



**REGULAR MEETING OF THE GOVERNING BOARD
OF THE
INLAND EMPIRE HEALTH PLAN**

April 14, 2025 - 9:00 AM

**Dr. Bradley P Gilbert Center for Learning and Innovation
9500 Cleveland Avenue - Board Room
Rancho Cucamonga, CA 91730**

Board Report #359

If disability-related accommodations are needed to participate in this meeting, please contact Annette Taylor, Secretary to the IEHP Governing Board at (909) 296-3584 during regular business hours of IEHP (M-F 8:00 a.m. – 5:00 p.m.)

PUBLIC COMMENT AT INLAND EMPIRE HEALTH PLAN GOVERNING BOARD MEETINGS:

The meeting of the Inland Empire Health Plan Governing Board is open to the public. A member of the public may address the Board on any item on the agenda and on any matter that is within the Board's jurisdiction at the time of the meeting when the item listed on the agenda is called. Each speaker should begin by identifying themselves for the record and announce any contributions in excess of \$250.00 made by them or their organization in the past twelve (12) months to any IEHP Governing Board member as well as the name of the Governing Board member who received contribution. In order to keep track of speakers and to be able to notify the Board of any speakers on a particular agenda item, a speaker slip is requested to be completed and provided to the Board Secretary by the commencement of the public meeting and no later than the time the agenda item has been called so that you may be recognized by the Board to speak. The Board may limit the public input on any item, based on the number of people requesting to speak and the business of the Board.

All public record documents for matters on the open session of this agenda can be viewed at the meeting location listed above, IEHP main offices at 10801 6th Street, Suite 120, Rancho Cucamonga, CA 91730 and online at <http://www.iehp.org>.

Any member of the public may observe the scheduled proceedings by using the information listed below

<https://youtube.com/live/ZdZdPKSkAOw?feature=share>

AGENDA

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Changes to the Agenda
- V. Public Comments on Matters on the Agenda

AGENDA

VI. Conflict of Interest Disclosure

Please note that Board members who also serve as a member of a legislative body of another public entity, such as San Bernardino County or the County of Riverside, does not by itself constitute a disqualifying conflict of interest that would prevent such members from participating on matters appearing on the agenda for the Inland Empire Health Plan or IEHP Health Access despite their affiliation with both public entities.

VII. Reappointment of Andrew Williams, Joint County Public Member (April 14, 2025, through April 13, 2027)

VIII. Adopt and Approve of the Meeting Minutes from the March 10, 2025 Regular Meeting of the Governing Board of the Inland Empire Health Plan

IX. CONSENT AGENDA

ADMINISTRATION (Jarrod McNaughton)

1. Approve an Increase in Funding for Statements of Work with Morgan Consulting Resources, Inc.
2. Approve the First Amendment to the Management Services Agreement with the IEHP Foundation

FINANCE DEPARTMENT (Keenan Freeman)

3. Approve the Seventh Amendment to the Professional Services Agreement with Conduent Credit Balance Solutions, L.L.C. F/K/A/CDR Associates, L.L.C.
4. Approve the Revised Procurement Policies and Procedures Manual and Delegation of Authority for Future Updates as Needed to Ensure Ongoing Compliance with Applicable Statutes and Regulations

HEALTH SERVICES DEPARTMENT (Takashi Wada, M.D.)

5. Ratify and Approve the Third Amendment to the Professional Services Agreement with Sam D. Toney dba Toney Healthcare Consulting, Inc.
6. Ratify and Approve the Fifth Amendment to the Service Agreement with MedImpact Healthcare Systems, Inc.

INFORMATION TECHNOLOGY DEPARTMENT (Vinil Devabhaktuni)

7. Delegation of Authority to Approve the Renewal Order Form under the Software License Agreement with Verint, LLC.

QUALITY DEPARTMENT (Edward Juhn, M.D.)

8. Approve the Award of Request For Proposal #24-06043 and the Professional Services Agreement with QMetrics, Inc for California Department of Managed Health Care Provider Appointment Availability Survey and Aligned Survey Services
9. Approve the Funding Increase with the National Committee for Quality Assurance for Health Plan Accreditation Survey Activities

PROVIDER CONTRACTING DEPARTMENT (Susie White)

10. Ratify and Approve the Twenty-Second Amendment to the Hospital Per Diem Agreement with Barstow Community Hospital - Barstow
11. Ratify and Approve the Participating Provider Agreement – Specialist with Orange Coast Anesthesia Inc - Victorville
12. Ratify and Approve the Eighth Amendment to the Capitated IPA Agreement with Physicians Health Network– Chino
13. Approve the Participating Provider Agreement with Rady Children’s Hospital San Diego dba Rady Children’s Specialists of San Diego, A Medical Foundation
14. Ratify and Approve the Twenty-Fifth Amendment to the Hospital Per Diem Agreement with Redlands Community Hospital - Redlands
15. Approval of Standard Template
 - 1) Home Infusion Services-Attachment A
 - 2) PCP CAP – Attachment B (All LOBs & CCA)
16. Approval of the Evergreen Contracts
 - 1) Naseem A Attar MD -Participating Provider Agreement – Specialist - Riverside
 - 2) Willow Partners Medical Corporation - Participating Provider Agreement – Specialist - Pomona
 - 3) The Illumination Foundation Enhancement Care Management Provider Agreement – Riverside
 - 4) HubMD PC - Enhancement Care Management Provider Agreement – Redlands
 - 5) Simple Solutions Family Therapy Inc dba Simple Solutions Psychotherapy Ancillary Agreement – Rancho Cucamonga
 - 6) Global Transitional Care Inc - Participating Provider Agreement – Specialist – Costa Mesa
 - 7) Genedx Inc - Ancillary Agreement – Gaithersburg
 - 8) Love Transit Inc – Transportation Agreement - Tustin
 - 9) Gloriana Parral LCSW – Participating Provider Agreement - Behavioral Health - Apple Valley
 - 10) Jun R Chiong MD MPH Inc - Participating Provider Agreement - Behavioral Health - Riverside

AGENDA

- 11) Neighborhood Healthcare - Participating Provider Agreement - Behavioral Health - Hemet
- 12) Tarron Riley dba Erion Behavioral Health - Provider Agreement - Behavioral Health – Corona
- 13) Vituity Physician Services PC - Capitated Primary Care Provider Agreement - San Bernardino
- 14) Applied Behavior Autism Center LLC - Participating Provider Agreement – QASP – Moreno Valley
- 15) April Robinson dba Centre for Autism Treatment - Participating Provider Agreement – QASP - Hesperia
- 16) Educational and Behavioral Support Services - Participating Provider Agreement – QASP - Montclair
- 17) Kamel L Kamel MD Inc - Skilled Nursing Facility Attending Physician Agreement - Behavioral Health - Apple Valley
- 18) Chaparral Medical Group Inc - Participating Provider Agreement – Specialist – Claremont
- 19) Lesanemariam T Banko MD - Participating Provider Agreement – Specialist - Participating Provider Agreement – Specialist -Victorville
- 20) Pacific Dermatology Institute - Participating Provider Agreement – Specialist – Victorville
- 21) Valley Obstetrics & Gynecology Med Group – Participating Provider Agreement - Specialist –San Bernardino
- 22) VNEX Rehab Inc dba VNEX Physical Therapy - Participating Provider Agreement – Specialist – Hemet
- 23) Wang Optometric Associates Inc dba Advanced Optometric Eyecare - Participating Provider Agreement – Vision – Victorville
- 24) Mario Carcamo MD Inc - Participating Provider Agreement – Specialist – Riverside

X. POLICY AGENDA AND STATUS REPORT ON AGENCY OPERATIONS

ADMINISTRATION (Jarrod McNaughton)

17. Chief Executive Officer Update
18. Board Education - Provider Contract Incentive and Reimbursement Update

FINANCE DEPARTMENT (Keenan Freeman)

19. Review of the Monthly Financials
20. Adopt and Approve the IEHP Interim Calendar Year 2025 Operations Budget Extension

OPERATIONS DEPARTMENT (Susie White)

21. 2024 IEHP Grievances and Appeals Overview

XI. Comments from the Public on Matters not on the Agenda

AGENDA

XII. Board Member Comments

XIII. Closed Session – *No Business*

XIV. Adjournment

The next meeting of the IEHP Governing Board will be held on May 12, 2025 at the Dr. Bradley P. Gilbert Center for Learning and Innovation in Rancho Cucamonga.

CONSENT AGENDA

1. Department: ADMINISTRATION

**Title: APPROVE AN INCREASE IN FUNDING FOR STATEMENTS OF WORK
WITH MORGAN CONSULTING RESOURCES, INC.**

Chief: Supriya Sood, Chief People Officer

Background & Discussion:

IEHP requires Retainer Search Services to ensure the continuous sourcing and placement of qualified executive and leadership personnel essential for organizational advancement and to meet various operational objectives. Morgan Consulting Resources (MCR) has a longstanding relationship with IEHP, having successfully catered to its executive recruitment needs for over a decade.

Procurement process: N/A

As Direct Hire Services are now exempt from competitive bidding requirements per updated procurement policies, IEHP is able to maintain its relationship with Morgan Consulting Resources. This vendor has demonstrated consistent value as a certified women-owned business with a proven track record of delivering high placement rates, top-tier candidates, and minimal turnover from new hires. This procurement approach eliminates unnecessary administrative processes while allowing IEHP to avoid the substantial investment of time and resources that would be required to onboard a new vendor, as well as the risks associated with unknown quality and fit of candidates. Continuing with the current vendor ensures recruitment processes remain uninterrupted for critical positions.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) Approve additional funding in an amount not to exceed \$350,000 per calendar year through December 31, 2027.

IEHP would like to continue working with MCR because they have developed a deep understanding of IEHP's organizational culture, values, and the specific competencies required for leadership roles, which significantly streamlines the recruitment process and enhances the quality of candidates received. MCR provides unique executive-level Retainer Search Services. This model recruits and identifies potential candidates to fill various executive level positions. To do so, IEHP requires additional funding to enter into individual SOWs with MCR, per retained search at agreed upon terms and rates.

The additional cost of this SOW shall not exceed \$1,940,000 through December 31, 2027.

Financial Impact: \$ 1,050,000.00	Not to Exceed Amount: \$ 1,940,000	Term: December 31, 2027
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Will be included in CY2025 Budget	D. Ferguson 03/11/2025	S. Albritton / C. Andrade 3/11/2025	E. Hernandez	S. Capenos 3/12/25	S. Sood 3/12/25

2. **Department:** ADMINISTRATION

Title: APPROVE THE FIRST AMENDMENT TO THE MANAGEMENT SERVICES AGREEMENT AND DELEGATION OF AUTHORITY TO APPROVE ANY ADJUSTMENTS TO THE MANAGEMENT FEE, WITH THE IEHP FOUNDATION

Chief: Jarrod McNaughton, Chief Executive Officer

Background & Discussion:

IEHP Foundation (the “Foundation”) is a nonprofit public benefit corporation that was established to conduct charitable activities and programs through financial and other forms of support in the Inland Empire and surrounding communities that meet and innovate healthcare needs and ensure the availability of quality healthcare. The Foundation’s objectives are consistent with the mission of IEHP, and IEHP is committed to supporting the Foundation by providing certain management and administrative services to the Foundation, including in-kind donations.

Procurement process: N/A

Recommendation(s):

That the Governing Board of Inland Empire Health Plan (IEHP) approve the First Amendment to Management Services Agreement (“MSA”) with IEHP Foundation and authorize the Chief Executive Officer (CEO) or his designee to negotiate and, upon legal review and approval, execute any related written agreements to adjust the management fee, consistent with the MSA.

The parties have agreed to a monthly management fee beginning April 2025 for administrative services provided by IEHP. The amount of the management fee and any subsequent changes will be determined by mutual written agreement between IEHP and IEHP Foundation leadership.

Financial Impact: \$ 0	Not to Exceed Amount: \$0	Term: Annual
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	L. Liu	NA	S. Oh	L. Liu	J. McNaughton

 CONSENT AGENDA

3. Department: FINANCE

Title: APPROVE THE SEVENTH AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CONDUENT CREDIT BALANCE SOLUTIONS, L.L.C. F/K/A CDR ASSOCIATES, L.L.C

Chief: Keenan Freeman, Chief Financial Officer

Background & Discussion:

Conduent Credit Balance Solutions, L.L.C, F/K/A CDR Associates, L.L.C (Conduent) identifies, validates, and recovers claims overpayments (credit balances) from hospital providers. All payments made under this agreement are contingency based, where IEHP pays Conduent a percentage of the recovered overpayment.

Conduent, has been providing Credit Balance Recovery Products and Services to IEHP since 2013. The Governing Board had previously approved the contractual agreements with Conduent on June 2013 Minute Order # 13-73 for 11% commission rate. The latest Minute Order 24-230 maintained the 11% commission rate with a recovered fund of \$756, 0003.31 from recovery period of November 2024 through January 2025. So far, the total recovered funds to date are \$8,022,140 with a total commission cost of \$882,435.

Procurement process: RFP 13-002

A formal solicitation was conducted in 2013 and through an evaluation process, Conduent Credit Balance Solutions was identified as the most responsive, responsible proposer. Beyond the initial five (5) year term, IEHP has continued to receive Credit Recovery Services from Conduent Credit Balance Solutions by providing a single source justification with each request to extend the Agreement for an additional year. Engaging a new vendor for these services would necessitate a substantial investment of time and resources in addition to the risks associated with the unknown quality and fit of a new vendor. The transition would also likely cause a disruption in the recovery process.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) Approve the Seventh Amendment for Conduent through April 30, 2026.

The Seventh Amendment extends the Agreement effective May 1, 2025, through April 30, 2026. All other terms and conditions of the Agreement remain in full force and effect. All payments made under this Agreement are contingency based (11%), where IEHP pays Conduent a percentage of the recovered overpayment. All costs for this Agreement are covered by recovered payments from hospital providers.

Financial Impact: \$0	Not to Exceed Amount: \$0	Term: April 30, 2026
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	T Lu 03/11/2025	J Christoffersen 3/7/2025	N/A	B Abeyta 3/10/25	K. Freeman 3/23/2025

4. **Department: FINANCE**

Title: APPROVE THE REVISED INLAND EMPIRE HEALTH PLAN PROCUREMENT POLICIES AND PROCEDURES MANUAL AND DELEGATION OF AUTHORITY FOR FUTURE UPDATES AS NEEDED TO ENSURE ONGOING COMPLIANCE WITH APPLICABLE STATUTES AND REGULATIONS.

Chief: Keenan Freeman, Chief Financial Officer

Background & Discussion:

Procurement is required to update the Procurement Policies and Procedures Manual (Procurement Manual) to align with recent changes to the Uniform Public Construction Cost Accounting Act, effective January 2025, which have been incorporated into Public Contract Code §§ 22032 and 22034(d).

The previous Procurement Manual was last approved under Minute Order 24-167, which also granted the delegation of authority to make non-substantive changes to the manual. However, upon review of this Minute Order, IEHP counsel advised that the delegation, as written, does not encompass the changes to the Procurement Manual outlined below.

Old Limit (M.O. #24-167)	New Limit
Public projects of \$60,000 or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order.	Public projects of \$75,000 or less may be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order. If not performed by IEHP employees (agency force account), all procurements are subject to IEHP's informal bidding process (see Section 2.2 – Procurement Authority Limitations Table)
Public projects of \$200,000 or less may be let to contract by informal procedures.	Public projects of \$220,000 or less may be let to contract by informal procedures, subject to IEHP's informal bidding process and Board approval thresholds.
Public projects of more than \$200,000 shall, except as otherwise provided in California Public Contract Code § 22032, be let to contract by formal bidding procedure.	Public projects of more than \$220,000 shall, except as otherwise provided in California Public Contract Code § 22032, be let to contract by formal bidding procedure.

