TOP STORIES

State Lawmakers to Consider New Managed Care Organization Tax Bills
Proposals supported by insurance industry groups

After months of negotiations, California lawmakers have introduced two bills that propose a new managed care organization (MCO) tax to replace the current tax that’s due to expire in June.

The new MCO tax is being proposed in Senate Bill 15, authored by Sen. Ed Hernandez (D-West Covina), and Assembly Bill 20 authored by Rob Bonta (D-Oakland). The companion bills would establish a revised MCO tax on state providers starting in July.

SB 15 and AB 20 propose a three-tiered tax system based on the number of Medi-Cal enrollees in a health plan. For fiscal year 2017, the tax on providers would range from $40 per Medi-Cal enrollee for Tier 1 plans to $1 per enrollee in Tier 3 plans. Legislators are expected to begin hearings on the bills as early as this week as part of the state’s special legislation session on healthcare.

The proposed plans were endorsed by the California Association of Health Plans (CAHP) and Local Health Plans of California (LHPC). “While each individual plan is impacted differently, CAHP supports these bills, as they fill a hole in the Medi-Cal budget and protect our healthcare safety net,” said CAHP President Charles Bacchi. “The bills also offer needed tax relief for employers and families purchasing health coverage.”

Local Health Plans of California, a group that represents 16 nonprofit health plans in the state that serve more than 7 million Medi-Cal members, said the bills establish an equitable solution that will enable the state to retain matching federal funds for Medi-Cal. “We believe [stakeholders] have devised a new MCO tax model that is fair and meets federal requirements,” said LHPC CEO Brianna Lierman.

Lierman said implementing a new MCO tax is essential to the state’s safety net. “This loss can neither be absorbed without crisis nor replaced with a source of funding that is as predictable and stable as the MCO tax.”

Patient advocacy groups also support the proposed tax plan. Anthony Wright, executive director of consumer advocacy group Health Access
Correction:
Clarification: In the Feb. 8 issue of California Healthfax, it was incorrectly stated that a ballot measure designed to lower prescription drug costs would benefit 2.2 million members of the California Public Employees Retirement System (CalPERS). The 2.2 million figure applied to both CalPERS members and members of the California state teachers retirement system. California Healthfax regrets the error.

IN BRIEF

Susan P. Ehrlich, MD, has been appointed CEO of Priscilla Chan and Mark Zuckerberg San Francisco General Hospital effective April 25. Ehrlich currently serves as CEO of San Mateo Medical Center, a position she’s held since 2009. Prior to being appointed CEO, Ehrlich served as chief medical officer, vice president, and medical director at various points in her career at San Mateo. "We are very proud to welcome Susan to Zuckerberg San Francisco General, a critical component of the San Francisco Health Network," said San Francisco Health Director Barbara Garcia. "We know our hospital will be in great hands." San Mateo Medical Center has appointed chief medical officer Chester Kunnappilly, MD, as interim CEO while it searches for a permanent replacement for Ehrlich.

Humana Inc. has appointed Emily Coriale as vice president for senior products in the California and Pacific

TOP STORIES
CONTINUED FROM PAGE 1

State Lawmakers cont.

California, said adopting the plan is essential to maintaining federal matching funds for Medi-Cal and avoiding more cuts to safety net programs.

"California needs to revamp and renew the managed care organization tax so we don't lose federal funds for our health system," said Wright. "Maintaining this revenue stream helps prevent a billion dollars in cuts to healthcare on top of cuts already made in the recession." Wright said the proposal includes a tiered system that minimizes the impact on non-Medical managed care providers and includes tax breaks for those providers.

The current MCO tax is only assessed to Medi-Cal managed care plans based on their number of enrollees. The federal government matches the amount of money raised through the tax each year and those funds are funneled into Medi-Cal and related programs,

California officials were notified by the federal government in 2014 that they would have to phase out the existing MCO tax and create a new one that taxed all managed care providers and not just those that participate in Medi-Cal managed care programs. Negotiations on the new MCO tax focused on minimizing the impact on health plans that did not participate in managed care.

