease management level, which
22 is anybody with a serious chronic medical condition, heart
23 failure, diabetes, all get enrolled in a UnitedHealthcare
24 Optum disease management program. And we work hand in
25 hand with those nurses that manage those members. And we

1 help the nurses really identify any kind of medi -- any
2 kind behavioral health condition that might be occurring.
3 They screen everybody now. That was not always the case.

4 And if there's a serious condition, they will
5 refer it over to us, or, like I said, one of our providers
6 like the AbleTo Program, where they actually address those
7 chronic medically ill members that have behave -- that
8 have depression and anxiety.

9 So we have a number of -- we also have a program
10 called Life Solutions for those nurses, where we actually
11 just kind of jump in and coach somebody who might have a
12 behavioral health or substance use condition, but is not
13 really interested in seeking treatment. We just provide
14 them a coach to help them kind of meet their needs, their
15 goals, and see at what point they might be amenable to
16 moving into some behavioral health treatment.

17 So that's the kind of integration that we try to
18 provide to your members. Does that --

19 VICE CHAIRPERSON RUBALCAVA: Thank you. It
20 sounds like a very robust program. Thank you.

21 DR. MEYERHOFF: Thank you.

22 VICE CHAIRPERSON RUBALCAVA: Thank you, Mr.
23 Chair. I'm very happy to hear that although they have
24 different models and approaches, they are working to
25 interface with our members and appreciate that.

1 CHAIRPERSON FECKNER: Very good. Thank you.
2 Mr. Miller.

3 COMMITTEE MEMBER MILLER: Yeah. Thank you all
4 for this -- the time you're spending with us and your
5 openness to answer our questions and have the discussion.
6 A couple things that kind of come to mind. I happen to --
7 the other day to be over at the Crocker. I don't know if
8 anybody has been over there for -- they've got a -- the
9 Journey to Hope Exhibition. And it's art inspired by
10 writing by people about their mental health and its impact
11 on their life. And so it's a wonderful exhibition. And
12 if you go when they have the artists and the writers
13 there, you can -- you speak with them. And some of these
14 really common themes came up, both in terms of why they
15 were there and some of the challenges they faced. And the
16 issue of dealing with the stigma, and dealing with the
17 judgment, and everything, to get over those initial
18 barriers to get help.

19 So I'm really encouraged at all of you are really
20 making the effort and the investment, because that's --
21 when you get the kind of root cause why, why, why, why,
22 you get to that, certainly on our member's side of
23 recognizing, and being aware, and accessing help.

24 But the other thing that struck me is -- in so
25 many other stories was not just access, but continuity of

1 care. And particularly, as you had mentioned, sir, when
2 there's these comorbidities with the -- especially things
3 like chronic pain that they run into kind of a
4 one-size-fits-all type of approach. And for that 25
5 percent, or whatever it is, to go through all the hurdles
6 of being required to go through all these approaches that
7 aren't really effective for them, like spending a lot of
8 time with cognitive behavioral therapies that are just
9 frustrating the heck out of them. So again, I'm really
10 encouraged to see that there's some recognitions that we
11 need to get a little more focused on getting the correct
12 care plans, the correct -- for the -- for them.

13 And finally, what it really seems to come down to
14 with a lot of this is capability and capacity issues,
15 whether it be turnover and mobility of professionals, so
16 that patients who finally get to where they've established
17 and are making progress, and suddenly they no longer have
18 access to that person, because they move to another
19 location, or another city, or change careers, or whatever,
20 and it seems that some of it is, at this point, at a level
21 that's kind of beyond what the approaches are addressing.

22 And there's almost this artificial shortage of
23 capability and capacity just in terms of having access to
24 the professionals, whether it be physicians, or health
25 care paraprofessionals, or -- because the pipeline is

1 constricted right from the get-go in the medical
2 educational systems and is very constrained, in terms of
3 new graduates, in terms of who can be accepted and get
4 through, in terms of the cost to all those barriers. And
5 I'm curious if your organizations or your industry has
6 been looking at how do we change the fundamental model, if
7 necessary, to be able to have the number of nurses,
8 physicians, physician's assistants, psychiatrists,
9 post-graduate medical programs, where we don't have this
10 really artificially created shortage.

11 Because there are plenty of people capable of
12 doing these careers, but the vast majority of them are
13 excluded from the get-go, because there's such a
14 limited -- limited opportunities for them.

15 DR. MEYERHOFF: So I can jump in first. First of
16 all, I want to comment on the art show, which is -- you
17 know, that's really where we need to find the solutions is
18 bringing the shame and stigma out into the open and having
19 open conversations about mental health and substance use.
20 And shows like that I think really help facilitate that
21 conversation. So I'm glad to hear that that's happening.

22 Number two --

23 COMMITTEE MEMBER MILLER: Through January 5th.

24 DR. MEYERHOFF: What?

25 COMMITTEE MEMBER MILLER: Through January 5th

1 right across the street.

2 DR. MEYERHOFF: Okay. That sounds great. Number
3 two, you're exactly right that, you know, we used to be in
4 the business of telling our members what they needed, when
5 they needed it, and how they needed it. And, of course,
6 that wasn't what was important to them, right? That
7 wasn't what they were seeking when they were trying to get
8 help for their substance use disorder or their mental
9 health condition.

10 So we have retrained everyone of our front-line
11 care advocates in the art of motivational interviewing.
12 And the focus of that is really to find out from our
13 members what do they want to get out of treatment and make
14 that the goal of what we focus on, so that they're
15 really -- you know, it may just be they want to get to
16 their daughter's graduation in the summer, or a wedding,
17 or they want to be able to walk further, or they want to
18 be able to sleep better.