 CONSENT AGENDA

Old Limit (M.O. #24-167)	New Limit
If all bids received are in excess of two hundred thousand dollars (\$200,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred twelve thousand, five hundred dollars (\$212,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.	If all bids received are in excess of two hundred twenty thousand dollars (\$220,000), the governing body of the public agency may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred thirty-five thousand dollars (\$235,000) or less, to the lowest responsible bidder, if it determines the cost estimate of the public agency was reasonable.

To address this, IEHP also propose adding a revision to the Procurement Manual that delegates authority to make future updates as needed to ensure ongoing compliance with applicable statutes and regulations, as follows:

Section 1.7 (Procurement’s Code of Business Conduct and Ethics) has been amended to add the following at the end of the existing section:

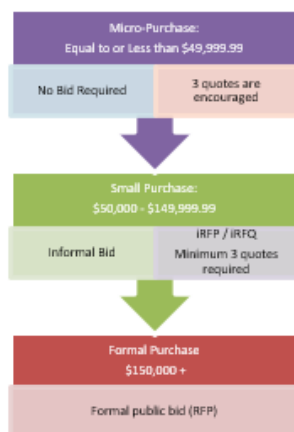
“In the event of an inconsistency between this policy and applicable Federal and/or State rules and regulations, the more restrictive rules and regulations shall take precedence.”

The Public Works Section of the Procurement Authority Limitations Table and Infographic in Section 2.2 have been updated with the new thresholds as follows:

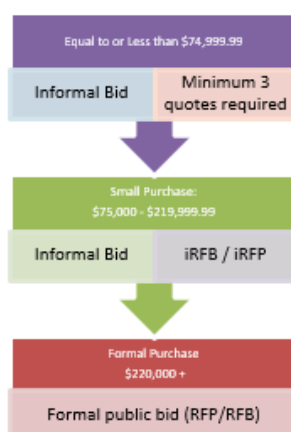
CONSENT AGENDA

Public Works	
<p>Public works encompasses construction, alteration, demolition, installation, or repair work performed under contract. These projects are funded wholly or partially with public funds. This definition includes all associated labor, materials, tools, and equipment.</p> <p>Projects classified as public works are governed by the Uniform Public Construction Cost Accounting Act and the Public Contract Code, ensuring compliance with state regulations and standards.</p>	<p><u>Informal Bidding Requirements:</u></p> <p>New construction, alteration, installation, demolition, or repair:</p> <ul style="list-style-type: none"> • \$0 - \$220,000: Requires Informal Bidding * <p>Maintenance Work:</p> <ul style="list-style-type: none"> • \$0 - \$199,999: Requires Informal Bidding * Board approval is mandatory for any procurement exceeding the defined threshold amount.
	<p><u>Formal Bidding Requirements:</u></p> <p>New construction, alteration, installation, demolition, or repair:</p> <ul style="list-style-type: none"> • \$220,000 and above • Requires Formal Bidding and must be advertised in the newspaper for 2 weeks. <p>Maintenance Work:</p> <ul style="list-style-type: none"> • \$200,000 and above requires Formal Bidding

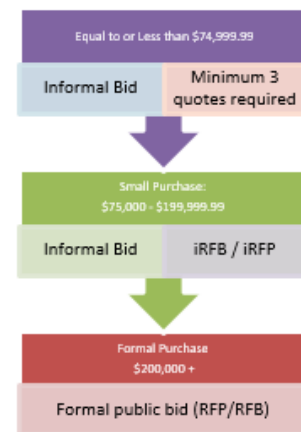
Standard Bidding Thresholds



*Public Works Bidding Thresholds
(New construction, alteration, installation, demolition, or repair)



Public Works Bidding Thresholds
(Maintenance Work)



In addition to these public works updates, a new section 6.23 (Emergency Public Works) was added to better define the process as it relates to Public Works emergency purchases.

6.23 Emergency Public Works

- A. **Legal Authority:** Emergency public works projects are governed by [California Public Contract Code § 22050](#), which authorizes public agencies to bypass competitive bidding procedures when immediate action is necessary to prevent or mitigate damage to life, health, property, or essential public services.
- B. **Definition of Emergency:** An emergency situation in public works includes, but is not limited to:
 - 1) Natural disasters such as earthquakes, floods, or wildfires.
 - 2) Sudden failures of infrastructure like bridge collapses or water main ruptures.
 - 3) Threats to public health or safety requiring urgent action.
- C. **Authorization of Emergency Actions**
 - 1) The CEO or a designee is authorized to approve emergency public works projects without formal bidding, provided the situation meets the criteria of an emergency under [California Public Contract Code § 22050](#).
 - 2) Authorization must include documentation of the emergency's nature and justification for bypassing standard procurement procedures.
- D. **Duration and Scope of Emergency Contracts:** Emergency contracts must be strictly limited to the duration and scope necessary to address the emergency. Any extensions beyond the immediate emergency must be formally justified and approved by the CEO or designee, with Governing Board notification as required.
- E. **Compliance and Reporting Requirements**
 - 1) All emergency actions must be reported to the Governing Board at its next regularly scheduled meeting. The report should include details of the emergency, actions taken, and justification for the expedited process.

 CONSENT AGENDA

- 2) Updates on emergency actions and progress must be provided every 14 days (or at the next board meeting) until the emergency is resolved.

F. Coordination with Procurement: Requesting departments are required to work closely with Procurement to ensure that emergency purchases for public works are properly documented, managed, and compliant with the California Public Contract Code and internal policies.

The Systematic Workflow Limits table in section 2 (Procurement) has been updated for clarity at the CEO Level:

OLD

Systematic Workflow Limits (Oracle Requisitions and Conga Requests Only)		
Job Title	Dollar Limit Minimum	Dollar Limit Maximum
Supervisor	\$0.00	\$9,999.99
Manager	\$10,000.00	\$24,999.99
Director	\$25,000.00	\$74,999.99
Senior Director	\$75,000.00	\$99,999.99
Vice President	\$100,000.00	\$149,999.99
Chief	\$150,000.00	\$200,000.00
CEO or Designee	\$200,000.00	No maximum (subject to Board authority over \$200,000.00)

NEW

Systematic Workflow Limits (Oracle Requisitions and Conga Requests Only)		
Job Title	Dollar Limit Minimum	Dollar Limit Maximum
Supervisor	\$0.00	\$9,999.99
Manager	\$10,000.00	\$24,999.99
Director	\$25,000.00	\$74,999.99
Senior Director	\$75,000.00	\$99,999.99
Vice President	\$100,000.00	\$149,999.99
Chief	\$150,000.00	\$200,000.00
CEO or Designee	\$200,001.00	No maximum (subject to Board authority over \$200,001.00)

Procurement process: N/A

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) Approve the revision to the Procurement Policies and Procedures Manual, and delegate authority to make future updates as needed to ensure ongoing compliance with applicable statutes and regulations.

CONSENT AGENDA

Financial Impact: \$ 0	Not to Exceed Amount: \$ 0	Term: N/A
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	N/A	S. Cox 3/31/25	S. Oh 3/27/25	C. Hendricks 3/31/25	K. Freeman 3/31/2025

5. **Department: HEALTH SERVICES**

Title: RATIFY AND APPROVE THE THIRD AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH SAM D TONEY DBA TONEY HEALTHCARE CONSULTING, LLC

Chief: Takashi Wada, M.D., Chief Medical Officer

Background & Discussion:

IEHP is required to make decisions on Prior Authorizations, Grievances, and Quality Incidents in a timely manner. Currently, demand continues to increase, and there is an immediate need for additional Physicians to perform clinical review services, as the current caseload has become unmanageable for IEHP Medical Directors and current Physician Reviewers.

Sam D Toney Healthcare Consulting, LLC (Toney Healthcare Consulting) is a vendor that specializes in providing Physicians licensed by the Medical Board of California for clinical review services. IEHP first contracted with Toney Healthcare Consulting in 2017 with the latest approved Second Amendment in September 2024. IEHP utilizes Toney Healthcare Consulting Physicians to perform clinical review services to address the exponential increase in Prior Authorizations, Grievances, and Quality Incidents that require Physician level clinical decisions.

Procurement process: Single Source

Toney Healthcare Consulting is being selected as a vendor due to their ability to rapidly address the growing demand for prior authorizations, grievances, and quality incidents requiring physician-level clinical decisions. As the volume of these cases has significantly increased, Toney Healthcare Consulting, which already provides these exact services to IEHP, is the only vendor capable of managing this immediate need. Timely decision-making in these areas is a Department of Health Care Services (DHCS) and Centers for Medicare and Medicaid Services (CMS) regulatory requirement and contracting with Toney Healthcare Consulting will help ensure our organization remains in compliance while ensuring members continue to receive the care they are entitled to.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) Ratify and Approve the Third Amendment with Toney Healthcare Consulting effective March 1, 2025, through December 31, 2025.

Toney Healthcare Consulting will provide board certified and California licensed physician reviewers who are experienced and knowledgeable with DHCS and CMS guidelines. These physician reviewers will be responsible for conducting reviews for medical necessity determinations of IEHP.

IEHP will begin the Request for Proposal process prior to the term date. Due to the urgency to maintain compliance and Toney Healthcare Consulting's familiarity with IEHP's processes and procedures, Toney Healthcare Consulting requires minimal onboarding time which is necessary to maintain compliance with authorization review.

CONSENT AGENDA

IEHP is currently recruiting for internal physician reviewers. As this internal capacity is increased, the use of Toney Healthcare Consulting will decrease as their contract does not guarantee a specific volume of work.

The additional cost for the Third Amendment with Toney Healthcare Consulting is \$2,500,000 to not exceed \$2,900,000 through December 31, 2025.

Financial Impact: Additional \$2,500,000	Not to Exceed Amount: \$2,900,000	Term: December 31, 2025
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
New Expenditure	S. Chiu 03/13/25	R. Reyes 03/13/25	Make Selection [enter date]	S. Sarma 03/6/25	T. Wada 03/12/25

6. Department: HEALTH SERVICES**Title: RATIFY AND APPROVE THE FIFTH AMENDMENT TO THE SERVICE AGREEMENT WITH MEDIMPACT HEALTHCARE SYSTEMS, INC.****Chief:** Takashi Wada, M.D., Chief Medical Officer**Background & Discussion:**

MedImpact Healthcare Systems, Inc. is currently serving as IEHP's contracted Pharmacy Benefits Manager (PBM), processing and paying prescription drug claims adjudication services for Medicare and Covered California (CCA) membership.

IEHP has contracted with MedImpact since January 2022, under Minute Order 22-001, with the most recent Amendment executed in 2023.

Procurement process: RFP

In July 2021, IEHP released a Request for Proposal (RFP) for Pharmacy Benefit Management (PBM). Eligible PBMs were required to demonstrate their strength in delivery or pharmacy benefit services, flexibility and scalability in technology, transparency, services level, performance guarantee and pricing proposal. MedImpact ranked highest on both their financial and technical areas for both Custom and PBM Formulary and was awarded. MedImpact began providing services in January 2022.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) Ratify and Approve the Fifth Amendment with MedImpact HealthCare Systems, Inc. through December 31, 2025, with the option to auto-renew for one (1) year term through December 31, 2026.

- Pharmacy network rate and rebate guarantee: ~\$3 Million per year improvement overall (separate from vendor fees). Updates to the pharmacy network and rebate guarantees are financial improvements to IEHP in the form of reduced drug costs and increased rebate payments. The \$3 Million is an estimated savings based upon the PBM market check conducted by Gallagher.
- Optional services are available if IEHP chooses to opt in to the services for an additional cost, which would be reflected as an increase in PBM administrative fees. Optional services are as follows:
 - Prescription Payment Plan which allows eligible members the ability to pay out-of-pocket prescription costs to IEHP in monthly installments, in accordance with CMS requirements: Cost: \$425,000
 - Quality Performance Monitoring Program (QPMP) which is a competitive analysis and clinical targeting tool which allows an opportunity to mitigate performance issues that could affect year-end quality measurements.: Cost: \$155,000

CONSENT AGENDA

- Choice Optimization Program (Choice 90/100) which is a daily provider outreach program focused on medication non-adherence: Cost: \$50,000

Financial Impact: Additional \$630,0000	Financial Impact: Additional \$630,0000	Term: December 31, 2025 (One year option (auto-renew) – December 31, 2026)
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
New Expenditure	C. Aguirre 03/12/2025	H. Clear 03/13/2025	Yes	S. Nakahiro 03/10/2025	T. Wada 03/25/25

7. Department: INFORMATION TECHNOLOGY

Title: DELEGATION OF AUTHORITY TO APPROVE RENEWAL ORDER FORM UNDER THE SOFTWARE LICENSE AGREEMENT WITH VERINT, LLC

Chief: Vinil Devabhaktuni, Chief Digital and Information Officer

Background & Discussion:

Since 2013 IEHP's call centers have been utilizing Verint's Workforce Management System for scheduling, forecasting, tracking, reporting historical patterns and trends while combining it with current data. This helps IEHP drive smarter engagement with their members, enhance employee productivity, and deliver the real-time guidance needed to help improve overall customer experience. The latest Minute Order 23-229 was approved October 2023 for an additional amount of \$346,750.67, not to exceed \$6,888,456.86 for a term ending April 2025.

Procurement process: Single Source

Verint's Workforce Management Software (WFM) was originally awarded via competitive procurement in 2012 and then again in 2018. WFM is the primary operational software supporting all IEHP Call Center Agents. Over the long relationship with Verint for this product, IEHP has worked to upgrade and improve the capabilities to better serve IEHP's Call Centers. The Software is highly customized to suit the needs of IEHP and embedded in policy and procedure within the organization.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) authorize the Chief Executive (CEO) or his designee to, after legal review and approval, sign a Renewal Order Form and the Software License Agreement (Agreement) with Verint, LLC (Verint), extending the usage of workforce management software for an additional 24 months through April 14, 2027. The additional cost of this extension, \$1,330,720 represents a nominal 6% increase from the current annual cost. The increase in cost is considered reasonable as it is the first license increase since 2020 and is in line with industry inflation. IEHP call centers need Verint's WFM to optimize staffing, improve customer experience, and reduce costs by ensuring the right number of agents with the right skills are available to handle incoming calls and other member interactions. Without this software in place, the increase in manual work and analysis would be untenable.

Financial Impact: \$1,330,720	Not to Exceed Amount: \$8,257,367	Term: Additional 24 months
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	K. Tsui 3/13/25	W. Yanes 3/13/25	NA	B. McClure 3/13/25	V. Devabhaktuni 3/13/2025

8. Department: QUALITY

Title: APPROVE THE AWARD OF REQUEST FOR PROPOSAL #24-06043 AND THE PROFESSIONAL SERVICES AGREEMENT WITH QMETRICS, INC FOR CALIFORNIA DEPARTMENT OF MANAGED HEALTH CARE PROVIDER APPOINTMENT AVAILABILITY SURVEY AND ALIGNED SURVEY SERVICES.

Chief: Edward Juhn, M.D., Chief Quality Officer

Background & Discussion:

Provider Appointment Availability Survey (PAAS) is mandated for annual survey fielding utilizing the California Department of Managed Health Care's (DMHC) prescribed methodology. PAAS is a process where health plans survey their network providers to assess how quickly patients can access appointments. Survey services in scope include pre-validation of survey data, survey fielding, data management, quality assurance, compliance rate tabulations, and completion of DMHC's Timely Access required templates. Survey results also inform IEHP where improvements to Members' access to care are needed.

Procurement process: Request For Proposal

The Quality Department prepared a detailed Request For Proposal (RFP) to align with DMHC requirements for PAAS and aligned survey services. Bidders' proposals were independently evaluated by three Quality Team Members, following IEHP Procurement guidelines, who are adept with the body of work in scope.