When the MCO tax proposal stalled in a special legislative session in October 2015, Gov. Jerry Brown said several projects that called for increased funding for Medi-Cal would need to be put on hold until the state crafted a new tax. In addition to funding Medi-Cal, the MCO tax would fund a proposed 7% budget increase for the state’s In-Home Supportive Services Program in fiscal year 2017.—DOUG DESJARDINS

Covered California Signs Up 425,000 New Enrollees for 2015–2016

Nearly 100,000 sign up in last four days of open enrollment

Covered California reported that 425,000 people signed up for coverage during the three-month open enrollment period that ended February 1, thanks in part to a late surge in enrollment.

Covered California officials said a last-week rush in enrollment pushed totals toward the top-end of projected enrollment of 295,000 to 450,000 new members during the three-month period from November 1 to February 1. During the 2014–2015 enrollment period, 495,073 state residents signed up for coverage.

"In the last four days of open enrollment, nearly 100,000 consumers signed up for quality healthcare coverage," said Covered California Executive Director

« CONTINUED ON PAGE 3 »

NEW! Emergency Department Strategies Collection

Four Resources for Strengthening Care Processes and Driving Efficiency

ORDER NOW AND SAVE 66%!
Covered California cont.

Peter Lee. “Even more important than the strong numbers of those enrolling is that we appear to be attracting a younger and healthier mix of consumers.”

The health insurance exchange reported that 37% of new enrollees were between the ages of 18 and 34, an increase from 29% in 2014–15. Exchange officials said the higher percentage of younger, healthier consumers will increase Covered California’s healthy risk mix and help keep rates down. The average premium increase for Covered California plans was 4% in 2014 and 4.2% in 2015.

“We continue to have a broad and healthy mix of those signing up for coverage, which means better rates and a more stable system for both all our enrollees and for the entire individual health insurance marketplace in California,” said Lee. The exchange will release more detailed demographic and regional enrollment data later this month.

In terms of retaining consumers who enrolled for coverage in previous years, Covered California reported that nearly 1.15 million current members also enrolled for coverage in 2016. As of October 2015, there were 1.3 million people enrolled for coverage through Covered California. Combined with the 425,000 who signed up for new coverage, the exchange has approximately 1.57 million members.

A February report from the California HealthCare Foundation (CHCF) that surveyed people who enrolled online for Covered California health plans suggested the exchange make its website more user friendly. The report recorded live sessions of people enrolling for coverage and interviewed participants after using the site. The study concluded that “consumers are experiencing significant difficulty enrolling or renewing Covered California health insurance online.”

The study found that consumers often mistook the ‘Shop and Compare’ and ‘Preview Health Plan’ tabs as places to make their final plan selection, were confused about the meaning of several terms such as ‘household member,’ and found some questions on the online application confusing.

While the report noted that Covered California made improvements to its website in 2015 that made it easier to use, it said further improvements could help boost enrollment by making the enrollment process easier. “Providing consumers with a user-friendly and efficient online experience should be a top priority,” the report concluded. “In fact, for millennials, one of Covered California’s key target populations, it is crucial.”

Covered California spokesman James Scullary said the exchange “welcomes all feedback that aims to improve consumers’ experience.” He said some of the changes recommended in the CHCF report were implemented in 2015 and that others “will be considered as part of a comprehensive review of the consumer experience.”—DOUG DESJARDINS
Report Says State Needs to Boost Primary Care Physician Workforce
California needs 32% increase in physicians by 2030

A new report from the California Primary Care Association (CPCA) projects the state will need to boost its primary care physician workforce by 32% over the next 15 years to meet demands of a growing population.

The Horizon 2030 study suggests the current primary care workforce is barely adequate and that the state will need an additional 8,243 primary care physicians by 2030 to meet growing demand. "The primary care physician workforce in many parts of the state is not adequate and the situation is only getting worse," said CPCA President and CEO Carmela Castellano-Garcia.