19 But we need to find out what they want to get out
20 of treatment, not tell them what they should get out of
21 treatment. And so we have completely revamped the way we
22 train our front-line staff to get at that information.

23 And then thirdly, like I said, you know, we're
24 doing our best to support training programs. But I think
25 that changing the reimbursement will make those fields

1 more attractive, to go into mental health, and hopefully
2 change some of the kind of trajectory that you're talking
3 about.

4 DR. MILLMAN: If I could add a little bit to what
5 was said here. We have some similar programs, so I won't
6 go over those. And you had mentioned about chronic pain.
7 And that's certainly -- it was a concern of mine when I
8 was a provider. And one of the things that we were able
9 to do at Blue Shield recently was to contract with a
10 telebehavioral health provider that focuses on two
11 exclusive areas, one is eating disorders, the other is
12 opioids.

13 And in part of that, they -- for a local medical
14 group here in the greater Sacramento, Bay Area, focus also
15 on issues related to pain management around that. And
16 they came to our attention, probably because of the
17 medical group who had had such great success with them.
18 So both Blue Shield and Magellan have separate, but very
19 much overlapping, networks. And Magellan was able to
20 contract with them this past summer, as well as Blue
21 Shield to address that.

22 The pipeline portion that you speak of, it's not
23 a major focus as yet. Although, I'm hoping it will become
24 more of one. But last summer, I personally was able to
25 have talks with one of the local medical schools about how

1 we might work together to develop some sort of
2 relationship to support more behavioral health
3 specialists, both medical and on the therapist side.

4 So -- and then I think Dr. Larios, you wanted to
5 add?

6 DR. LARIOS: Thank you.

7 So I do want to add that we also actively pursue
8 ensuring that our providers that are in-network have
9 resources to refer members to. So it can be very
10 frustrating to sit in a silo as a solo practitioner or
11 small group practitioner, where you don't have resources
12 to refer somebody out for food security, or for housing,
13 or for legal.

14 And so to be able to link members to that through
15 the health plan has been something that Blue Shield and
16 Magellan have been very committed to. We have resources
17 to link members, and the providers as well, to those
18 resources. And I think expanding further in that realm is
19 really where we've concentrated through 2019 and into 2020
20 is making sure that there are those links between our
21 network providers. So that if there is something that
22 they don't feel comfortable in handling in their
23 outpatient clinic, they either have a higher level of care
24 that they know that they can refer the member to or they
25 have another provider within our network that they can

1 coordinate with.

2 DR. FRIEDMAN: I don't have whole lot to add
3 other than I think your comments about the pipeline maybe,
4 you know, sort of ahead of the curve and maybe where we
5 all need to get to is -- maybe that challenge provided
6 opportunities for health plans to start looking at ways to
7 support training programs, like nurse practitioners,
8 our -- you know, I think there's new a program for primary
9 care nurse practitioners to get a certificate in mental
10 health with a one-year program. And maybe health plans
11 can find ways to support and -- those types of programs to
12 get more providers into the community.

13 COMMITTEE MEMBER MILLER: Well, thank you all for
14 your answers and coming out to speak with us today.

15 CHAIRPERSON FECKNER: Thank you.

16 Mr. Jones.

17 COMMITTEE MEMBER JONES: Yeah. Thank you, Mr.
18 Chair. Thank you for the presentation.

19 And our goal is to further improve the treatment
20 to our members. And listening to your presentations and
21 also comments from our Board members, Committee members,
22 there's some takeaways that there seems to be a lot of
23 work left to be done, and -- you know, whether it's
24 dealing with the rates, or the reimbursement rates, or
25 whether it's dealing with more resources, or staff time

1 dedicated to this area.

2 So what I would like to suggest, Mr. Chair, is
3 that we get an update after -- giving the providers time
4 to go back and address some of these issues that's been
5 raised today and then report back to us on progress.

6 Having said that, looking at the UnitedHealth
7 chart of improving access to behavioral health care, and I
8 was trying to put some numbers to those percentages,
9 because the previous chart there it talks about national
10 data in terms of numbers, but the percentages talks about
11 California. So what improvements in terms of what are
12 those numbers for California where our members reside?

13 DR. MEYERHOFF: That's a great question

14 Sorry. It's a great question. I don't have
15 those numbers on me today. We can get those immediately.

16 COMMITTEE MEMBER JONES: Okay.

17 DR. MEYERHOFF: But I don't have them on me. So
18 I'm happy to report back to the Committee --

19 COMMITTEE MEMBER JONES: Okay. I appreciate
20 that.

21 DR. MEYERHOFF: -- and get you those ac -- what
22 those numbers actually are --

23 COMMITTEE MEMBER JONES: Right.

24 DR. MEYERHOFF: -- in terms of, you know, the
25 entire spectrum of the services that we've increased over

1 the last couple years.

2 COMMITTEE MEMBER JONES: Okay. Appreciate that.

3 DR. MEYERHOFF: Yeah.

4 COMMITTEE MEMBER JONES: Okay.

5 CHAIRPERSON FECKNER: Thank you.

6 Ms. Middleton.

7 BOARD MEMBER MIDDLETON: Okay. Thank you, Mr.
8 Chair. Just coming at the end, most things have already
9 been said. But a couple of them will bear repeating.

10 First, I want to thank Dr. Meyerhoff and Dr.
11 Hsieh, in particular, for partnering with the Trevor
12 Project. The incidence of the need for access among LGBT
13 youth is greater than it is in the larger population, not
14 because of underlying issues of greater propensity for
15 mental health issues, but because of the discrimination
16 that is faced in the community.