TECHNICAL PROPOSAL SCORES WITHOUT COST (OUT OF 65)	
Press Ganey	27.22
Forvis Mazars	40.27
QMetrics	42.49
TECHNICAL PROPOSAL SCORES INCLUDING COST (OUT OF 100)	
Press Ganey	(Partial Bid)
Forvis Mazars	64.75
QMetrics	72.49

QMetrics, Inc. was selected from the evaluation process having the highest overall scores from all evaluators and best overall value among bidders.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) Approve award of RFP 24-06043 to, and the Professional Services Agreement with QMetrics, Inc. for DMHC PAAS and Aligned Surveys Services Agreement through May 18, 2028, to maintain annual compliance with the DMHC and continued focus on managing IEHP Members' access to care.

CONSENT AGENDA

QMetrics, Inc. will provide survey administration of the DMHC PAAS and NCQA-required aligned surveys including After-Hours, Emergency Instructions with Telephone Wait Time Composite, Appointment Availability Expanded Set, and the Enrollee Experience Survey.

Item/Service Description	% of Fee Due at time of deliverable	Cost for each item/ service MY2025	Cost for each item/ service MY2026	Cost for each item/ service MY2027
Data Set-Up and Management – All • Deliverable -QMetrics Receipt of Network Files and Contact Lists	• 100%	\$10,500.00	\$10,710.00	\$10,924.00
PAAS Pre-Validation & Survey Administration • Pre-Validation Complete • All Fielding Complete • Raw Data & Results Templates Delivered	• 50% • 35% • 15%	\$126,500.00	\$129,030.00	\$131,611.00
NCQA Specialties PAAS Add-in • Pre-Validation Complete • All Fielding Complete • Raw Data & Results Templates Delivered	• 50% • 35% • 15%	\$14,250.00	\$14,535.00	\$14,826.00
Appointment Availability Expanded Appointment Set • Methodology/Implementation Specifications Approved • Fielding Complete • Final Reporting Package Delivered	• 50% • 35% • 15%	\$24,500.00	\$24,990.00	\$25,490.00
Emergency Instructions with Telephone Wait Time Composite • Methodology/Implementation Specifications Approved • Fielding Complete • Final Reporting Package Delivered	• 50% • 35% • 15%	\$51,000.00	\$52,020.00	\$53,060.00
Annual Enrollee Experience Survey • Methodology/Implementation Specifications Approved • Fielding Complete • Final Reporting Package Delivered	• 50% • 35% • 15%	\$45,500.00	\$46,410.00	\$47,338.00
After-Hours Survey • Methodology/Implementation Specifications Approved • Fielding Complete • Final Reporting Package Delivered	• 50% • 35% • 15%	\$19,500.00	\$19,890.00	\$20,288.00

CONSENT AGENDA

Item/Service Description	% of Fee Due at time of deliverable	Cost for each item/ service MY2025	Cost for each item/ service MY2026	Cost for each item/ service MY2027
TOTAL ANNUAL AMOUNT		\$291,750.00	\$297,585.00	\$303,537.00
10% CONTINGENCY		\$89,287.00		
TOTAL NOT TO EXCEED CONTRACT AMOUNT		\$982,159.00		

Financial Impact: \$982,159	Not to Exceed Amount: \$982,159	Term: Three (3) Years
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	K. Moussa 3/6/2025	H. Clear 3/6/2025	Make Selection [enter date]	J. Diekmann 3/6/2025	E. Juhn 3/7/2025

9. Department: QUALITY**Title: APPROVE THE FUNDING INCREASE WITH THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE FOR HEALTH PLAN ACCREDITATION SURVEY ACTIVITIES****Chief:** Edward Juhn, M.D., Chief Quality Officer**Background & Discussion:**

As part of the Department of Health Care Services (DHCS) California Advancing and Innovating Medi-Cal (CalAIM) requirements, Medi-Cal Managed Care Plans are required to obtain the NCQA LTSS Distinction no later than December 2026. The LTSS Distinction Survey will be conducted in December 2025.

The LTSS Distinction for Health Plan is an NCQA programs that evaluates health plans that provide managed health services and coordinate social services for LTSS, ensuring they deliver effective, person-centered care and meet state requirements. To receive the LTSS distinction from NCQA, a plan must demonstrate that it has clinical and service programs that meet or exceed NCQA standards in the following areas:

- Person-Centered Care Planning
- Care Transitions
- Coordination of Services
- Critical Incident Management Systems
- Qualifications and Assistance for LTSS Providers

Procurement process: N/A**Recommendation(s):**

That the Governing Board of the Inland Empire Health Plan (IEHP) Approve the funding increase through December 31, 2026.

- IEHP is required by DHCS to perform the LTSS Distinction Survey for all Medi-Cal Managed care Plans to be completed no later than December 31, 2026. The LTSS Distinction Survey:
 - Connects LTSS programs to nationally endorsed standards for delivery of coordinated, person-centered care and services.
 - Aligns with LTSS provisions in the Medicaid managed care rule and provides a framework to support reporting on key measures in the CMS HCBS Quality Measure Set.
 - Reinforces state initiatives to integrate care & support improving outcomes for LTSS enrollees.
 - Expands the value of NCQA's accreditation programs to cover high quality, equitable care for the LTSS population & help reduce administrative burden on state oversight.
 - Standardizes performance evaluation of the model of care for special needs plans coordinating long-term services & supports.

CONSENT AGENDA

- IEHP is required to pay an amount not to exceed \$40,740 for the LTSS Distinction Survey, which is an application fee of \$5,000, and a base fee of \$35,740 as determined by NCQA for this initial survey.

Financial Impact: \$40,740	Not to Exceed Amount: \$40,740	Term: December 31, 2026
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	Karen Moussa 3/5/2025	N/A	NA	J. Diekmann 3/5/2025	E. Juhn 3/5/2025

10. Department: PROVIDER CONTRACTING

Title: RATIFY AND APPROVE THE TWENTY-SECOND AMENDMENT TO THE HOSPITAL PER DIEM AGREEMENT WITH BARSTOW COMMUNITY HOSPITAL - BARSTOW

Chief: Susie White, Chief Operating Officer

Background & Discussion:

Barstow Community Hospital is currently a contracted Hospital in the IEHP Network. The Amendment is to amend the inpatient care services under the Medicare and Covered California line of businesses, in reference to “Prevailing Medicare.”

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) Ratify and Approve the Twenty-second Amendment to the Hospital Per Diem Agreement with Barstow Community Hospital, effective upon the date of the last signature.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget		NA	Yes	M. Bryant	S. White

11. Department: PROVIDER CONTRACTING

Title: RATIFY AND APPROVE THE PARTICIPATING PROVIDER AGREEMENT – SPECIALIST WITH ORANGE COAST ANESTHESIA INC - VICTORVILLE

Chief: Susie White, Chief Operating Officer

Background & Discussion:

Orange Coast Anesthesia Inc would like to participate as a contracted Specialist in the IEHP Network with Covered California line of business only. The new Agreement was tailored to reflect the anesthesiology services offered by Orange Coast Anesthesia Inc.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) ratify and approve the Participating Provider Agreement - Specialist Agreement with Orange Coast Anesthesia Inc – effective February 1, 2025.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	NA	NA	Yes	M. Bryant	S. White

12. Department: PROVIDER CONTRACTING

Title: RATIFY AND APPROVE THE EIGHTH AMENDMENT TO THE CAPITATED IPA AGREEMENT WITH PHYSICIANS HEALTH NETWORK – CHINO

Chief: Susie White, Chief Operating Officer

Background & Discussion:

Physicians Health Network is currently a contracted IPA in the IEHP Network. The amendment is to replace Schedule B1 of Attachment B (Medi-Cal) Division of Financial Responsibility.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) ratify and approve the Eighth Amendment to the Capitated IPA Agreement with Physicians Health Network effective January 1, 2025.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	NA	NA	Yes	M. Bryant	S. White

13. Department: PROVIDER CONTRACTING

Title: APPROVE THE PARTICIPATING PROVIDER AGREEMENT WITH RADY CHILDREN’S HOSPITAL-SAN DIEGO DBA RADY CHILDREN’S SPECIALISTS OF SAN DIEGO, A MEDICAL FOUNDATION – SAN DIEGO

Chief: Susie White, Chief Operating Officer

Background & Discussion:

Rady Children’s Hospital-San Diego, dba Rady Children’s Specialists of San Diego, A Medical Foundation, would like to participate in the IEHP Provider Network for the Medi-Cal line of business. The Agreement was tailored to reflect the specialty services offered by Rady Children’s Hospital-San Diego, dba Rady Children’s Specialists of San Diego, a Medical Foundation.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the Participating Provider Agreement with Rady Children’s Hospital San Diego dba Rady Children’s Specialists of San Diego, a Medical Foundation, effective January 1, 2024.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	NA	NA	Yes	M. Bryant	S. White

14. Department: PROVIDER CONTRACTING

Title: RATIFY AND APPROVE THE TWENTY-FIFTH AMENDMENT TO THE HOSPITAL PER DIEM AGREEMENT WITH REDLANDS COMMUNITY HOSPITAL - REDLANDS

Chief: Susie White, Chief Operating Officer

Background & Discussion:

Redlands Community Hospital is currently a contracted Hospital in the IEHP Network. The Amendment is to extend the termination date.

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) Ratify and Approve the Twenty-Fifth Amendment to the Hospital Per Diem Agreement for Redlands Community Hospital, effective February 1, 2025.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	NA	NA	Yes	M. Bryant	S. White

15. Department: PROVIDER CONTRACTING

Title: APPROVAL OF A STANDARD TEMPLATE

Chief: Susie White, Chief Operating Officer

Background & Discussion:

IEHP contracts with physicians and other providers using Governing Board-approved Standard Template Agreements. Periodically, IEHP reviews the IEHP Direct Standard Templates, and updates are made to the templates as necessary. The Governing Board has authorized the Chief Executive Officer to sign the Agreement in lieu of having the Chair of the Governing Board execute the documents.

The following standard template is being presented to the Governing Board for approval:

- 1) Home Infusion Services-Attachment A
- 2) PCP CAP – Attachment B (All LOBs & CCA)

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the IEHP Standard Template Agreement, referenced below in section (d), and authorize the Chief Executive Officer or his designee to execute the template, wherein the body of the document remains unchanged except for the identifying information of the individual provider and non-material changes per individual provider requirements.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	NA	NA	Yes	M. Bryant	S. White

16. Department: PROVIDER CONTRACTING

Title: APPROVAL OF THE EVERGREEN CONTRACTS

Chief: Susie White, Chief Operating Officer

Background & Discussion:

An Evergreen contract is a contract that automatically renews on the same terms and is subject to the same conditions as the original agreement unless it is sooner terminated in accordance with the terms and conditions.

Ratify and approve the Renewal under the Evergreen Clause of the following Agreement effective March 1, 2025

Additional five (5) year term:

- 1) Naseem A Attar MD -Participating Provider Agreement – Specialist - Riverside
- 2) Willow Partners Medical Corporation - Participating Provider Agreement – Specialist - Pomona

Ratify and approve the Renewal under the Evergreen Clause of the following Agreement effective April 1, 2025

Additional one (1) year term:

- 3) The Illumination Foundation Enhancement Care Management Provider Agreement – Riverside

Renewal under the Evergreen Clause of the following Agreements effective May 1, 2025:

Additional one (1) year term:

- 4) HubMD PC - Enhancement Care Management Provider Agreement – Redlands
- 5) Simple Solutions Family Therapy Inc dba Simple Solutions Psychotherapy Ancillary Agreement – Rancho Cucamonga
- 6) Global Transitional Care Inc - Participating Provider Agreement – Specialist – Costa Mesa

Additional five (5) years term:

- 7) Genedx Inc - Ancillary Agreement – Gaithersburg
- 8) Love Transit Inc – Transportation Agreement - Tustin
- 9) Gloriana Parral LCSW – Participating Provider Agreement - Behavioral Health - Apple Valley
- 10) Jun R Chiong MD MPH Inc - Participating Provider Agreement - Behavioral Health - Riverside
- 11) Neighborhood Healthcare - Participating Provider Agreement - Behavioral Health - Hemet
- 12) Tarron Riley dba Erion Behavioral Health - Provider Agreement - Behavioral Health – Corona
- 13) Vituity Physician Services PC - Capitated Primary Care Provider Agreement - San Bernardino
- 14) Applied Behavior Autism Center LLC - Participating Provider Agreement – QASP – Moreno Valley
- 15) April Robinson dba Centre for Autism Treatment - Participating Provider Agreement – QASP - Hesperia
- 16) Educational and Behavioral Support Services - Participating Provider Agreement – QASP - Montclair

CONSENT AGENDA

- 17) Kamel L Kamel MD Inc - Skilled Nursing Facility Attending Physician Agreement - Behavioral Health - Apple Valley
- 18) Chaparral Medical Group Inc - Participating Provider Agreement – Specialist – Claremont
- 19) Lesanemariam T Banko MD - Participating Provider Agreement – Specialist - Participating Provider Agreement – Specialist -Victorville
- 20) Pacific Dermatology Institute - Participating Provider Agreement – Specialist – Victorville
- 21) Valley Obstetrics & Gynecology Med Group – Participating Provider Agreement - Specialist – San Bernardino
- 22) VNEX Rehab Inc dba VNEX Physical Therapy - Participating Provider Agreement – Specialist – Hemet
- 23) Wang Optometric Associates Inc dba Advanced Optometric Eyecare - Participating Provider Agreement – Vision – Victorville
- 24) Mario Carcamo MD Inc - Participating Provider Agreement – Specialist – Riverside

Recommendation(s):

That the Governing Board of the Inland Empire Health Plan (IEHP) approve the listed Evergreen Contracts for an additional one (1) year to five (5) year term.

Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
Included in CY2025 Budget	NA	NA	Yes	M. Bryant	S. White

17. Department: ADMINISTRATION

Title: CHIEF EXECUTIVE OFFICER UPDATE

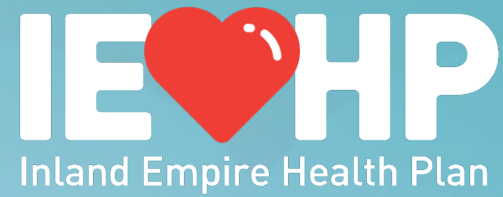
Chief: Jarrod McNaughton, Chief Executive Officer

Background & Discussion:

Chief Executive Officer update for the April 14, 2025 Governing Board Meeting.

Recommendation(s):

Review and File



Governing Board Meeting

CEO BOARD REPORT | *April 14, 2025*

MISSION MOMENT

- IEHP, in partnership with the California Community College system and the San Bernardino Community College District, celebrated the newly launched Inland Empire Health Plan Equitable Support Demonstration Project a.k.a. **IEHP College Care Program** on April 3.
- This innovative collaboration will offer local college students low to zero-cost, high-quality health care and CalFresh programs.
- Goal is to remove existing barriers to student access to health care, behavioral health and other Medi-Cal services.
- The special event included a ceremonial signing of the partnership Memorandum of Understanding.