The study makes several recommendations to help bolster the supply of primary care physicians. One is that California do more to create its own supply of primary care physicians. The Horizon 2030 study notes that "California ranks 43rd in the nation at 17.8 medical students per 100,000" due to a limited medical school capacity, which leads 63% of all California medical school students to attend medical school out of state.

"Given that California ranks first in the nation with 62.4% of its in-state medical school graduates subsequently practicing in the state, an expansion in California medical school capacity could result in a much needed increase in the physician supply," the study states. The 2013 opening of UC Riverside School of Medicine was the first new medical school to open in the state in 45 years.

The CPCA study also recommends that the state expand loan repayment programs that help new physicians pay back student loans, expand new models of care that maximize the use of physician practice staff, and increase the number of residency programs that place residents in underserved facilities like community health centers.

The shortage of residency programs was touched in a 2015 report from the California Academy of Family Physicians (CAFP), which said the state is home to 51 residency programs that train approximately 140 new residents each year. "That just is not enough, as one-third of physicians in the state will retire by 2030, our population is growing, and millions more Californians have gained coverage under healthcare reform," the report concluded.

A report from the California HealthCare Foundation found that California has 63 primary care physicians per 100,000 residents, a total that’s within the parameters of 60 to 80 physicians per 100,000 residents recommended by the Council on Graduate Medical Education. But the study also found that physicians are distributed unevenly and that 42 of the state’s 58 counties have fewer than 60 primary care physicians per 100,000 residents.—DOUG DESJARDINS
Regional’s pediatric care clinic in El Centro from 1998 to 2005 under a previous agreement. “We’re excited to welcome them back,” said Rosana Lugo, marketing and public relations manager for ECRMC, a 161-bed hospital located in Imperial County. “Rady Children’s will provide a wide array of healthcare services to children in the county, including outpatient pediatric care and specialty care services.”

- **San Antonio Regional Hospital** appointed Sohan Bassi, MD, and Deborah Freund, PhD, to its board of trustees. Bassi has been with San Antonio Regional since 1992 and is the hospital’s Medical Advisor of Infectious Diseases. Freund is a Paul O’Neill-Alcoa Chair in Policy Analysis at the Rand Corporation and is an internationally recognized health economist. The San Antonio Regional Hospital board consists of 15 members with a mix of physicians and members of the local community. San Antonio Regional is a 283-bed acute care hospital located in Upland.

- **Dignity Health** is partnering with New York-based GoHealth Urgent Care to open a network of urgent care centers in California. For the first phase of their joint venture, Dignity and GoHealth plan to open 12 urgent care centers in the Bay Area over the next 12-15 months. The urgent care centers will operate seven days a week with extended evening hours and focus on treating minor ailments and other non-emergency medical conditions. “Our partnership with GoHealth will provide more options to Bay Area residents for fast and convenient care in a lower-cost setting,” said Todd Strumwasser, MD, Dignity Health’s senior vice president of operations for the Bay Area.

- A California church has sued the state Department of Managed Health Care (DMHC) over a provision that it requires the church to provide access to abortions as part of its employee health plans. According to a Feb. 8 report from Courthouse News Service, Skyline Wesleyan Church in La Mesa filed a lawsuit in San Diego Superior Court on February 4 seeking declaratory and injunctive relief. The lawsuit cites a 2014 state mandate that requires insurers to include abortion and other reproductive services as a “basic healthcare service” in all health plans. The lawsuit contends that elective abortions do not fall under the list of “medically necessary” procedures as defined in the Knox-Keene Health Care Services Plan Act of 1975, the law cited in the DMHC’s 2014 mandate regarding elective abortions.

- More than 900 healthcare workers demonstrated outside Keck Hospital of USC in Los Angeles on February 11 to protest a disagreement over salaries and benefits. According to a February 11 report from CBS Los Angeles, the rally was staged by the National Union of Healthcare Workers (NUHW), which represents a wide range of hospital employees including respiratory therapists, surgery technicians, unit secretaries, environmental services, and facilities engineers. Union officials say that one in every six employees at the hospital earns less than $15 per hour and that union workers are not offered the same retirement benefits as other employees. Keck Hospital of USC officials said the NUHW has rejected its wage proposals during contract negotiations.