17 So my thanks and congratulations. I am certain
18 that those kinds of approaches need to be followed in all
19 programs. I would like to ask what more do you believe
20 can be done in working to integrate non-medical doctors
21 into the treatment of the population? Clearly, we are not
22 going to be able to produce the number of M.D.s that we
23 need within the next few years to provide treatment.

24 Many of the treatments that are needed do not
25 require medical doctors. I'd like to hear more on that

1 area.

2 Anyone of you can jump in.

3 DR. MEYERHOFF: Okay. I'll jump in. Well, thank
4 you for your comments, because it really is important to
5 reiterate that as often as we can, that, you know, there
6 are all kinds of vulnerable populations. And the LGBTQ
7 kids are particularly vulnerable and really need a lot
8 more support.

9 I -- you know, we -- we all up at this table use
10 as many ancillary personnel as we can who are prescribers,
11 so nurse practitioners, physician assistants. But even
12 those specialties now are in hot demand. The unemployment
13 rate for nurse practitioners is zero. We actually --
14 UnitedHealthcare with our House Calls Program, employ the
15 second largest number of nurse practitioners in the
16 country, only second to the VA.

17 And these people either work -- see members in
18 nursing homes, almost on a daily basis, to try to make
19 sure we get ahead of any kind of, you know, medical or
20 behavioral issues. But they also do these house calls and
21 really visit people at home, and really address those
22 social determinants of health, do mental health
23 screenings, as well as medical screenings and really get
24 people connected to the resources that they need.

25 But -- and, you know, PAs, the same thing, we

1 need to be able to access that network in a larger way who
2 can prescribe. But I think, you know, there does need to
3 be a conversation about how do we increase prescribing
4 capability, because obviously, you know, we also need to
5 increase probably the therapy capabilities.

6 But it sounded like your question was a little
7 more about psychiatrist and medications. And so we do
8 need to figure that out. And it's one of the reasons that
9 we're looking at this program to help support PCPs do a
10 little more advanced care and give them the out that they
11 need if they get into trouble, because that is where a lot
12 of people do get their primary mental health care today.

13 BOARD MEMBER MIDDLETON: I was very pleased to
14 hear comments regarding those that are suffering from
15 opioid abuse and for opioid addiction. My own experience
16 within the workers' compensation system is frequently
17 very, very frequently, issues of depression and anxiety
18 were underlying and comorbidity with issues of pain.

19 And where we have individuals with opioid
20 addictions, frequently there is a depressive issue as
21 well. And following up the program to respond directly to
22 first responders is something that is extremely important.
23 I know from conversations in my city with our police
24 officers and our firefighters, they have frequently found
25 themselves in situations where they are exposed to human

1 nature at its worst, and human nature, in some of its most
2 vulnerable and difficult situations. And so thank you for
3 that program.

4 And while I'm issuing thanks to Dr. Logan and to
5 all of my colleagues for taking the kind of time and
6 attention that has been taken over the last couple of
7 meetings to issues of mental health I think speaks for
8 highly of CalPERS and its commitment to the greater health
9 of our community.

10 Thank you.

11 CHAIRPERSON FECKNER: Thank you.

12 Ms. Olivares.

13 BOARD MEMBER OLIVARES: Thank you for your
14 presentations. As we were talking about reimbursement
15 rates, I would like to follow up on Mr. Ruffino's
16 questions. I think there was some language around the
17 improvements in the reimbursement rates. I'd like to know
18 if those could be quantified as a percentage of the median
19 provider cash rate.

20 DR. LARIOS: So thank you for your question. I
21 can give it more in a percentage of Medicare, because the
22 cash rates as -- I'm sorry. I think it was Dr. Friedman
23 had mentioned the cash rates can be so variable.

24 BOARD MEMBER OLIVARES: They vary by area.

25 DR. LARIOS: So the percentage of Medicare, we

1 are getting a hundred percent to over a hundred percent of
2 Medicare reimbursements during our rate adjustments at
3 Blue Shield Magellan.

4 BOARD MEMBER OLIVARES: How can we get that data
5 by provider cash rate not Medicare rate?

6 DR. LARIOS: So I look to my colleagues on my
7 right to see if you guys have any suggestions on getting
8 the cash rates?

9 DR. FRIEDMAN: When you say cash rate, you're
10 taking about a provider in the community -- if I'm a
11 provider in the community, what do I -- if I say I don't
12 insurance. This is what I charge. Here's my cash rate.

13 BOARD MEMBER OLIVARES: Exactly. Insurers have
14 that data by metropolitan statistical area. And so I'm
15 wondering if we can get that response, perhaps not now,
16 but later.

17 DR. FRIEDMAN: Good takeaway. Yeah, I wouldn't
18 have that data have, but, you know, most providers
19 probably post it on their website or they're tell you what
20 their case rate it.

21 BOARD MEMBER OLIVARES: Yes. Insurers have that
22 data.

23 DR. MILLMAN: Yeah. That's something we'd have
24 to probably talk to our actuarials about, track that kind
25 of thing.

1 BOARD MEMBER OLIVARES: Yeah, it's in market data
2 too.

3 DR. MEYERHOFF: We'll get you that data.

4 BOARD MEMBER OLIVARES: Thank you.

5 MR. PRETTYMAN: Yeah, the same with Blue Shield.
6 We'll take that away and we what we could find.

7 BOARD MEMBER OLIVARES: Thank you.

8 CHAIRPERSON FECKNER: Anything else, Ms.
9 Olivares?

10 BOARD MEMBER OLIVARES: No, thank you.

11 CHAIRPERSON FECKNER: Very good.

12 Mr. Perez.

13 BOARD MEMBER PEREZ: Good morning. Can you -- I
14 understand the different programs will have different
15 copays, but can you provide an example of what a copay
16 would be for in-service -- or, I'm sorry, in-office visit?
17 And then also one of the telecoms or web geniuses?