IEHP MONTHLY MEMBERSHIP REPORT

MONTH	FORECAST MEMBERSHIP	ACTUAL MEMBERSHIP	+ OR – FORECAST	+ OR – LAST MONTH
February 2025	1,522,642	1,530,042	7,400	4,307
March 2025	1,526,474	1,528,790	2,316	(1,252)
April 2025	1,520,701	1,523,263	2,562	(5,527)



LEGISLATIVE ACTIVITY AND ADVOCACY EFFORTS

Meetings with the following:

- Congressman Pete Aguilar 33rd Congressional District
- Congresswoman Young Kim 40th Congressional District
- Congressman Raul Ruiz 25th Congressional District
- Congressman Ken Calvert 41st Congressional District
- Congresswoman Norma Torres 35th Congressional District
- Senator Suzette Martinez Valladares CA State Senate District 23

State legislative visits with the offices of:

- Greg Wallis Assembly District 47
- Leticia Castillo Assembly District 58
- Sabrina Cervantes Senate District 31
- Michelle Rodriguez Assembly District 53
- Stan Ellis Assembly District 32
- Jeff Gonzalez Assembly District 36
- Mia Bonta Assembly District 18, Assembly Health Chair

Administration and agency meetings with:

- CalHHS Secretary Kim Johnson
- DMHC Director Mary Watanabe
- DHCS Director Michelle Baass
- Covered California Executive Director Jessica Altman



LEGISLATIVE ACTIVITY AND ADVOCACY EFFORTS

- CEO Jarrod McNaughton was the featured speaker at the Inland Empire Community Health Initiative (IE-CHI) 13th Annual Legislative Forum on March 14. He discussed the impact of federal health policies in California and the Inland Empire.
- IEHP joined its shared vision partners, medical associations and local hospitals in sending a letter to legislators emphasizing the foundational importance of protecting Medicaid funding.
- IEHP joined five community hospitals in sending a letter this month to legislators emphasizing the importance of Medicaid Provider Taxes to the sustainability of rural and critical access hospitals in the Inland Empire.



COMMUNITY ADVISORY COMMITTEE (CAC) QUARTERLY MEETING

The CAC is comprised of Medi-Cal members and stakeholders who reside in all geographic regions within IEHP's service area and represent diverse and hard-to-reach populations with a specific emphasis on communities that experience health disparities.

Q1 meeting was held on March 27, 2025
Victorville-Community Wellness Center



Topics and Feedback Received:

Community Wellness Centers

- ♥ Add more cultural classes
- ♥ Offer creative arts classes for youth
- ♥ Include social wellness opportunities for people with disabilities
- ♥ Maintain consistent class schedules

Transportation Services Overview

- ♥ Explore an app for text messaging with vendors
- ♥ Improve wheelchair accessibility on weekends
- ♥ Streamline bus pass criteria
- ♥ Explore if vendors are appropriately handling accessible accommodation requests



Future 2025 Meetings:

June 26 - Rancho Cucamonga



September 25 - Low Desert



December 4 - Riverside

TJC CENTERS OF EXCELLENCE DESIGNATIONS

Twenty of IEHP's network hospitals have achieved certification from The Joint Commission (TJC), establishing disease-specific program standards. This includes:

- Thirteen new Sepsis certifications; accounting for nearly 45% of all TJC Sepsis certifications in California.
- Five new Advanced Certifications in Perinatal Care (ACPC); elevating the care delivery to moms and babies within the IE, bringing the total for the IEHP network to nine out of fifteen hospitals achieving this certification within California.
- One new Advanced Certification in Heart Failure (AHF); one out of the only two AHF certifications within the state.
- Pneumonia certification by Pomona Valley Hospital Medical Center. This is the only hospital in the state of California and one out of only seven within the nation to achieve this designation from TJC.
- Thank you to VP of Hospital Relations Sylvia Lozano and her team for their tireless efforts in supporting this important initiative and ensuring our hospitals provide high quality care to our members.



IEHP LEADERS IN THE COMMUNITY

- CEO Jarrod McNaughton attended the Association for Community Affiliated Plans (ACAP) Membership Council meeting held March 10-12 in Seattle. He spoke on a panel about IEHP's experience joining the Marketplace as an ACAP member.
- Chief Quality Officer Dr. Edward Juhn was one of the panel judges at the Medicaid Innovation Competition hosted by UC Berkeley School of Public Health. Six student teams pitched their innovative solutions to the panel of judges that also included the DHCS State Medicaid Director and the Director of the Innovation Fund at California Healthcare Foundation.



PROVIDER DINNER SERIES

- The March 26 dinner was held at the Hilltop Collection in San Bernardino.
- Approximately 20 providers and their guests attended, along with seven health care scholars.
- San Bernardino County Medical Society CEO Alison Elsner and Riverside County Medical Association CEO Dolores Green were also in attendance.
- Discussion topics included IEHP communication methods (i.e., faxes), the Medicaid program and the Healthcare Scholarship Fund.



MARKETING AND COMMUNICATIONS EARNS 22 ADDYS

- Marketing and Communications earned 22 ADDY Awards, including 2 gold, from the American Advertising Federation – Inland Empire Gala on March 21.
- Gold winners go on to compete with entries across Southern California and Southern Nevada.
- The awards recognize IEHP's campaigns for their creativity and art of advertising, while inspiring the communities we serve.



18. DEPARTMENT: ADMINISTRATION

TITLE: BOARD EDUCATION - PROVIDER CONTRACT INCENTIVE AND REIMBURSEMENT UPDATE

Chief: Jarrod McNaughton, Chief Executive Officer

Background & Discussion:

Mark Bryan, Vice President, Contracting, will provide an update on Provider Contract Incentive and Reimbursement

Recommendation(s):

Review and File



Provider Contract Incentive and Reimbursement Update

IEHP Governing Board Meeting | Presenter - Mark Bryan | April 14, 2025

Provider Incentive Programs

Background:

The Centers for Medicare and Medicaid Services (CMS), through its Final Rule, is requiring Managed Care Plans (MCPs) to include additional requirements for Provider Incentive arrangements between MCPs and Providers.

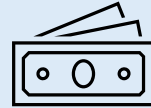
New Requirements for Calendar Year 2026:



An amendment signed and dated by all appropriate parties before the start of the incentive program performance period.



Clearly outlined, measurable, and well-documented clinical or quality standards that must be met for the Provider to earn incentive payments.



Specify a dollar amount, or a percentage of a verifiable dollar amount, that can be clearly linked to successful completion of the metrics.

Governing Board Next Steps:

In June 2025, the IEHP Governing Board will review for approval the amendments to meet the requirements set forth by CMS.

Impacted IEHP Provider Incentive Programs

Hospice Value-Based Incentive Program

Hospital Pay for Performance

Global Quality Pay for Performance Independent Physician Assoc.

Global Quality Pay for Performance Primary Care Provider

IEHP Direct Stars Incentive Program

OB Pay for Performance

D-SNP Model of Care Incentive Program

Urgent Care + Wellness Quality Incentive Program

Targeted Rate Increase

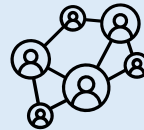
Background:

Managed Care Organization (MCO) provider tax authorized through Assembly Bill 119 is aimed to support the provider rate increases over several years. Effective January 1, 2024, the California Department of Health Care Services (DHCS) implemented the Targeted Rate Increase (TRI) to raise the reimbursement rates for primary care, obstetric, and non-specialty mental health services.

Changes for Calendar Year 2026:



An amendment ensuring Providers will be reimbursed at the greater of current contract rates or TRI equivalent rates.



To ensure compliance with future DHCS guidance, amendments will be sent to the entire Medi-Cal Provider network.

Governing Board Next Steps:

In June 2025, the IEHP Governing Board will review for approval the amendments to meet the requirements set forth by DHCS.



Thank You

19. Department: FINANCE

Title: REVIEW OF THE MONTHLY FINANCIALS

Discussion:

Monthly Financials for Period Ending February 28, 2025

Chief:

Keenan Freeman, Chief Financial Officer

Recommendation(s):

Review and File

FINANCE DIVISION

February 2025

**MONTHLY
FINANCIALS**

Presented
April 14, 2025



February 2025 Current vs Prior Month: Consolidated

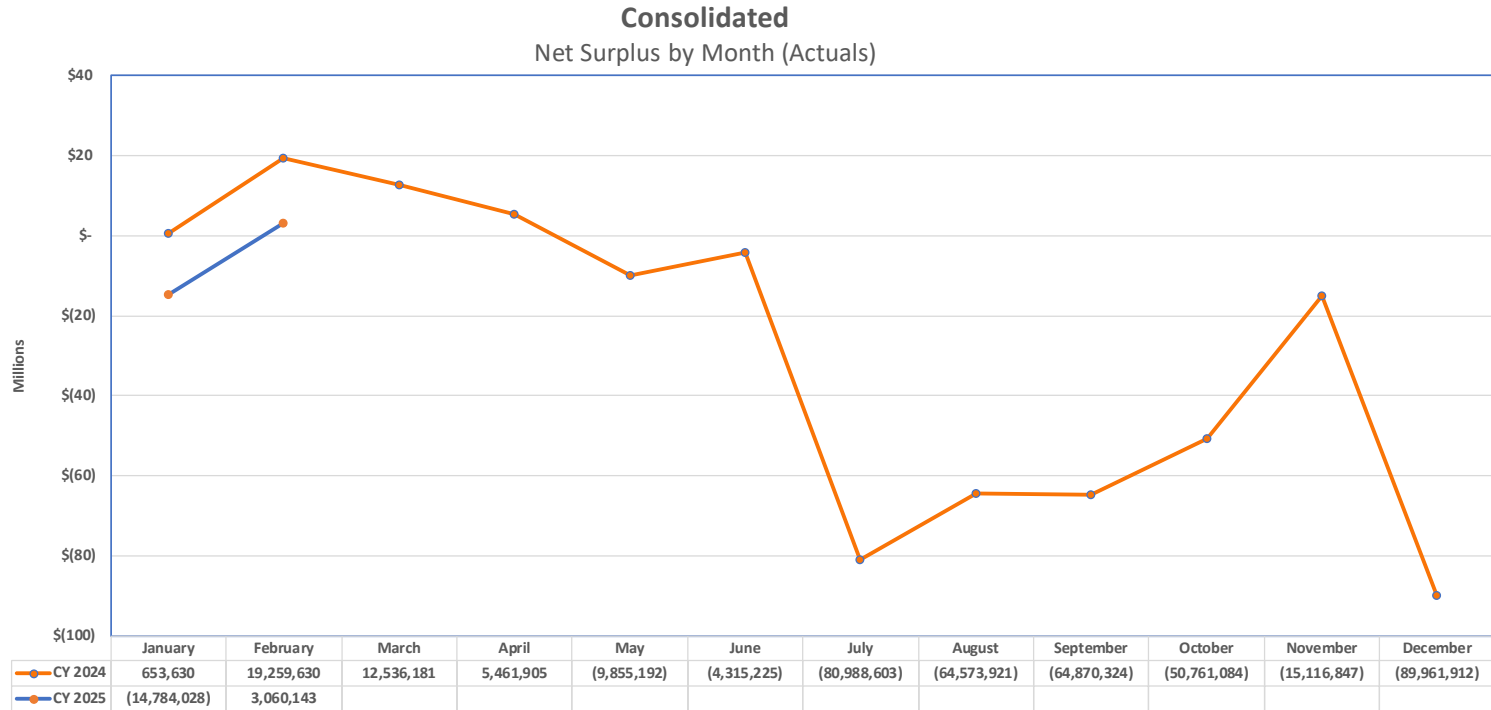
	Month-over-Month Comparison			Year-to-Date
	February MTD Actual	January MTD Actual	Variance	February YTD Actual
Total Revenue	\$ 703,512,481	\$ 705,197,522	\$ (1,685,041)	\$ 1,408,710,003
Total Medical Costs	\$ 669,136,136	\$ 685,564,030	\$ 16,427,894	\$ 1,354,700,166
Total Operating Expenses	\$ 39,854,752	\$ 44,899,506	\$ 5,044,754	\$ 84,754,258
Total Non Operating Income (Expense)	\$ 8,632,202	\$ 10,507,584	\$ (1,875,382)	\$ 19,139,786
Non-Medical Expenses	\$ 93,652	\$ 25,598	\$ (68,054)	\$ 119,250
Net Surplus (Deficit)	\$ 3,060,143	\$ (14,784,028)	\$ 17,844,171	\$ (11,723,885)
Medical Cost Ratio**	95.1%	97.2%	(2.1%)	96.2%
Administrative Cost Ratio**	5.7%	6.4%	(0.7%)	6.0%

Highlights for the Month:

- The favorable medical costs variance compared to prior month is primarily due to favorable Medi-Cal FFS prior paid claims restatements partially offset by CY2024 pharmacy rebate adjustment in the prior month.
- The favorable operating expense variance compared to prior month is primarily due to a decrease in payroll-related expenses.
- The unfavorable non operating income (expense) variance compared to prior month is primarily due to a decrease in interest income.



Consolidated Net Surplus Year-Over-Year



Current vs Prior Month: Medi-Cal

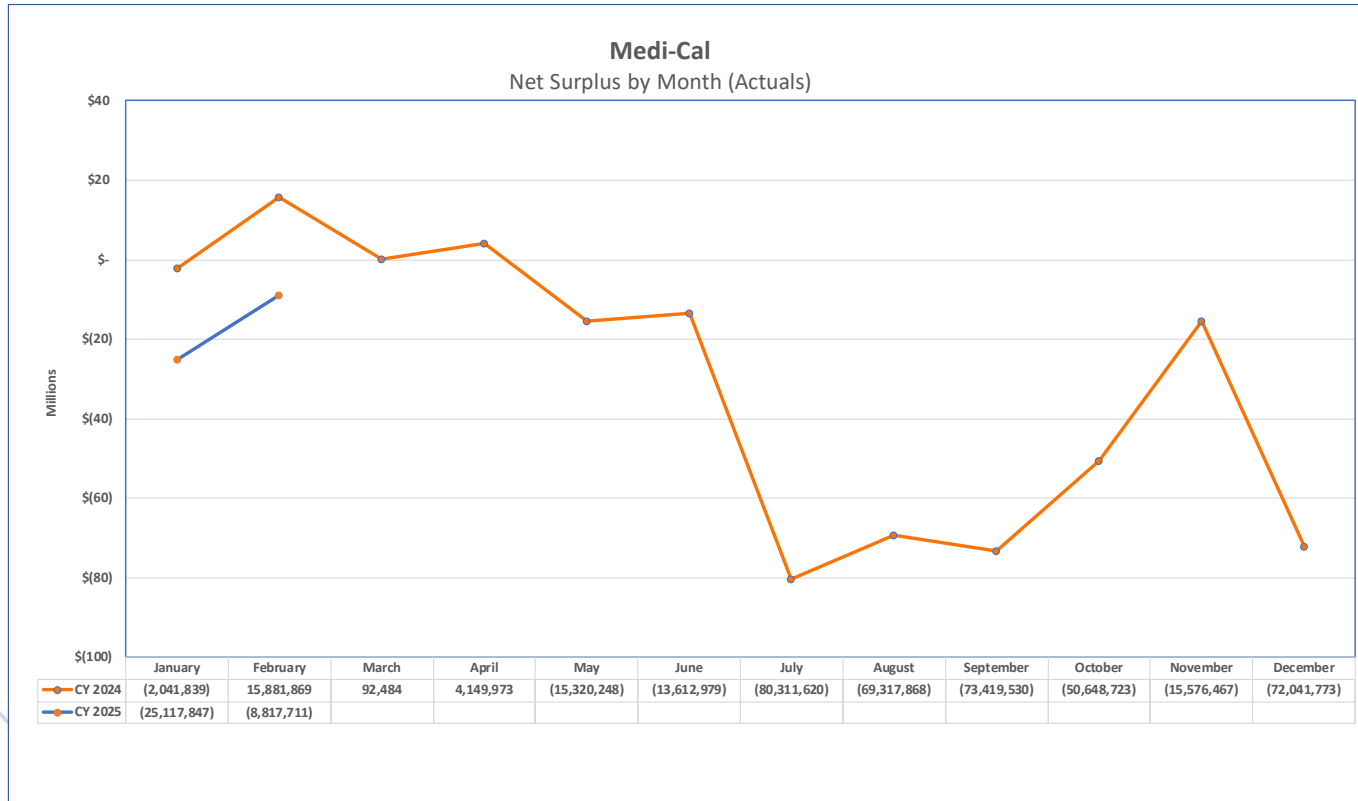
	Month-over-Month Comparison			Year-to-Date
	February MTD Actual	January MTD Actual	Variance	February YTD Actual
Total Revenue	\$ 599,901,789	\$ 617,012,700	\$ (17,110,911)	\$ 1,216,914,489
Total Medical Costs	\$ 579,429,619	\$ 606,164,546	\$ 26,734,927	\$ 1,185,594,165
Total Operating Expenses	\$ 32,843,964	\$ 39,579,088	\$ 6,735,124	\$ 72,423,052
Total Non Operating Income (Expense)	\$ 3,554,083	\$ 3,613,088	\$ (59,005)	\$ 7,167,170
Net Surplus (Deficit)	\$ (8,817,711)	\$ (25,117,847)	\$ 16,300,136	\$ (33,935,558)
Medical Cost Ratio**	96.6%	98.2%	(1.7%)	97.4%
Administrative Cost Ratio**	5.5%	6.4%	(0.9%)	6.0%

Highlights for the Month:

- The unfavorable revenue variance compared to prior month is primarily due to CY2025 MOT risk corridor adjustment in the prior month.
- The favorable medical costs variance compared to prior month is primarily due to favorable FFS prior paid claims restatements.
- The favorable operating expense variance compared to prior month is primarily due to a decrease in payroll-related expenses.