---


**April 13-15. Hospital Association of Southern California Annual Meeting.** Bacara Resort and Spa, Santa Barbara. A three-day conference for Southern California healthcare professionals that combines educational seminars and networking events. Speakers will provoke thoughtful discussion on how to evolve and meet the challenges of the Triple Aim and beyond. To register, please visit [http://www.hasc.org/2016-hasc-annual-meeting](http://www.hasc.org/2016-hasc-annual-meeting)

Get your event listed in Healthfax! E-mail the details to: ddhealth@netzero.net.

---

**The Exceptional ED:**
**Telemedicine, Navigation, & Behavioral Health**

28% of health leaders are using IT or analytics to identify gaps in care with the intent of reducing ED visits.
FEATURED CAREER OPPORTUNITIES

MEMORIALCARE MEDICAL FOUNDATION / MEDICAL GROUP

MemorialCare Medical Group is a physician-based organization established to provide advanced comprehensive, effective and efficient health care. With over 30 locations from Long Beach to Dana Point, MemorialCare Medical Group includes more than 250 physicians in the areas of internal medicine, family medicine, pediatrics, geriatric medicine, cardiology, cardio thoracic surgery, gastroenterology, neurology, pulmonology, psychiatry, psychology, rheumatology, sleep medicine and therapeutic acupuncture. In addition to multiple locations throughout Orange County, MemorialCare Medical Group offers Urgent Care Centers that are open 365 days-a-year, Telephone Advice Nurses available 24 hours-a-day, 7 days-a-week; and lab and digital X-ray services available on-site at most locations.

FEATURED OPPORTUNITIES

Director, Clinical Operations  #325191
Associate Medical Director  #325315
Manager, Coding & Compliance  #323036
Manager, Clinical Services  #325699
Practice Manager  #323219
Project Management Specialist – Strategic Operations  #324897

APPLICATION PROCESS:
To see full details of these opportunities and more or to submit an application, please visit our website at http://www.memorialcare.org/careers

Gold Coast Health Plan is currently accepting applications for the following positions:

- Sr. Manager Delegation Oversight
- Executive Director, Gov’t Relations
- Manager, Claims Transaction
- Member Services Quality Auditor
- Clinical Operations Assistant
- Decision Support Analyst
- Case/Care Manager, RN
- Utilization Management, RN
- Clerk of the Board
- Health Educator

All qualified candidates must submit an online application. Online applications and full job descriptions can be found at: http://www.goldcoasthealthplan.org/about-us/careers.aspx

Kern Health Systems is currently accepting applications for the following positions:

- Clinical Intake Coordinator Registered Nurse I
- Case Management Registered Nurse
- UM Registered Nurse Facility Based
- Database Administrator II/III
- Medical Director
- Deputy Director of Health Services

Compensation is based on experience, education and qualifications. For a complete position description on these exciting career opportunities, please visit our career center at kernfamilyhealthcare.com or email resume to: recruitment@khs-net.com. E.O.E
### Director of Business Development and Strategy

**REQUIRED QUALIFICATIONS FOR THIS POSITION INCLUDE:**

- Demonstrated knowledge of healthcare market research, program development, business modeling and marketing, including experience preparing detailed business plans and pro formas.
- Demonstrated experience with overall business strategy and market analysis including planning and forecasting new business development.
- Demonstrate a working knowledge of national healthcare trends, multi-disciplinary professional practice models, reimbursement principles, information systems, cost management, quality management, and customer service needs.
- Must have a solid financial background gained through both operational and business planning experience.
- Experience in developing strategic plans and initiatives.
- Must possess strong presentation and interpersonal skills that display a presence of leadership in a wide range of settings.

**PREFERRED QUALIFICATIONS FOR THIS POSITION INCLUDE:**

- Master’s Degree strongly preferred.