18 DR. FRIEDMAN: So I think copays vary. You know,
19 they -- it -- they very by contract, I guess, you know,
20 different -- every employer group or person negotiates
21 different a arrangement. So, I mean, I've seen people
22 have like \$5 copays, or \$20 copays, or it could be a
23 percentage of the visit. But what I can tell --

24 BOARD MEMBER PEREZ: Let's say the State of
25 California, because it's so big?

1 DR. FRIEDMAN: Sorry?

2 BOARD MEMBER PEREZ: Let's say the state of
3 California.

4 DR. FRIEDMAN: No, I just -- it's just so
5 different for each person's health plan. But the other
6 part of your question was for telehealth. And the
7 telehealth copay rate is the same as a regular in-office
8 visit, right?

9 So if somebody is going to pay a \$5 copay for an
10 office visit, they're pay a \$5 copay for their telehealth
11 visit though Anthem's --

12 BOARD MEMBER PEREZ: Okay. What about State --
13 the State workers? I'm not -- I'm not a State worker, so
14 I don't know what their copays are.

15 MR. HONAKER: Yeah. Our reimbursement for
16 behavioral health is con --

17 CHAIRPERSON FECKNER: Identify yourself for the
18 record, please.

19 MR. HONAKER: I don't --

20 CHAIRPERSON FECKNER: No, you're on, Rob. You
21 need to identify yourself.

22 MR. HONAKER: Oh. Okay. Because of the
23 mental --

24 BOARD MEMBER PEREZ: What's your name, sir, and
25 who do you represent?

1 MR. HONAKER: Pardon me?

2 CHAIRPERSON FECKNER: Give us your name, Rob.

3 MR. HONAKER: Oh, that's tough one.

4 CHAIRPERSON FECKNER: The court reporter needs
5 it.

6 MR. HONAKER: Okay. I got that. Rob Honaker,
7 Anthem Blue Cross.

8 CHAIRPERSON FECKNER: There you go.

9 MR. HONAKER: Because of the Mental Health Parity
10 Act, the reimbursements for the behavioral health services
11 will be consistent with your medical benefits. So, for
12 example, you have variable benefits within CalPERS. But
13 primarily, your office visit is \$15. That will be your
14 office visit for the mental health. We extend that to the
15 LiveHealth online.

16 Inpatient on a hospital is a hundred percent.
17 Your Care program is 90 percent and your Choice is 80
18 percent. So again, it's consistent with your other
19 benefits.

20 DR. MEYERHOFF: And with us, with your Medicare
21 population, an in-person appointment is a \$10 copay, your
22 basic plan is a \$15 copay in-person, and telehealth is a
23 zero copay.

24 BOARD MEMBER PEREZ: Thank you. And then --

25 DR. LARIOS: Yeah, so it is the same copay for

1 in-office versus telehealth, so it's 10, 10, and 15 for
2 the therapy visits.

3 BOARD MEMBER PEREZ: Thank you.

4 The -- and you all addressed the difficulty of
5 people being able to get appointments and you -- when
6 people try to call in several times, they can't get an
7 appointment. Do you rise it -- elevate that call somehow?
8 Is there a code word that the employee needs to use to get
9 elevated, or is there a special phone number, or how do
10 you guys track that?

11 DR. LARIOS: So for Blue Shield Magellan, if an
12 employee calls in and says that I have looked on your
13 website, I've called -- I've called providers, I can't get
14 a hold of one. It actually gets escalated into our
15 appointment search team.

16 If they call in and say I'm looking for
17 providers, we will give them the option would you like a
18 list for your to call or would you like for us to link you
19 to our team to help you?

20 And we get about 30 percent of people who want us
21 to look for the appointment and 70 percent want to start
22 looking at their own. And I understand that. That's a
23 really different type of relationship that they're going
24 to have, so they want to do the interviewing of those
25 psychiatrists or therapists.

1 DR. FRIEDMAN: So at Anthem, if a member is
2 trying to find an appointment, and there's -- having
3 trouble finding it themselves, they can call the member
4 services number, and they will try to -- they help
5 facilitate giving the patient the names of providers who
6 are within the geographic area. If they're still having
7 trouble, then Anthem will take over that role and start
8 calling the providers within that geographic area and
9 seeing if they have availability to see the member with
10 this condition and then they'll facilitate that.

11 You know, if a member says, look, I'm calling
12 five people, ten people, and I can get an appointment, but
13 I found this one clinician, and they're not in your
14 network. Well, if we don't have an in-network provider
15 available, then we will pay the out-of-network provider at
16 the in-network rates.

17 DR. MEYERHOFF: Yeah. And so very similar to our
18 system. There really is no code word per se. But when
19 people call in, we present them with the various ways in
20 which they can get treatment, which sometimes they don't
21 even know, they could do it right in their home, if that's
22 what they choose to do. So I think that's an important
23 piece to bring up early in that conversation.

24 We also do an assessment to make sure the person
25 is not at risk or doesn't need something higher level at

1 that moment. And then we give them that choice, right?
2 Do they want to interview a few people, do they want some
3 names, or do they want us to look for an appointment?

4 But if they call a second time, we absolutely
5 escalate that to our appointment search team. We have a
6 dedicated team that just does that, and we will call the
7 member back with that appointment.

8 BOARD MEMBER PEREZ: So I don't -- I didn't --
9 maybe you guys said it, I didn't copy it -- or I didn't
10 hear you. The -- it's not tracked by like a medical
11 record number. So if I just call in Joe Schmoe, and then
12 two days later I call in Joe Schmoe, but I don't give you
13 the whole backstory.