Net Surplus Year-Over-Year: Medi-Cal



Current vs Prior Month : D-SNP

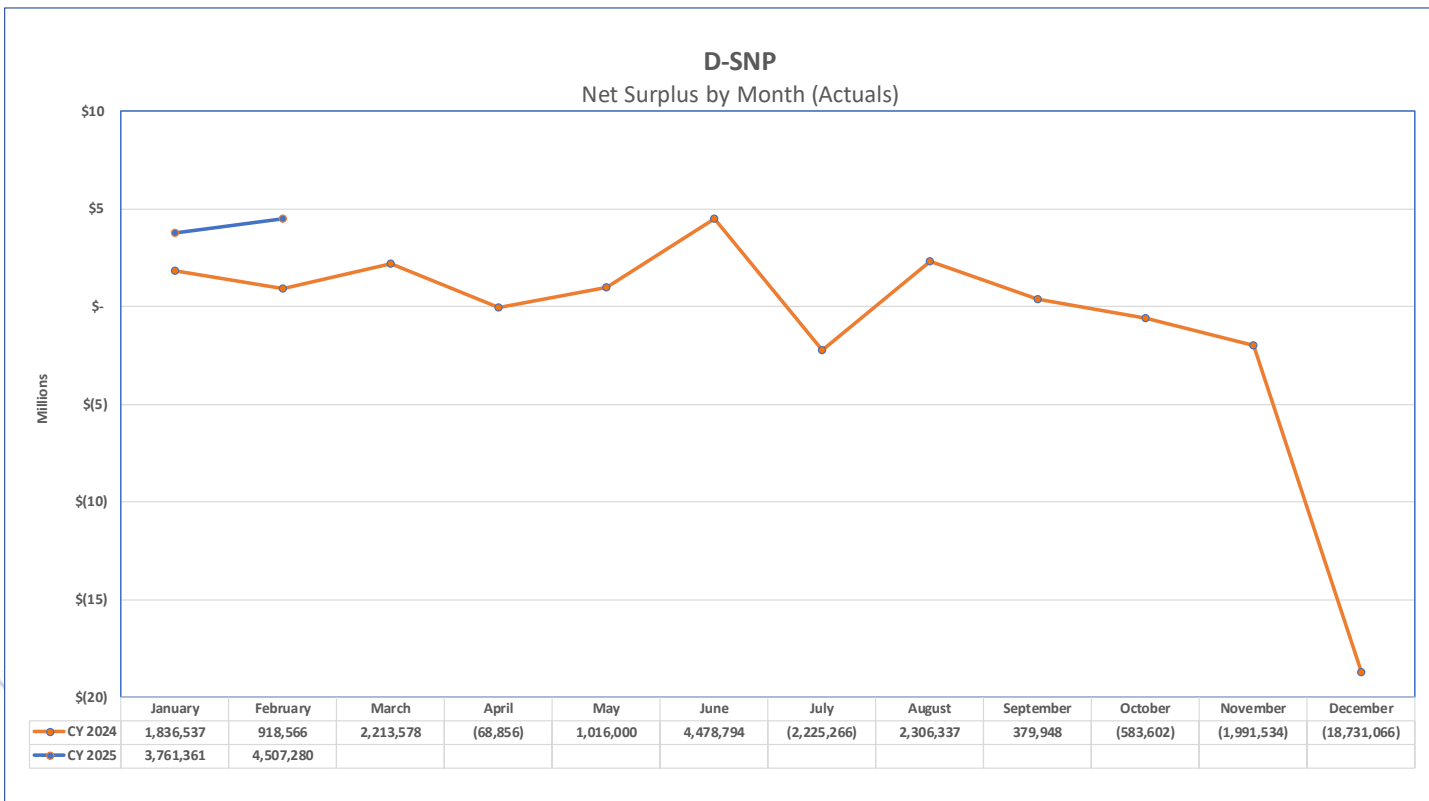
	Month-over-Month Comparison			Year-to-Date
	February MTD Actual	January MTD Actual	Variance	February YTD Actual
Total Revenue	\$ 84,855,959	\$ 72,278,483	\$ 12,577,476	\$ 157,134,442
Total Medical Costs	\$ 75,076,032	\$ 64,714,170	\$ (10,361,862)	\$ 139,790,202
Total Operating Expenses	\$ 5,272,647	\$ 3,802,951	\$ (1,469,696)	\$ 9,075,599
Total Non Operating Income (Expense)	\$ -	\$ -	\$ -	\$ -
Net Surplus (Deficit)	\$ 4,507,280	\$ 3,761,361	\$ 745,919	\$ 8,268,641
Medical Cost Ratio**	88.5%	89.5%	(1.1%)	89.0%
Administrative Cost Ratio**	6.2%	5.3%	1.0%	5.8%

Highlights for the Month:

- The favorable revenue variance compared to prior month is primarily due to Part D risk sharing related to Manufacturer Discount Program (MDP).
- The unfavorable medical costs variance compared to prior month is primarily due to CY2024 pharmacy rebate adjustment in the prior month.
- The unfavorable operating expense variance compared to prior month is primarily due to an allocation redistribution.



Net Surplus Year-Over-Year: D-SNP



Current vs Prior Month : IEHP Covered (CCA)

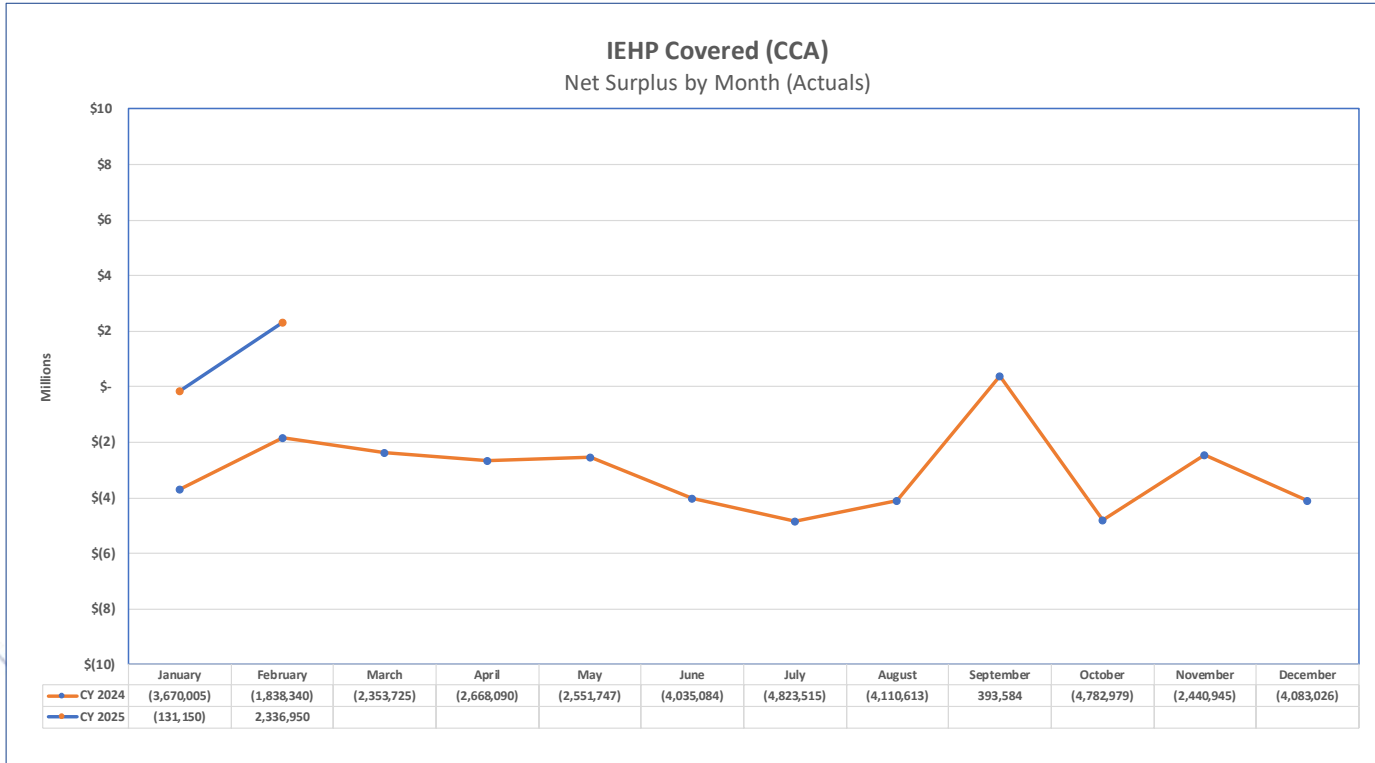
	Month-over-Month Comparison			Year-to-Date
	February MTD	January MTD	Variance	February YTD
	Actual	Actual		Actual
Total Revenue	\$ 18,759,805	\$ 15,906,063	\$ 2,853,742	\$ 34,665,868
Total Medical Costs	\$ 14,684,698	\$ 14,519,753	\$ (164,945)	\$ 29,204,451
Total Operating Expenses	\$ 1,738,157	\$ 1,517,460	\$ (220,697)	\$ 3,255,617
Total Non Operating Income (Expense)	\$ -	\$ -	\$ -	\$ -
Net Surplus (Deficit)	\$ 2,336,950	\$ (131,150)	\$ 2,468,100	\$ 2,205,800
Medical Cost Ratio**	78.3%	91.3%	(13.0%)	84.2%
Administrative Cost Ratio**	9.3%	9.5%	(0.3%)	9.4%

Highlights for the Month:

- The favorable revenue variance compared to prior month is primarily due to higher CCA Silver member months.



Net Surplus Year-Over-Year: IEHP Covered (CCA)



Balance Sheet: Current Month vs Prior Month

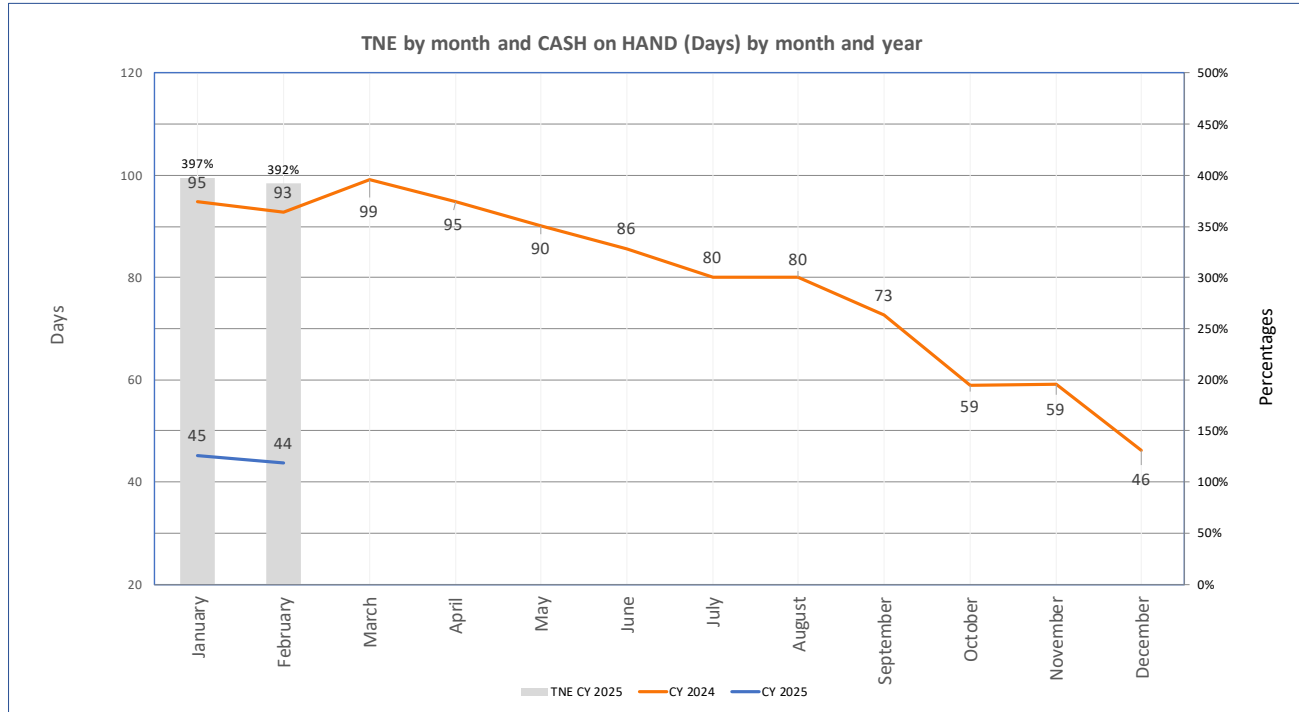
	Feb-25	Jan-25	Variance
<u>Assets and Deferred Outflows</u>			
Current Assets	\$ 2,544,248,361	\$ 2,426,932,385	\$ 117,315,976
Other Non Current Assets	\$ 65,105,357	\$ 62,585,812	\$ 2,519,545
Capital Assets	\$ 291,478,833	\$ 291,051,090	\$ 427,743
Deferred Outflows of Resources	\$ 83,775,639	\$ 83,775,639	\$ -
Total Assets and Deferred Outflows	\$ 2,984,608,189	\$ 2,864,344,926	\$ 120,263,264
<u>Liabilities, Deferred Inflows, and Net Position</u>			
Current Liabilities	\$ 1,873,691,971	\$ 1,756,266,738	\$ 117,425,233
Long-Term Liabilities	\$ 30,350,254	\$ 30,552,971	\$ (202,717)
Deferred Inflows	\$ 404,299	\$ 423,693	\$ (19,394)
Net Position	\$ 1,080,161,666	\$ 1,077,101,523	\$ 3,060,143
Total Liabilities, Deferred Inflows, and Net Position	\$ 2,984,608,189	\$ 2,864,344,926	\$ 120,263,264

Highlights for the Month:

- Increase in Current Assets is primarily due to \$61.5M MCAL revenue adjustment net of payment received driven by DHCS not paying on latest premium rates, \$18.1M MCO tax accrual net of payment received from DHCS, \$17.2M Cash receipts net of payments, \$5.6M due from CMS, \$3.5M interest receivable, and \$3.4M pharmacy rebate receivable.
- Increase in Current Liabilities is primarily due to \$65.8M MCO tax expense accrual, \$22.9M IBNP, \$18.2M capitation accrual for Feb-25 paid in Mar-25.