**ABOUT US**

Providence Health & Services is the third largest not-for-profit health system in the United States. Providence employs more than 76,000 caregivers (employees) across a five-state area: AK, WA, MT, OR, and CA. Our facilities include 34 hospitals, 475 physician clinics, senior services, supportive housing and other health and educational services. Providence is proud to be an Equal Opportunity Employer. Providence does not discriminate on the basis of race, color, gender, disability, veteran, military status, religion, age, creed, national origin, sexual identity or expression, sexual orientation, marital status, genetic information, or any other basis prohibited by local, state, or federal law.

**ANSWER THE CALL PROVIDENCEISCALLING.JOBS**

When applying online, please reference job number 106566.

**APPLY ONLINE:**

http://50.73.55.13/counter.php?id=60496

Providence Health & Services is an equal opportunity employer who provides competitive benefits, a drug-free workplace and supports work/life balance.
FEATURED CAREER OPPORTUNITIES

FEATURED OPPORTUNITIES

VP, Clinical Integration (Cardiology) #325453
Executive Director Clinical Risk & Patient Safety #325992
Executive Director, Perioperative Services #325726
Executive Director, Pharmacy Services #325290
Director Human Research Protections #325824
Executive Director, Decision Support #325481
Director Finance Research #325761
Manager, Contracts #325236
Clinical Risk Manager #324146
Manager, Lean Fellow #325321

APPLICATION PROCESS:
To see full details of these opportunities and more or to submit an application, please visit our website at http://www.memorialcare.org/careers

EXCEPTIONAL PEOPLE, EXTRAORDINARY CARE, EVERYTIME

MEMORIALCARE HEALTH SYSTEM
At MemorialCare Health System, we believe in providing extraordinary healthcare to our communities and an exceptional working environment for our employees. MemorialCare stands for excellence in Healthcare. Across our family of medical centers and physician groups, we support each one of our bright, talented employees in reaching the highest levels of professional development, contribution, collaboration and accountability. Whatever your role and whatever expertise you bring, we are dedicated to helping you achieve your full potential in an environment of respect, innovation and teamwork.

FEATURED OPPORTUNITIES

CARE PLANNER – MSSP Req. #15-0198
COMMUNITY HEALTH WORKER (LA COUNTY) Req. #16-0041
COMMUNITY HEALTH WORKER (VENTURA COUNTY) Req. #16-0039
COMPLEX CARE MANAGER – SOCIAL WORKER Req. #16-0001
DATA WAREHOUSE DEVELOPER, SR. Req. #15-0173
DIRECTOR RESEARCH & FACILITATION Req. #15-0207
INFORMATICS ANALYST II Req. #15-0181
MANAGER CLAIMS Req. #16-0024
MANAGER PHARMACY BENEFITS & FORMULARY Req. #16-0011
NURSE PRACTITIONER (STOCKTON, CA) Req. #15-0122
OPERATIONS MANAGER – MEMBER SERVICES Req. #16-0046
PHARMACY ANALYST Req. #15-0105
PHARMACY HEALTH COACH (TEMP) Req. #16-0021
PROJECT MANAGER – SHARED SERVICES Req. #15-0205
SALES REP (SAN DIEGO) Req. #16-0034
SECURITY ENGINEER Req. #15-0209
SUPERVISOR CARE COORDINATION – BILINGUAL Req. #15-0178
TABLEAU DEVELOPER Req. #15-0172
TABLEAU MANAGER Req. #15-0171

For more information, please visit our website at: http://www.scanhealthplan.com/careers/

Sign up a colleague for a free four-week trial to California Healthfax

www.healthleadersmedia.com 800-753-0131 customerservice@healthleadersmedia.com

Free Trial

choose well, choose MemorialCare.
California Health & Wellness is the first new Medi-Cal Managed Care Plan in California in nearly a decade. It is the California division of Centene Corporation (Centene) that has established itself as a national leader in the healthcare services field. Today, through a comprehensive portfolio of innovative solutions, we remain deeply committed to delivering results for our stakeholders: state governments, members, providers, uninsured individuals and families, and other healthcare and commercial organizations.