14 DR. MEYERHOFF: No, we'll see that you called
15 immediately. We'll see that you called us a few days ago
16 looking for an appointment. And we'll ask you how did
17 that go? And presumably it didn't go well.

18 DR. FRIEDMAN: Yeah, and -- yeah, you would --
19 you would always be asked identifying information and a
20 record with that -- of that would be kept in the record
21 log, and there would be -- so if somebody else took the
22 call, they would be able to continue that follow up.

23 BOARD MEMBER PEREZ: To the same extent that they
24 would?

25 DR. FRIEDMAN: I think it's kind of standard

1 practice. And, you know, we're all regulated by the
2 Department of Managed Care and these are pretty standard
3 practices to document everything. And, yes, there's --

4 BOARD MEMBER PEREZ: Not the documentation, the
5 escalation of the service.

6 DR. FRIEDMAN: Yeah. Yes. It will even get
7 escalated to a licensed provider to understand the
8 particular issues of the patient and try to match the best
9 provider with that person.

10 DR. LARIOS: And so, yes, we document everybody
11 who calls in. And we even put in the providers that we've
12 provided, if we did send them a list, so that we can go
13 through and understand. If those providers were not
14 responsive, we follow up with them on our network team as
15 well.

16 BOARD MEMBER PEREZ: Slick. Thank you all very
17 much.

18 DR. LARIOS: Thank you.

19 CHAIRPERSON FECKNER: Thank you.

20 Ms. Greene-Ross.

21 ACTING COMMITTEE MEMBER GREENE-ROSS: So first, I
22 just wanted to thank the staff for responding to
23 Controller Yee's request in August to hold these hearings,
24 so that we could dig in and understand the complexities
25 and ensure that our fund's beneficiaries are getting

1 timely access to quality health care. And we have
2 definitely heard how -- from all you, and it sounds like
3 you're all committed and passionate in trying to, you
4 know, aggressively ensure parity for mental health access.

5 I -- we look at some of the national trends on
6 legislation federally and across many states trying to
7 ensure that pay parity is also out there. I know
8 California's had some legislation last year. But given
9 the complexities of the need to tap into these new
10 innovative strategies to ensure access, especially in the
11 rural areas into telemedicine and the other networks
12 anticipating there will probably be some more efforts for
13 legislation to ensure the quality of that care. And to
14 that end, I hope our -- we're -- CalPERS can be helpful in
15 hearing any of those legislative matters that might help
16 improve access to care, that would be great going forward.

17 And lastly, I just wanted to ask our new Health
18 Benefits Director, Mr. Moulds, who shared with me some of
19 the work that they're putting into, as far as the customer
20 survey enhancements, and how they're working with --
21 collaborating with other State providers. And how that
22 will be integrated in our contracts going forward.

23 And specifically, Don, just because it sounded
24 really important work, I thought you -- you should share
25 it with everybody what you told me.

1 And lastly, you know, it is unfortunate, but
2 again wanted to thank you all, because I definitely heard
3 your cute awareness of the compassion and concerns,
4 particularly about young adults, and focusing on children
5 and veterans, and the LGBT community

6 So on behalf of Controller Yee, we very much
7 appreciate your time and effort and continue with the good
8 work on this. Thanks, Don.

9 CHAIRPERSON FECKNER: Thank you.

10 CHIEF HEALTH DIRECTOR MOULDS: Sure. Yeah.
11 Happy to -- happy to share. And I mentioned this very
12 briefly in the -- in our last meeting, but maybe add a
13 little bit of detail.

14 And we've -- and this is -- this is prompted in
15 part by the focus that Board has taken on mental health
16 issues. But it's also just the right thing to do as well.

17 We've been talking to Covered California, as I've
18 mentioned, about a number of common priorities and
19 identified mental health -- improving the mental health
20 care for all of our collective members as high priority
21 for both of us. And as part of that, we're using it as
22 sort of a test case to try to move forward with -- with
23 both entities at the same time to increase our influence
24 with health plans across California.

25 And as part of that, we've begun what I would

1 describe as a listening tour with national experts, Dr.
2 Logan, and a number of the folks behind me have been on
3 calls with staff from Covered California and national
4 experts talking about a handful of key issues. What the
5 best practices for measuring a plan's delivery of mental
6 health services, quality of health care of mental health
7 care, access to mental health care.

8 And a lot of the issues that surface today,
9 integration with primary care, some of the challenges that
10 can arise when you have what I describe as a carve-out
11 situation where you have two separate legal entities
12 providing mental health care on the one side with physical
13 health care on the other.

14 So we've had some very good conversations to
15 date. We're planning on wrapping up those discussions.
16 One other thing, sorry, which is how you use the
17 contract -- our contracts with health plans to drive some
18 of those outcomes.

19 So you identify the north star and then you look
20 at how you use our contracts to get to the north star in
21 this space. So we're -- we're going to be -- we have some
22 other calls lined up over the next, I think, six weeks or
23 so. Be wrapping up that part in February I think is our
24 goal. And then -- and then in the spring, we're going to
25 be working together to try to come up with a common set of

1 measures and next steps.

2 The other part of this, of course, is decreasing
3 the number of different messages that the plans are
4 receiving from large purchasers in California, so that
5 they're hearing -- they're looking at the same things,
6 we're asking the same questions, and then we're able to
7 compare notes with one another on performance.

8 So those are some of the things that we're doing
9 internally that I think are going to be critical to making
10 sure that we're doing the best we can in this space.