TNE and Cash On Hand

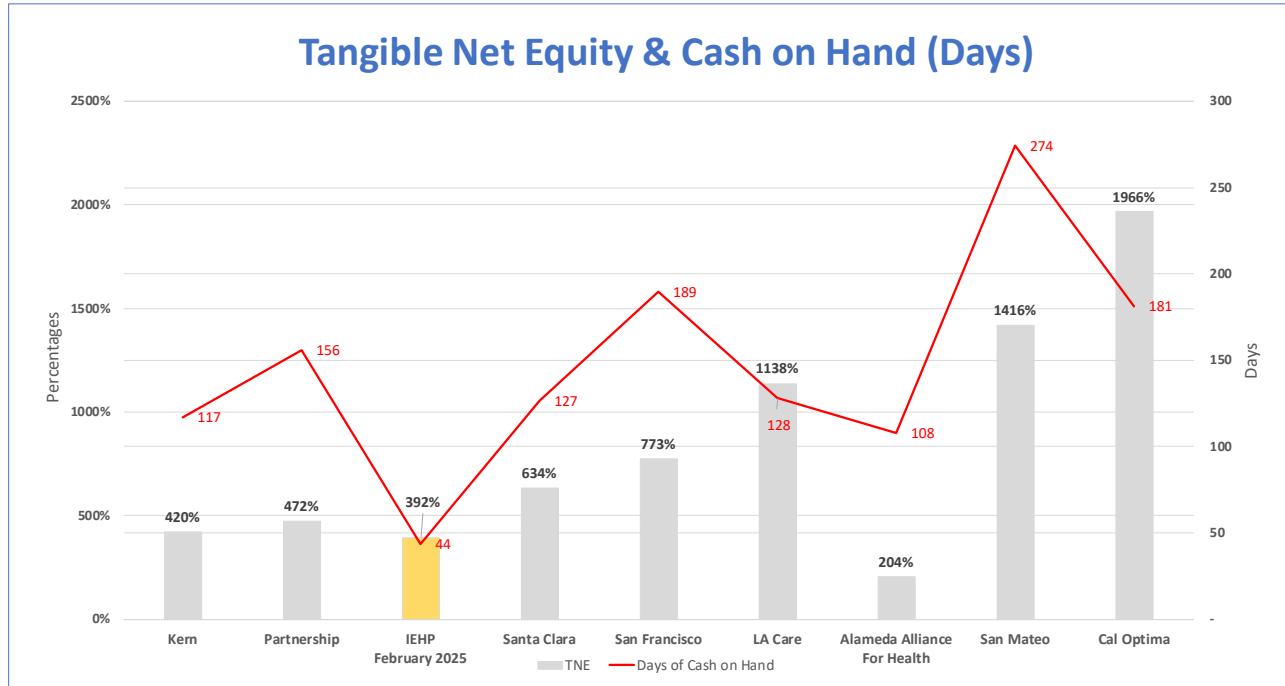


Highlights for the Month:

Note: Days Cash on Hand calculation excludes pass-thru receipts and payments effective January 2023 and MCO tax effective January 2024.



IEHP vs Other Local Health Plans

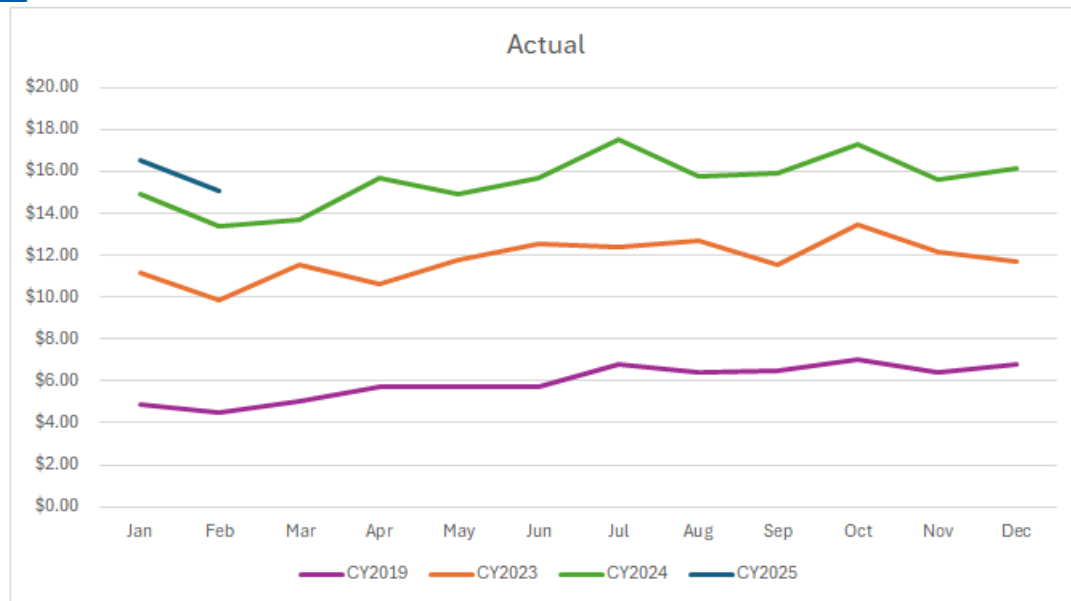


Note 1: As of December 2024 quarterly DMHC filing, unless otherwise noted.

Note 2: IEHP's February 2025 Cash-on-Hand calculation excludes pass-through monies, whereas the calculation for other health plans do not exclude these monies.



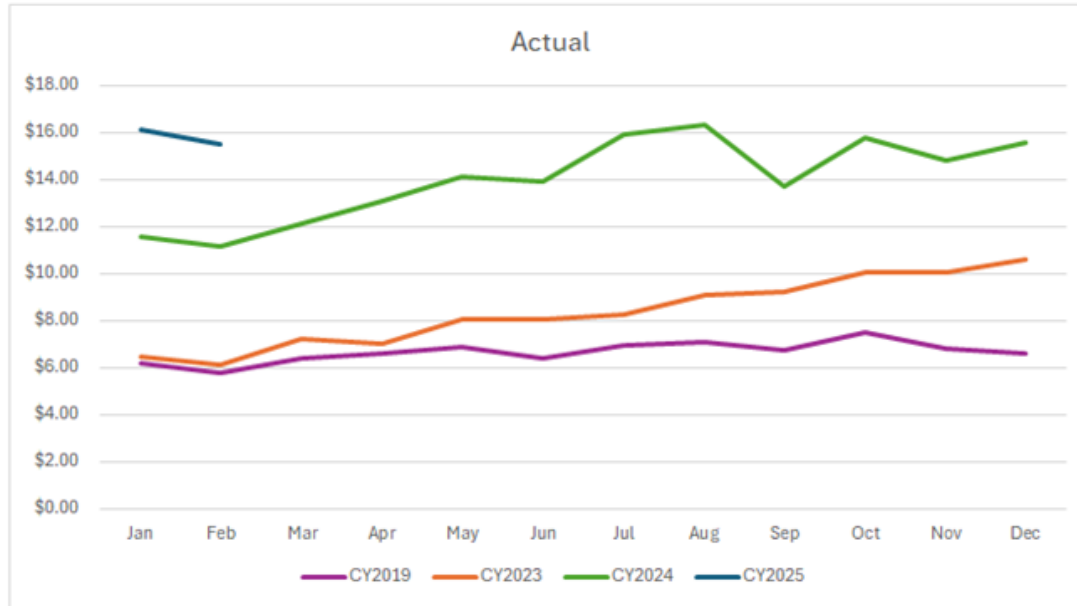
Behavioral Health Therapy – Autism



Service Month	Incurred PMPM			Trends	
	CY2023	CY2024	CY2025	CY2024	CY2025
Jan	\$11.17	\$14.95	\$16.56	33.8%	10.8%
Feb	\$9.83	\$13.39	\$15.10	36.2%	12.7%
Mar	\$11.55	\$13.70		18.7%	
Apr	\$10.63	\$15.69		47.6%	
May	\$11.77	\$14.92		26.7%	
Jun	\$12.56	\$15.65		24.6%	
Jul	\$12.36	\$17.50		41.6%	
Aug	\$12.68	\$15.77		24.4%	
Sep	\$11.57	\$15.94		37.7%	
Oct	\$13.48	\$17.30		28.3%	
Nov	\$12.13	\$15.60		28.6%	
Dec	\$11.73	\$16.13		37.5%	



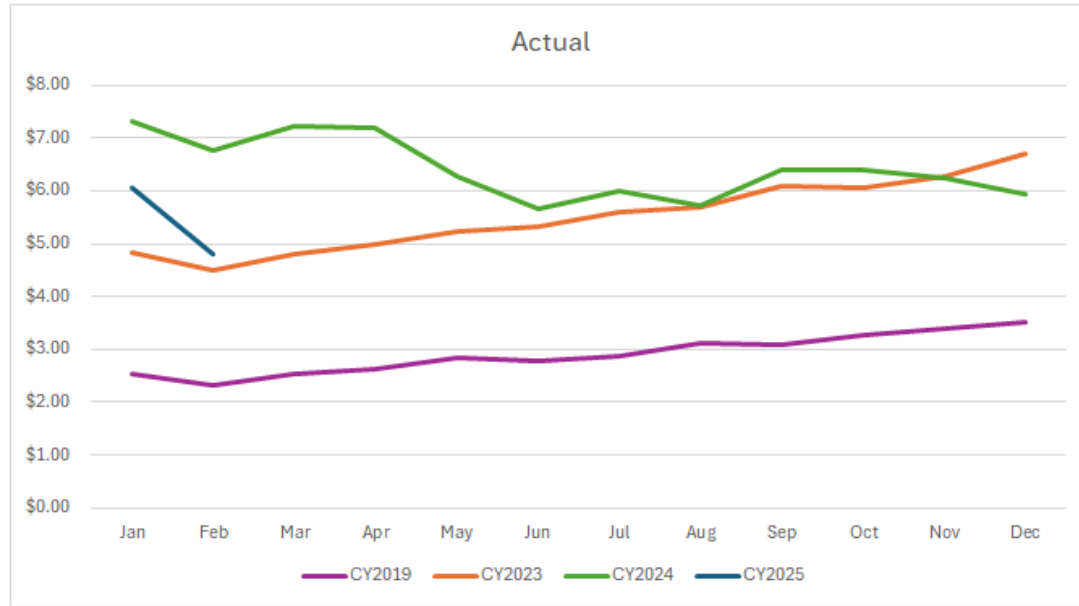
Transportation



Service Month	Incurred PMPM			Trends	
	CY2023	CY2024	CY2025	CY2024	CY2025
Jan	\$6.48	\$11.56	\$16.08	78.4%	39.2%
Feb	\$6.09	\$11.18	\$15.48	83.7%	38.4%
Mar	\$7.23	\$12.14		67.7%	
Apr	\$7.00	\$13.10		87.2%	
May	\$8.02	\$14.14		76.3%	
Jun	\$8.02	\$13.92		73.6%	
Jul	\$8.27	\$15.88		92.1%	
Aug	\$9.05	\$16.35		80.7%	
Sep	\$9.25	\$13.70		48.2%	
Oct	\$10.05	\$15.77		56.9%	
Nov	\$10.01	\$14.82		48.0%	
Dec	\$10.61	\$15.55		46.6%	



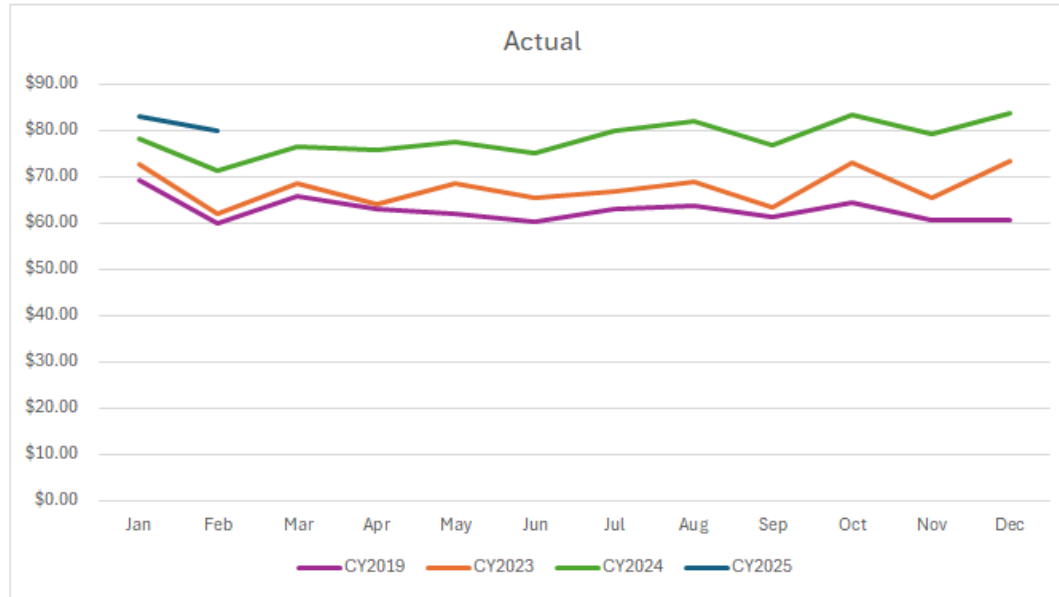
Home Health



Service Month	Incurred PMPM			Trends	
	CY2023	CY2024	CY2025	CY2024	CY2025
Jan	\$4.84	\$7.33	\$6.06	51.4%	-17.3%
Feb	\$4.50	\$6.77	\$4.81	50.4%	-28.9%
Mar	\$4.80	\$7.21		50.4%	
Apr	\$4.99	\$7.21		44.4%	
May	\$5.23	\$6.26		19.7%	
Jun	\$5.31	\$5.66		6.6%	
Jul	\$5.58	\$5.99		7.3%	
Aug	\$5.68	\$5.72		0.7%	
Sep	\$6.08	\$6.39		5.1%	
Oct	\$6.06	\$6.38		5.4%	
Nov	\$6.27	\$6.25		-0.2%	
Dec	\$6.70	\$5.93		-11.5%	



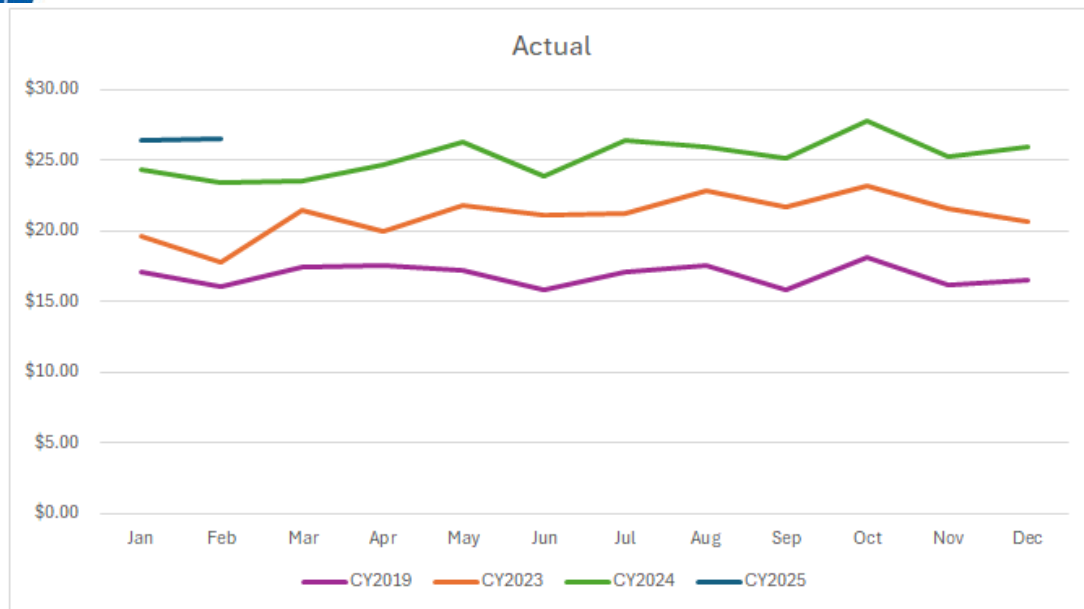
Inpatient



Service Month	Incurred PMPM			Trends	
	CY2023	CY2024	CY2025	CY2024	CY2025
Jan	\$72.80	\$78.31	\$83.04	7.6%	6.0%
Feb	\$61.97	\$71.16	\$79.83	14.8%	12.2%
Mar	\$68.41	\$76.37		11.6%	
Apr	\$64.14	\$75.64		17.9%	
May	\$68.62	\$77.35		12.7%	
Jun	\$65.37	\$75.08		14.9%	
Jul	\$66.85	\$80.00		19.7%	
Aug	\$68.83	\$81.96		19.1%	
Sep	\$63.45	\$76.70		20.9%	
Oct	\$72.94	\$83.38		14.3%	
Nov	\$65.24	\$79.22		21.4%	
Dec	\$73.23	\$83.85		14.5%	