MEDICAL DIRECTOR

Assist the Chief Medical Director to direct and coordinate the medical management, quality improvement and credentialing functions for the business unit.

Responsibilities

• Provides medical leadership of all for utilization management, cost containment, and medical quality improvement activities. Performs medical review activities pertaining to utilization review, quality assurance, and medical review of complex, controversial, or experimental medical services. Supports effective implementation of performance improvement initiatives for capitated providers.

• Assists Chief Medical Director in planning and establishing goals and policies to improve quality and cost-effectiveness of care and service for members. Provides medical expertise in the operation of approved quality improvement and utilization management programs in accordance with regulatory, state, corporate, and accreditation requirements.

• Assists the Chief Medical Director in the functioning of the physician committees including committee structure, processes, and membership. Oversees the activities of physician advisors. Utilizes the services of medical and pharmacy consultants for reviewing complex cases and medical necessity appeals. Participates in provider network development and new market expansion as appropriate. Assists in the development and implementation of physician education with respect to clinical issues and policies.

• Identifies utilization review studies and evaluates adverse trends in utilization of medical services, unusual provider practice patterns, and adequacy of benefit/payment components. Identifies clinical quality improvement studies to assist in reducing unwarranted variation in clinical practice in order to improve the quality and cost of care. Interfaces with physicians and other providers in order to facilitate implementation of recommendations to providers that would improve utilization and health care quality. Reviews claims involving complex, controversial, or unusual or new services in order to determine medical necessity and appropriate payment.

• Develops alliances with the provider community through the development and implementation of the medical management programs. As needed, may represent the business unit before various publics both locally and nationally on medical philosophy, policies, and related issues. Represents the business unit at appropriate state committees and other ad hoc committees.

Education/Experience: Medical Doctor or Doctor of Osteopathy, board certified preferable in a primary care specialty (Internal Medicine, Family Practice, Pediatrics or Emergency Medicine). The candidate must be an actively practicing physician. Previous experience within a managed care organization is preferred. Course work in the areas of Health Administration, Health Financing, Insurance, and/or Personnel Management is preferred. Experience treating or managing care for a culturally diverse population preferred.

License/Certifications: Board Certification through American Board Medical Specialties. Current state medical license without restrictions.

Please submit your resume to BGLICK@CENTENE.COM
County of Santa Clara  
San Jose, California

**Deputy Public Health Officer**

Santa Clara Valley Health and Hospital System

**Salary:** $181,929 - $233,421 Annually  
DOQ Open Until Filled

The County of Santa Clara seeks a Deputy Public Health Officer to oversee the Infectious Disease and Response Branch and ensure effective delivery of services for the Public Health Department.

The Deputy Public Health Officer position requires a physician who is Board Certified in Internal Medicine and require a high degree of administrative experience that would provide strong management of the administrative and programmatic responsibility for the Infectious Disease and Response Branch. The Infectious Disease and Response Branch will include Communicable Disease Control and Prevention (including the Immunization Program), Tuberculosis Control and Prevention, STD/HIV Control and Prevention, Surveillance and Epidemiology, Public Health Disaster Preparedness and Response, Public Health Laboratory, and Public Health Pharmacy.

Qualifications: Must be a physician licensed in California and Board Certified in an appropriate medical specialty (e.g. Internal Medicine, Pediatrics, or Family Medicine) and have significant training and experience to perform the above tasks, at least 7 years of post-residency experience in disease control or public health, at least 3 of which involved significant administrative and managerial responsibilities. A Master in Public Health or completion of the CDC's Epidemic Intelligence Service, and/or Board Certification in Infectious Disease is highly desirable.

This recruitment requires the submission of an online application. Completion of the Supplemental Questionnaire and a CV is required. For a complete job description and apply online, please go to: [www.sccjobs.org](http://www.sccjobs.org).

If you have any questions regarding this position, contact Executive Services at (408) 299-5897.  
EOE