11 ACTING COMMITTEE MEMBER GREENE-ROSS: Thank you.

12 CHAIRPERSON FECKNER: Thank you.

13 Mr. Ruffino.

14 ACTING BOARD MEMBER RUFFINO: Thank you, Mr.
15 Chair. Sorry for taking up -- but two quick comments or
16 questions. One about data and one about the process.

17 So with respect to process, do you think it's
18 appropriate for patients with mental health conditions to
19 be forced to make multiple phone calls, sometimes through
20 unresponsive provider panels, to try to find care? And
21 should patients struggling with depression bipolar
22 disorder, anxiety disorders be forced to go through this
23 burden? Wouldn't it be easier to provide each patient
24 with a scheduled appointment with a provider, rather than
25 forcing them to dial for care? Not sure. Just -- just

1 asking.

2 And the question about data real quick. I'm not
3 sure if you have a data system that allows it to track
4 whether its enrollees, when they're referred to Beacon and
5 Magellan, or whatever, for care when they're, that they'll
6 actually receive an appointment? Do you track that? Does
7 the system, or whatever system you have in place, measure
8 the elapsed wait time between the date when a patient is
9 referred for mental health treatment and the date on which
10 the patient actually receives treatment?

11 Do you guys have a system to calculate the
12 drop-off rate that indicates the number of patient who are
13 referred to external provider networks, but never get an
14 appointment, or perhaps an appointment 60 days down the
15 road?

16 So what is the drop-off rate and what are the
17 elapsed time -- the wait time in each of your respective
18 plans. I recognize that you may not have that right on
19 your fingertips. But to President Jones' comment, you
20 know, perhaps when -- if you come back to give us a
21 additional information, perhaps you can provide some of
22 that data to better understand and get a better picture.
23 Because ultimately -- ultimately, and I hate to quote it,
24 but the LA Times yesterday, the public perception out
25 there is an I quote, I read you directly is that, "The

1 industry experts paint a more troubling picture of
2 superficial gains that look good on paper, but do not
3 translate into more effective and excessive care".

4 And that's what we need to fight. That's what we
5 need to prove. We need to disprove this perception out
6 there, that collectively you, as the provider, us,
7 CalPERS, and everybody, that's what we are up against.
8 And that's what we need to prove that they're wrong that
9 we're doing it.

10 And I think we are. We're trying, but we have to
11 be more aggressive in showing that we are.

12 Thank you, Mr. Chair.

13 CHAIRPERSON FECKNER: Than you. That's the end
14 of our list. I do want to say before I ask you all to
15 step back, thank you again for being here. Great
16 presentation. Great dialogue and discussion back and
17 forth. We all know that this is an issue for all of us to
18 deal with. It's not just the providers. It's not just
19 our system, but it's society in general.

20 I served on our local grand jury, and part of
21 what we looked at was part of this issue. And we realized
22 that our county had done away with their mental health
23 program, and that falls to everyone. And then further
24 study showed that 30 percent of those in our local jail
25 are there because of mental health issues. That's not

1 where they need to be.

2 So we need to, as a society, address these
3 issues. And hopefully having this dialogue and having
4 people on the web watching and listening, that we'll be
5 able to get more people that are interested in this field.
6 And they can help alleviate some of the problems that we
7 have with not having enough providers.

8 So again, I want to thank you all very much for
9 being here. A great presentation.

10 We do have some requests to speak from the
11 audience, but I'll wait until after you'll taken a seat
12 back and we're going to take a ten-minute break for our
13 court reporter. So we'll be back here at 11:10.

14 DR. FRIEDMAN: Thank you so much.

15 Thank you.

16 CHAIRPERSON FECKNER: Thank you.

17 (Off record: 11:02 a.m.)

18 (Thereupon a recess was taken.)

19 (On record: 11:12 a.m.)

20 CHAIRPERSON FECKNER: If we could please take our
21 seats, we'd like to get back to the meeting.

22 Thank you. So we do have three requests to speak
23 from the audience. I do want to, first of all, again,
24 thank Dr. Logan for helping put this together. It was a
25 great presentation. Thank you.

1 We have Phyllis Johnson, Fred Seavey, and Jerry
2 Fountain. Please come forward. The microphones are one.
3 Please identify yourselves for the record. You'll have up
4 to three minutes for your comments.

5 MS. JOHNSON: Phyllis Johnson representing
6 California State Retirees, but a general question is in
7 order. I've heard a lot about coverage after the fact.
8 My question is what's being done for prevention and early
9 care in the early years to prevent mental illness from
10 getting too far too quick?

11 Thank you.

12 CHAIRPERSON FECKNER: Thank you.

13 MR. FOUNTAIN: Okay. Jerry Fountain, Chief
14 Financial Officer of the California State Retirees. I
15 believe I heard a statement. And if I'm wrong, please
16 correct me, that if a person seeks help through a
17 practitioner and cannot get one in-network and they have
18 to go to an out-network, the out-network provider is paid
19 at the in-network price.

20 I was wondering if there's anything that the
21 organizations do to mitigate that extra expense that the
22 individual would receive, that may contribute to their
23 mental condition, or would it force them to not seek help,
24 because they can't afford the difference between in-care
25 and out -- in-provider and out-provider.

1 Thank you.

2 CHAIRPERSON FECKNER: Thank you.

3 We'll make sure that we get those answers for you
4 and we'll have them for our next meeting.

5 MR. FOUNTAIN: I appreciate that.

6 CHAIRPERSON FECKNER: Thank you.

7 MR. SEAVEY: Hi. Fred Seavey with the National
8 Union of Healthcare Workers. We're a union of 15,000
9 caregivers in California, including 4,000 mental health
10 therapists, who practice in the private sector. We're the
11 largest union of private sector mental health therapists
12 in the state.