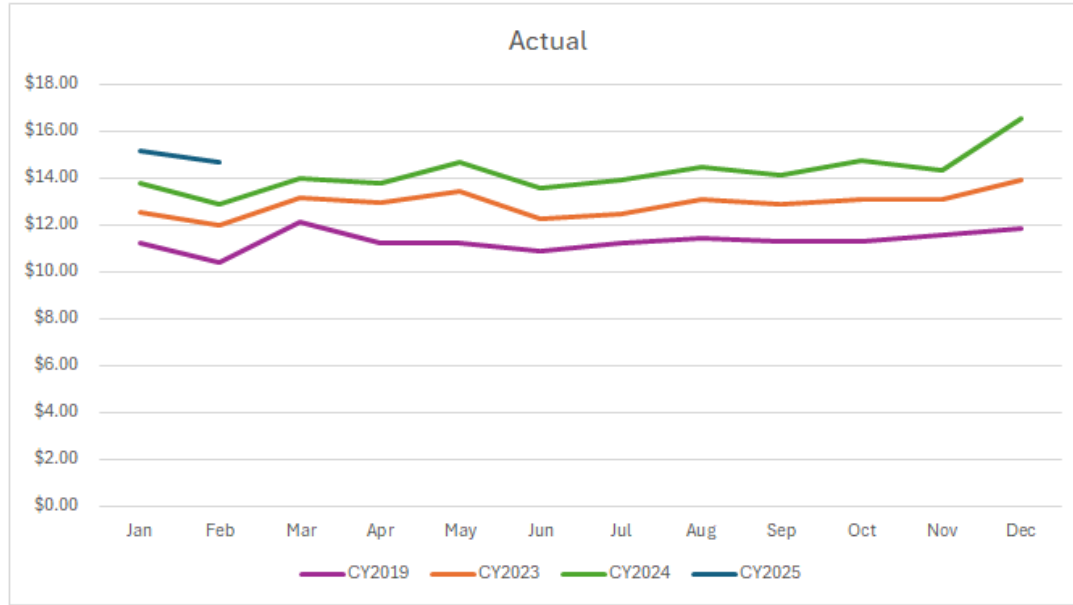
Outpatient



Service Month	Incurred PMPM			Trends	
	CY2023	CY2024	CY2025	CY2024	CY2025
Jan	\$19.63	\$24.32	\$26.47	23.9%	8.9%
Feb	\$17.73	\$23.40	\$26.50	32.0%	13.2%
Mar	\$21.49	\$23.51		9.4%	
Apr	\$20.02	\$24.63		23.1%	
May	\$21.77	\$26.33		20.9%	
Jun	\$21.16	\$23.88		12.9%	
Jul	\$21.20	\$26.36		24.4%	
Aug	\$22.79	\$25.94		13.8%	
Sep	\$21.66	\$25.15		16.1%	
Oct	\$23.20	\$27.74		19.6%	
Nov	\$21.52	\$25.31		17.6%	
Dec	\$20.61	\$25.90		25.6%	



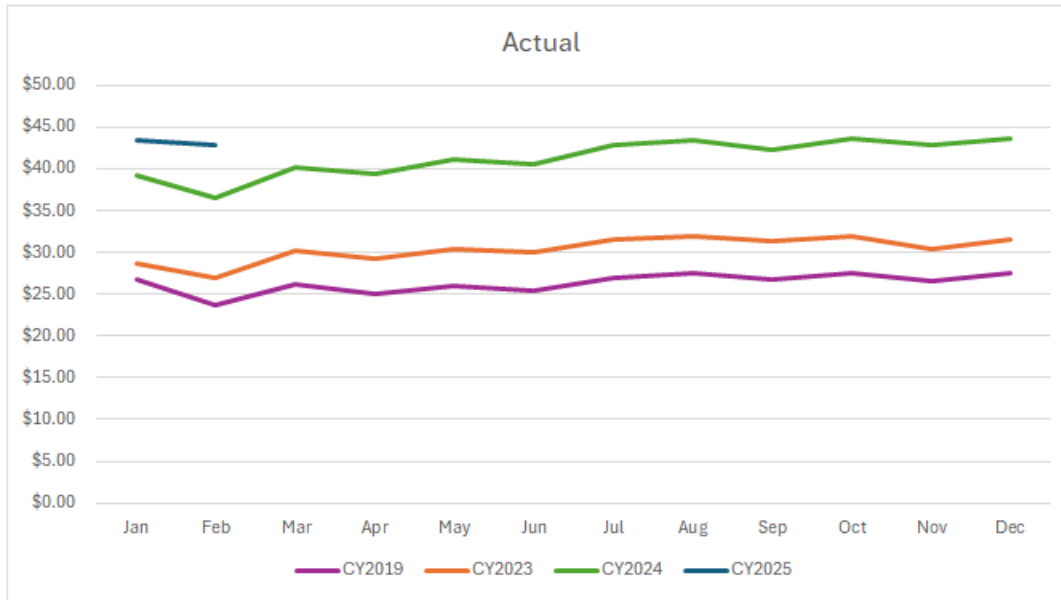
Emergency Room



Service Month	Incurred PMPM			Trends	
	CY2023	CY2024	CY2025	CY2024	CY2025
Jan	\$12.53	\$13.79	\$15.16	10.1%	9.9%
Feb	\$11.95	\$12.89	\$14.70	7.9%	14.0%
Mar	\$13.18	\$13.98		6.1%	
Apr	\$12.93	\$13.77		6.5%	
May	\$13.40	\$14.66		9.4%	
Jun	\$12.29	\$13.59		10.6%	
Jul	\$12.43	\$13.93		12.1%	
Aug	\$13.06	\$14.44		10.6%	
Sep	\$12.85	\$14.09		9.7%	
Oct	\$13.07	\$14.72		12.7%	
Nov	\$13.11	\$14.31		9.2%	
Dec	\$13.92	\$16.52		18.6%	



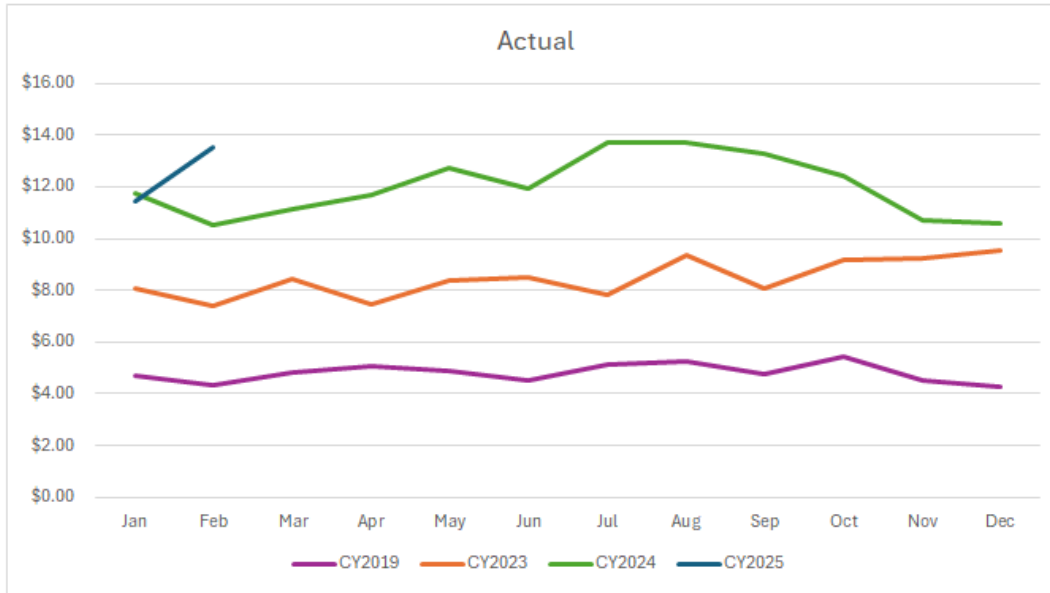
Long Term Care



Service Month	Incurred PMPM			Trends	
	CY2023	CY2024	CY2025	CY2024	CY2025
Jan	\$28.62	\$39.28	\$43.34	37.2%	10.3%
Feb	\$27.00	\$36.52	\$42.93	35.2%	17.5%
Mar	\$30.28	\$40.14		32.6%	
Apr	\$29.34	\$39.32		34.0%	
May	\$30.32	\$41.08		35.5%	
Jun	\$30.03	\$40.65		35.4%	
Jul	\$31.51	\$42.93		36.2%	
Aug	\$31.88	\$43.50		36.4%	
Sep	\$31.38	\$42.25		34.6%	
Oct	\$31.95	\$43.56		36.3%	
Nov	\$30.48	\$42.85		40.6%	
Dec	\$31.53	\$43.54		38.1%	



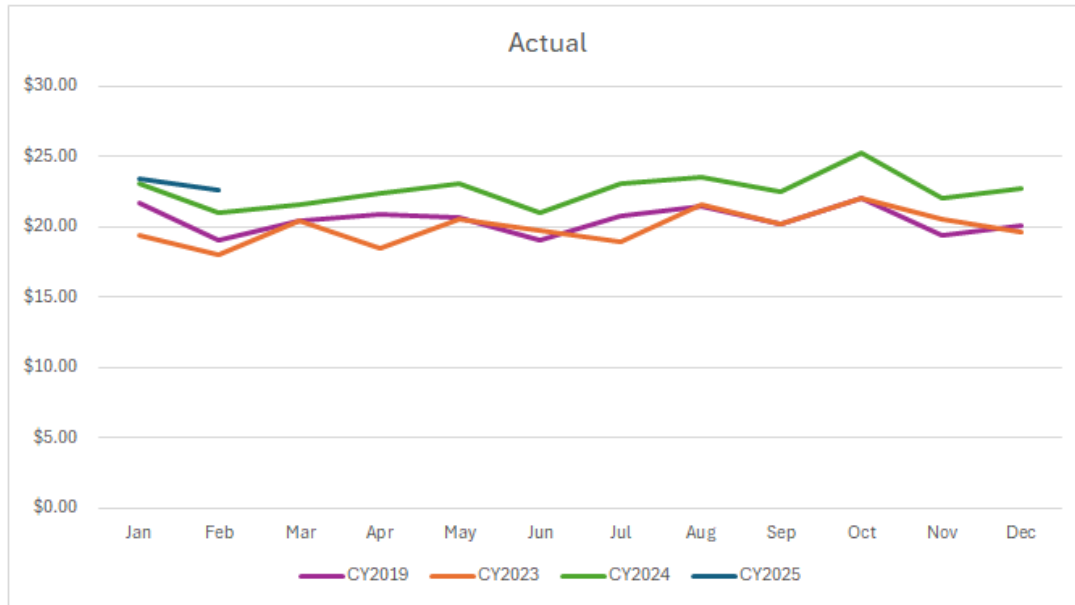
Other Professional



Service Month	Incurred PMPM			Trends	
	CY2023	CY2024	CY2025	CY2024	CY2025
Jan	\$8.06	\$11.77	\$11.44	46.0%	-2.8%
Feb	\$7.39	\$10.53	\$13.51	42.5%	28.3%
Mar	\$8.46	\$11.17		31.9%	
Apr	\$7.44	\$11.71		57.4%	
May	\$8.35	\$12.72		52.3%	
Jun	\$8.48	\$11.93		40.6%	
Jul	\$7.80	\$13.70		75.8%	
Aug	\$9.33	\$13.70		46.8%	
Sep	\$8.10	\$13.25		63.6%	
Oct	\$9.20	\$12.42		35.0%	
Nov	\$9.22	\$10.72		16.3%	
Dec	\$9.52	\$10.58		11.1%	



Physician Specialty



Service Month	Incurred PMPM			Trends	
	CY2023	CY2024	CY2025	CY2024	CY2025
Jan	\$19.36	\$23.06	\$23.38	19.1%	1.4%
Feb	\$18.00	\$21.01	\$22.59	16.7%	7.5%
Mar	\$20.41	\$21.55		5.6%	
Apr	\$18.44	\$22.34		21.1%	
May	\$20.54	\$23.10		12.5%	
Jun	\$19.74	\$21.03		6.5%	
Jul	\$18.97	\$23.08		21.7%	
Aug	\$21.54	\$23.56		9.4%	
Sep	\$20.15	\$22.50		11.6%	
Oct	\$21.99	\$25.29		15.0%	
Nov	\$20.52	\$22.08		7.6%	
Dec	\$19.61	\$22.71		15.8%	



Acronyms & Definitions

BPO – Business Process Outsourcing
CalAIM – California Advancing and Innovating Medi-Cal
CCA – Covered California
CEPPT – California Employers' Pension Prefunding Trust
CY– Calendar Year
DHCS – Department of Health Care Services
D-SNP – Dual Eligible Special Needs Plan (Medicare and Medi-Cal)
EPP – Enhanced Payment Program
FFS – Fee for Service
G&A – General & Administrative
IGT – Intergovernmental Transfers
IT – Information Technology
LTC – Long Term Care
MCO – Managed Care Organization
MCE – Medicaid Coverage Expansion
MLR – Medical Loss Ratio
MOT – Major Organ Transplant
MTD – Month-to-Date
P4P – Pay for Performance
SPD – Seniors and Persons with Disabilities
TRI – Targeted Rate Increases
YTD – Year-to-date



20. Department: FINANCE

Title: APPROVE AND ADOPT THE INTERIM IEHP CALENDAR YEAR 2025 OPERATIONS BUDGET EXTENSION

Chief: Keenan Freeman, Chief Financial Officer

Background & Discussion:

IEHP prepares and presents its annual budget to the Governing Board for approval for the upcoming calendar year. IEHP's budget is on a calendar year basis, January 1 through December 31. In December 2024 under Minute Order 24-268, the Governing Board approved the Interim Operating Budget covering the months of January and February 2025. On February 10, 2025, under Minute Order 25-047, the Governing Board approved an extension covering the months of March and April 2025. The Operating Budget is presented on a Consolidated Basis, as well as individually for the specific product lines.

The Operating Budget consists of the following major categories:

1. Enrollment
2. Operating Revenues (Premiums)
3. Medical Expenses
4. General & Administrative Expenses
5. Net Surplus/(Deficit)

Operating Revenues are projected based on forecasted enrollment and Per-Member-Per-Month (PMPM) premiums. Medical Expenditures are based on forecasted enrollment and projected utilization, cost trends, and any known changes in provider contracting rates. General and Administrative Expenditures are forecasted based on actual costs together with any known cost increases or decreases in this category

Procurement process: N/A

Recommendation(s):

This interim budget extension is being requested through July 2025. The budget process starts with forecasting enrollment for the upcoming calendar year. Enrollment drives two (2) major components of the budget; revenues and medical expenses as these are forecasted on a Pre-Member-Per-Month (PMPM) basis. Current enrollment and growth trends during the calendar year are reviewed and factored-in to forecast enrollment. Consideration is given to the overall market. Projections are done for Medical, and General and Administrative (G&A) expenses. A Net Surplus or Deficit is calculated by offsetting all expenses against revenues.