13 You know, first of all, we want to thank the
14 Committee for its focus on mental health. We think it's
15 extremely important. As others have referenced, you know,
16 public health data indicate the growing incidence of
17 mental illness and substance use disorders across the U.S.

18 And just as example, the CDC recently released
19 reports and suicide is now one of the top ten leading
20 causes of death in the U.S. And among adolescents between
21 age 14 and 17, suicide is the leading cause of death.

22 So these are not only illnesses that are on the
23 rise in our society, but they're life-threatening
24 illnesses oftentimes.

25 So again, want to thank the Committee. Just

1 three quick comments. You know, first, as far as the
2 adequacy of the provider networks, you know, we have
3 experience, because Kaiser uses both Beacon and Magellan.
4 And we've interacted with more than a thousand consumers
5 and a lot of therapists.

6 But we have lots of experience about sort of
7 these phantom provider networks, in other words, lists of
8 providers that are on paper. But when patients seek to
9 actually access them, they have huge difficulties. And
10 they'll call through dozens and dozens of therapists
11 trying to get care.

12 I had one patient she phones through 100
13 therapists. This is following a suicide attempt and
14 couldn't access care. Another, who was diagnosed with
15 depression and referred out to Beacon or Magellan. Made
16 92 calls over five months, again without any care. And
17 the plan did not track the weights and had no indication
18 that this patient never received any care whatsoever.

19 And I think also it's -- many of these
20 patients -- I mean, imagine they're functionally
21 compromised with the conditions that they have. But
22 imagine having depression where you have difficulty
23 getting out of bed every morning and then being asked to
24 phone through, not only just five, but it could be 20 or
25 40 therapists to try to get care, and await their return

1 calls and emails.

2 It's just not appropriate care. And what we find
3 is each time you erect an obstacle in front a patient that
4 they have to leap over or crawl through to access care,
5 you'll find a certain percentage of the patient population
6 drops out. And they throw up their arms and walk away
7 without care. They may cycle downwards into crises or try
8 to pay out of pocket for their own care.

9 Secondly, in terms of the workforce shortage,
10 there was lots of discussion here today. I wanted to
11 point the Committee to a report that was issued by the
12 California Legislative Analyst's Office in May of 2019,
13 where they described mixed evidence of a workforce
14 shortage.

15 They said, yes, there are shortages among
16 therapists in rural areas, and the Inland empire, but the
17 rest of the state has adequate therapists. I think the --
18 in our experience, the fundamental problem here, someone
19 mentioned it early, it's a supply and demand question.
20 But it has to do with the reimbursements rates. And many
21 of these external therapists report to us that their rates
22 have not risen in many, many years, and are inadequate,
23 and that they can receive much more from cash paying
24 patients.

25 So when they get the call from a patient referred

1 by Beacon, Magellan, et cetera, they'll often -- they'll
2 say their panel is fall. And they won't take those
3 patients, because simply the reimbursement rate is too
4 low.

5 Thank you very much.

6 CHAIRPERSON FECKNER: Thank you.

7 All right. That bring us to Agenda Item 6b,
8 summary of Committee Direction.

9 Mr. Moulds.

10 CHIEF HEALTH DIRECTOR MOULDS: Sure. Let me --
11 so I've got -- I've got five items to report back on. The
12 first is was the item that Mr. Rubalcava mentioned, and
13 the question was whether the PERS Select app can identify
14 women eligible for the Feature Moms Program and the
15 current -- and the coinsurance reduction, or whether
16 there's any possibility of using that in a -- to do an
17 earlier identification. We will look at that and get back
18 to you.

19 Second was from Mr. Jones and that was just a
20 request for a general update at a future Board meeting on
21 the progress on some of the key area -- in some of the key
22 areas, where there was widespread acknowledgement by the
23 folks presenting today that we're in need of progress.

24 I would add to that, the average wait times that
25 Mr. Perez mentioned I can just sort of roll that into --

1 to that general report. So we will report back to you at
2 a future meeting on those items.

3 Third, of the new mental health providers
4 nationally, what percent are located in California?

5 Fourth, what is the cash rate? This was Ms.
6 Olivares' question, what is the cash rate for a mental
7 health provider reimbursement by MSA?

8 And then the last one was the -- in cases where a
9 member identifies a provider who is out-of-network as the
10 available provider, is that provider reimbursed only
11 in-network rates. There is a -- it's actually more
12 complicated than that. But we will -- rather than get
13 into it now, we can -- we can report back along with these
14 other items to the Board.

15 CHAIRPERSON FECKNER: I think more to the
16 question was is the member paying a higher fee than
17 otherwise if it's out of network.

18 CHIEF HEALTH DIRECTOR: Yeah.

19 CHAIRPERSON FECKNER: So Great. Thank you.

20 Next is item 6c. I have two requests from the
21 public to speak, Larry Woodson and Tim Behrens, please
22 come forward. You'll have up to three minutes for your
23 comments and the microphones are on.

24 MR. BEHRENS: Go ahead.

25 MR. WOODSON: I was going to defer to seniority.

1 (Laughter.)

2 CHAIRPERSON FECKNER: He wants to be last.

3 MR. WOODSON: Larry Woodson, California State
4 Retirees. Thank you for the opportunity to comment,
5 Chairman Feckner and Board members.

6 I want to comment on some news that was just
7 breaking today, or maybe late yesterday, the House of
8 Representatives leadership has reached a bipartisan
9 agreement, which is rare commodity these days, on a budget
10 bill with some accompanying provisions that would be very
11 beneficial to us at CalPERS with health plans, and
12 specifically cancellation -- permanent cancellation of the
13 Cadillac Tax, the HIT tax, and tax on medical devices.

14 And also, The White House apparently has been in
15 the loop on this and is supportive. So if it comes to
16 pass, I would urge CalPERS to bring UnitedHealthcare back
17 to the table, renegotiate the contract with them, because
18 they used the HIT tax to justify the large premium
19 increases for 2020. Other carriers may have also used the
20 same justification. So this is kind of an early heads-up,
21 but CSR, if it does pass, will be back asking the same
22 thing more formally.

23 Secondly, I'd like to comment on the Santa
24 Barbara contract, Anthem contract impasses that I just
25 heard about for the first time. And I talked to some of

1 my colleagues here, and they hadn't heard either. And it
2 seems very late in the game to be telling us about this.

3 But I think Dr. Molds mentioned that it -- I'm
4 assuming it would apply in 2020. And he clarified that
5 it's just for PPO -- Anthem PPO not HMO plans. But I
6 don't think he specified if it's -- that the supplemental
7 Medicare plans are not included. Is that -- is it just
8 the basic plans? And that was the case before with other
9 breakdowns.

10 And then late -- you know, I've been doing this
11 for four years. And this last year, it's become way too
12 common or Anthem to have hospital contract negotiations
13 break down at the last minute and not be able to reach
14 them.

15 And so I appreciate the need to control hospital
16 costs. CalPERS itself has a big say in this. It's not
17 just Anthem on these self-funded plans. You set the
18 guidance that they follow.

19 And so the last thing is I'd like to request a
20 copy of the letter that was sent to members. I'd
21 appreciate that.

22 Thank you for your time.

23 CHAIRPERSON FECKNER: Thank you.

24 CHIEF HEALTH DIRECTOR MOULDS: Can I -- just one
25 clarification, Anthem traditional HMO, correct, or is it

1 Select HMO -- one of the Anthem HMOs would be implicated
2 here.

3 MR. WOODSON: Right, but it's the PPO supplements
4 that I'm asking about.

5 MR. HONAKER: And I -- thank you. Rob Honaker,
6 Anthem Blue Cross.

7 CHAIRPERSON FECKNER: There you go.

8 MR. HONAKER: Yeah, thank you.

9 (Laughter.)

10 MR. HONAKER: I just through I'd address the
11 Medicare supplement. It will have no implication on that.
12 We will supplement the benefits based on the Medicare
13 reimbursements, so your members won't be impacted on
14 Medicare supplement.

15 MR. WOODSON: Okay. That's what I thought, but I
16 wanted to make sure.

17 Thank you.

18 CHAIRPERSON FECKNER: Thank you.

19 Mr. Behrens.

20 MR. BEHRENS: Thank you, Chairman Feckner,
21 members of the Committee, members of the Board. Tim
22 Behrens, President of the California State Retirees.

23 A great second shot at mental health this
24 morning. I appreciate it. I think there may be an
25 untapped resource in California that the different

1 providers can look at, and that's something called a
2 Licensed Psychiatric Technician. That's a State employee
3 classification now. And 13 years when I left State
4 service at an institution, psych techs were going into the
5 community, and into public, and corrections, and other
6 jail systems, and evaluating mental health issues and
7 mental health possibilities for inclusion into the State
8 system.

9 I think this may be something that they could
10 look at that would help them with their intake patients,
11 and maybe cut down on the phone calls that have to be made
12 repeatedly, and at least become part of the system that
13 could redirect them. I know when CalPERS changed their
14 system in the health care here, when we call in, we give
15 our membership two instructions. If you're on Medicare,
16 tell them right away, so they can direct you to the
17 correct staff. If you're not, tell them right away and
18 they can direct you to the same staff.

19 I'm hoping in the mental health system, that
20 could be just as easy as that. You know, if you know what
21 the issues is, you can direct them to somebody and they
22 wont have to wait. Or as Mr. Ruffino pointed out, bad
23 things happen.

24 The other thing I wanted to do is acknowledge
25 Donna Lum for her 21 years of service. She has provided

1 outstanding service to the stakeholders of the California
2 State Retirees. She's been instrumental in enhancing the
3 communication system between CalPERS and the stakeholders.

4 And Donna, as promised, I brought you an
5 application to join the California State Retirees.

6 (Laughter.)

7 (Applause.)

8 CHAIRPERSON FECKNER: Very good. Thank you.
9 Seeing no other requests to speak, everyone have a great
10 Holiday Season.

11 This meeting is adjourned.

12 (Thereupon California Public Employees'
13 Retirement System, Pension and Health Benefits
14 Committee meeting adjourned at 11:26 a.m.)

15

16

17

18

19

20

21

22

23

24

25

1 C E R T I F I C A T E O F R E P O R T E R

2 I, JAMES F. PETERS, a Certified Shorthand
3 Reporter of the State of California, do hereby certify:

4 That I am a disinterested person herein; that the
5 foregoing California Public Employees' Retirement System,
6 Board of Administration, Pension and Health Benefits
7 Committee meeting was reported in shorthand by me, James
8 F. Peters, a Certified Shorthand Reporter of the State of
9 California, and was thereafter transcribed, under my
10 direction, by computer-assisted transcription;

11 I further certify that I am not of counsel or
12 attorney for any of the parties to said meeting nor in any
13 way interested in the outcome of said meeting.

14 IN WITNESS WHEREOF, I have hereunto set my hand
15 this 19th day of December, 2019.

16
17
18
19
20
21


22 JAMES F. PETERS, CSR
23 Certified Shorthand Reporter
24 License No. 10063
25