The details of the Interim CY 2025 Operating Budget are based on current information. IEHP will present a revised full budget for the entire CY 2025 with updated information from DHCS regarding the finalization of outstanding CY 2025 rates and program guidance at a later date. This will be discussed further in the attached presentation.

POLICY AGENDA

Financial Impact: \$0	Not to Exceed Amount: \$0	Term: July 2025
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
CY2025 Budget	V. Johnson 3/31/25	NA	NA	V. Johnson L. Liu 3/31/25	K. Freeman 04/08/2025



IEHP Interim Budget April 14, 2025



CY 2025 Income Statement

	CY 2025 Hybrid Income Statement January to July 2025				
	Consolidated ¹	Medi-Cal	Medicare (DSNP)	Covered California	Non Allocated
Enrollment	10,775,443	10,220,235	257,618	297,590	-
Revenue	\$ 4,925,174,990	\$ 4,213,280,772	\$ 568,595,841	\$ 143,303,173	\$ (4,796)
Medical Expenses	\$ 4,639,760,824	\$ 3,977,754,504	\$ 535,619,049	\$ 126,275,924	\$ 111,342
Administrative Expenses	\$ 314,814,511	\$ 266,186,771	\$ 32,083,566	\$ 16,544,184	\$ -
Non-Operating Income	\$ 50,180,848	\$ 24,257,040	\$ -	\$ -	\$ 25,923,809
Non-Medi-Cal/Medicare Expenses	\$ 907,800				\$ 907,800
Net Surplus (Deficit)	\$ 19,872,704	\$ (6,403,463)	\$ 893,226	\$ 483,065	\$ 24,899,871

**Consolidated figures include non allocated expenses, interest and rental income.*

****Non Medi-Cal/Medicare Expenses include the net of the Medicare Advantage interest and rental Income.*



CY 2025 Income Statement

	Consolidated Monthly							
	January	February	March	April	May	June	July	YTD
	Actual	Actual	Revised Budget	Revised Budget	Revised Budget	Revised Budget	Revised Budget	Hybrid Budget
Enrollment	1,534,199	1,533,918	1,549,332	1,546,076	1,537,094	1,536,084	1,538,740	10,775,443
Revenue	\$ 705,197,522	\$ 703,512,481	\$ 703,804,782	\$ 707,979,341	\$ 701,703,379	\$ 700,815,796	\$ 702,161,689	\$ 4,925,174,990
Medical Expenses	\$ 685,564,030	\$ 669,136,136	\$ 656,031,925	\$ 667,217,648	\$ 660,347,978	\$ 653,962,181	\$ 647,500,925	\$ 4,639,760,824
Administrative Expenses	\$ 44,899,506	\$ 39,854,752	\$ 45,056,081	\$ 46,786,108	\$ 45,966,011	\$ 45,057,834	\$ 47,194,219	\$ 314,814,511
Non-Operating Income	\$ 10,507,584	\$ 8,632,202	\$ 6,235,440	\$ 6,216,320	\$ 6,185,009	\$ 6,205,964	\$ 6,198,330	\$ 50,180,848
Non-Medi-Cal/Medicare Expenses	\$ 25,598	\$ 93,652	\$ 179,333	\$ 140,241	\$ 147,678	\$ 174,982	\$ 146,315	\$ 907,800
Net Surplus (Deficit)	\$ (14,784,028)	\$ 3,060,143	\$ 8,772,881	\$ 51,663	\$ 1,426,720	\$ 7,826,763	\$ 13,518,561	\$ 19,872,704



Outstanding Budget Items

- CY2025 Adjusted Final Rate details from DHCS
- UIS Membership and financial impact pending State of California decision
- Revised Medical Costs with Updated Trends
- Status of the 2025-2026 State of California Budget Proposal and impacts affecting the Medi-Cal benefits



Questions?



21. Department: OPERATIONS

Title: 2024 IEHP GRIEVANCES AND APPEALS OVERVIEW

Chief: Susie White, Chief Operating Officer

Background & Discussion:

The Grievance and Appeal (G&A) Study is conducted annually and reviews case volume and rates to identify trends and assess areas of opportunity to improve overall Member satisfaction. A grievance is a Member complaint expressing dissatisfaction with any aspect of IEHP, or its Providers and a Member appeal is a review (reconsideration) by IEHP on services the Member believes he or she is entitled to receive.

This report contains Medi-Cal, Medicare and Covered California grievances, and appeals cases received between 01/01/2024 and 12/19/2024. The data was grouped into the following categories: Access, Attitude/Service, Benefits, Billing/Financial, Compliance, Enrollment/Disenrollment, Quality of Care, and Quality of Practitioner Site.

In 2024, there were 32,184 reported standard grievances for the Medi-Cal line of business. A rate was calculated using the proportion of cases in 2024 to the total member months in 2024. The 3 top subcategory volume and rate are Attitude and Service, Quality of Care, and Access. The review of the 2024 Medi-Cal grievances revealed a decrease in grievances from the year prior. The grievance goal reduction of 10% was met.

Table 1: Overall Standard Medi-Cal Grievance

Category	Total 2023 Cases	2023 Rate	Total 2024 Cases	2024 Rate	2024 Rank	10% Reduction Goal Met?
Access	5,748	0.2946	5,351	0.3060	3	Goal Met
Attitude/Service	16,439	0.8425	13,324	0.7620	1	
Benefits	9	0.0005	1	0.0000	8	
Billing/Financial	580	0.0297	375	0.0214	5	
Compliance	852	0.0437	792	0.0453	4	
Enrollment/Disenrollment	18	0.0009	18	0.0001	7	
Quality of Care	13,019	0.6672	12,225	0.6991	2	
Quality of Practitioner Office Site	131	0.0067	98	0.0056	6	
Total/Per 1000 MM	36,796	1.8858	32,184	1.8406		

POLICY AGENDA

In 2024, there were 11,766 reported standard grievances for the Medicare line of business. A rate was calculated using the proportion of cases in 2024 to the total member months in 2024. The 3 top subcategory volume and rate are Attitude and Service, Quality of Care, and Access. The review of the 2024 Medicare grievances revealed a decrease from the year prior. The grievance goal reduction of 10% was met.

Table 2: Overall Standard Medicare Grievances

Category	Total 2023 Cases	2023 Rate	Total 2024 Cases	2024 Rate	2024 Rank	10% Reduction Goal Met?
Access	1,437	3.568	1,396	3.3029	3	Goal Met
Attitude/Service	7,289	18.1	6,759	15.9918	1	
Benefits	3	0.007	2	0.0047	8	
Billing/Financial	449	1.115	281	0.6648	4	
Compliance	406	1.008	278	0.6577	5	
Enrollment/Disenrollment	7	0.017	5	0.0118	7	
Quality of Care	3,510	8.716	3,024	7.1548	2	
Quality of Practitioner Office Site	45	0.112	21	0.0496	6	
Total/per 1000 MM	13,146	32.644	11,766	27.8385		

In 2024, there were 1,113 reported standard grievances for the Covered California line of business. A rate was calculated using the proportion of cases in 2024 to the total member months in 2024. The 3 top subcategory volume and rate are Attitude and Service, Quality of Care, and Access. 2024 is the first year reporting the Covered California line of business.

Table 3: Overall Standard Covered California Grievances

Category	Total 2023 Cases	2023 Rate	Total 2024 Cases	2024 Rate	2024 Rank
Access	N/A	N/A	211	0.8397	3
Attitude/Service	N/A	N/A	550	2.188	1
Benefits	N/A	N/A	3	0.0119	6
Billing/Financial	N/A	N/A	122	0.4855	4
Compliance	N/A	N/A	12	0.0477	5
Enrollment/Disenrollment	N/A	N/A	0	0.0000	7
Quality of Care	N/A	N/A	215	0.8556	2
Quality of Practitioner Office Site	N/A	N/A	0	0.0000	0
Total/per 1000 MM	N/A	N/A	1,113	4.4294	

The top 3 grievances categories are Attitude/Service, Quality of Care, and Access. A drill down of the subcategories is assessed by line of business in the tables below.

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Table 4: Top Standard Medi-Cal Grievances

Rank	Category	2023 Subcategory	Total 2023 Cases	2024 Subcategory	Total 2024 Cases
1	Attitude and Service	IEHP	6,595	IEHP	5,810
		Practitioner – Customer Service	3,730	Practitioner – Customer Service	2,655
		Transportation	2,286	Practitioner Office Staff – Customer Service	1,381
2	Quality of Care	Referral	3,968	Referral	4,626
		PCP	3,505	PCP	3,071
		Specialist	2,236	Specialist	2,071
3	Access	Telephone	2,102	Telephone	1,766
		PCP – Appointment	1,814	PCP – Appointment	1,487
		Specialist – Appointment	1,330	Specialist – Appointment	1,484

Table 5: Top Standard Medicare Grievances

Rank	Category	2023 Subcategory	Total 2023 Cases	2024 Subcategory	Total 2024 Cases
1	Attitude and Service	IEHP	3,843	IEHP	4,074
		Transportation	808	Practitioner Customer Service	661
		Practitioner Customer Service	604	Practitioner Office Staff – Customer Service	518
2	Quality of Care	PCP	1,073	PCP	964
		Specialist	800	Specialist	763
		Referral	459	Referral	430
3	Access	Telephone	731	Telephone	753
		PCP – Appointment	296	Specialist – Appointment	308
		Specialist – Appointment	296	PCP – Appointment	244

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Table 6: Top Standard Covered California Grievances

Rank	Category	2023 Subcategory	Total 2023 Cases	2024 Subcategory	Total 2024 Cases
1	Attitude and Service	N/A	N/A	IEHP	344
		N/A	N/A	Practitioner Customer Service	92
		N/A	N/A	Practitioner – Office Staff Customer Service	42
2	Quality of Care	N/A	N/A	Referral	85
		N/A	N/A	PCP	83
		N/A	N/A	Specialist	27
3	Access	N/A	N/A	PCP – Appointment	94
		N/A	N/A	Telephone	59
		N/A	N/A	Specialist – Appointment	49

Grievances received orally not related to quality of care or denied services and resolved by the end of the following business day are exempt from the requirement to respond in writing. The review of the 2024 exempt grievances revealed a decrease from the year prior for the Medi-Cal lines of business. The grievance goal reduction for Medi-Cal and Medicare of 10% was met.

Table 7: Medi-Cal Exempt Grievances

Category	Total 2023 Exempt Cases	2023 Rate	Total 2024 Exempt Cases	2024 Rate	10% Reduction Goal Met?
Quality of Service	54,800	2.81	39,724	2.2718	Goal Met
Access	52,691	2.70	37,811	2.1624	
Enrollment/Disenrollment	8,216	0.42	5,904	0.3376	
Transportation	7,379	0.38	5,119	0.2927	
Benefit Package	2,058	0.11	944	0.0539	
IEHP	12	0.00	5	0.0002	
Benefits/Coverage	10	0.00	1	0.0000	
Total/per 1000 MM	125,167	6.42	89,508	5.1191	

Table 8: Medicare Same Day Grievances

Category	Total 2023 Same Day Cases	2023 Rate	Total 2024 Same Day Cases	2024 Rate	10% Reduction Goal Met?
Quality of Service	8,680	21.55	11,836	28.0041	Goal Met
Access	3,789	9.41	3,182	7.5286	
Benefit Package	2,697	6.70	3,179	7.5215	

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Category	Total 2023 Same Day Cases	2023 Rate	Total 2024 Same Day Cases	2024 Rate	10% Reduction Goal Met?
Transportation	2,081	5.17	1,406	3.3266	
Enrollment/Disenrollment	369	0.92	188	0.4448	
IEHP	6	0.01	1	0.0023	
Benefits/Coverage	3	0.01	0	0.0000	
Total/per 1000 MM	17,627	44.0 5	19,792	46.8281	

Table 9: Covered California Exempt Grievances

Category	Total 2023 Exempt Cases	2023 Rate	Total 2024 Exempt Cases	2024 Rate
Quality of Service	N/A	N/A	2,447	9.7384
Benefits/Coverage	N/A	N/A	1,616	6.4313
Access	N/A	N/A	1,515	6.0293
Enrollment/Disenrollment	N/A	N/A	872	3.4703
Total/per 1000 MM	N/A	N/A	6,451	25.6773

Members have the right to appeal an adverse decision. A review of the 2024 appeals Medi-Cal volume and appeals rate reveals an increase from the prior year. The set goal of < 0.10 was met for 2024.

Table 10: Medi-Cal Medical Appeals

Medical Appeals	2023	2024	Goal <0.10
Total Appeals Volume	1,069	1,715	
Rate (Per 1000 Member Months)	0.0547	0.0980	Goal Met

A drill down to the subcategory appeals services identifies 'DME' and 'Consultation' as the top appeal services.

Table 11: Appeal Drill Down

Subcategory Service	Volume of appeals
1. Durable Medical Equipment (DME)	462
2. Consultation	231
3. Out of Area Provider	200
4. Home Health	149
5. Outpatient Surgery	149

A review of the 2024 appeals Medicare volume and appeals rate reveals an increase from the prior year. The set goal of < 0.436 was not met for 2024.

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Table 12: Medicare Medical Appeals

Medical Appeals	2023	2024	Goal <0.436
Total Appeals Volume	492	560	
Rate (Per 1000 Member Months)	1.2217	1.3249	Goal Not Met

A drill down to the subcategory appeals services identifies ‘DME’ and ‘Medically Tailored Meals’ as the top appeal services.

Table 13: Appeal Drill Down

Subcategory Service	Volume of Appeals
1. Durable Medical Equipment (DME)	314
2. Medically Tailored Meals	44
3. Out of Area Provider	30
4. Home Health Care	28
5. Consultation	28

A review of the 2024 appeals Covered California volume and appeals rate reveals is listed below:

Table 14: Covered California Medical Appeals

Medical Appeals	2023	2024
Total Appeals Volume	N/A	24
Rate (Per 1000 Member Months)	N/A	0.0955

A drill down to the subcategory appeals services identifies ‘Non-Plan Provider (Access)’ and ‘Diagnostic Testing’ as the top appeal services.

Table 15: Appeal Drill Down

Subcategory Service	Volume of Appeals
1. Non-Plan Provider (Access)	6
2. Diagnostic Testing	4
3. Specialty Consult	3

Adverse decision to medications (pharmacy appeals) are listed in the tables below. As of January 1, 2022, the pharmacy benefit for Medi-Cal is a carve out and Medi-Cal Pharmacy Appeals are with the Medi-Cal Rx contractor Magellan.

A review of the 2024 Medicare Pharmacy appeals volume and appeals rate reveals an increase from the prior year. The goal is <0.109 was not met for 2024.

Table 16: Medicare Pharmacy Appeals

Pharmacy Appeals	2023	2024	Goal <0.109
Total Pharmacy Appeals Volume	1,491	1,663	
Rate (Per 1000 Member Months)	3.7024	3.9346	Goal Not Met

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A review of the 2024 pharmacy appeals Covered California volume and appeals rate reveals is listed below:

Table 17: Covered California Pharmacy Appeals

Pharmacy Appeals	2023	2024
Total Pharmacy Appeals Volume	N/A	105
Rate (Per 1000 Member Months)	N/A	0.4178

IEHP tracks internal department grievances. In 2024, there were 5,810 Medi-Cal, 4,074 Medicare and 344 Covered California internal department grievances reported. The Member Services and Utilization Management departments received the highest volume of grievances in 2024 for the Medi-Cal and Medicare line of business. Information Technology received the highest volume for Covered California. Member Services department is the Member's primary point of contact when calling the Plan. Utilization Management is the department that processes authorizations. Information Technology is the department mitigating Member dissatisfaction related to processes such as Primary Care Physician assignments(s) and Member Portal log in errors.

Table 18: IEHP Department 'Attitude/Service' Grievances for Medi-Cal, Medicare and Covered California

Department	Medi-Cal 2024 Grievance Cases	Medicare 2024 Grievance Cases	Covered California 2024 Grievance Cases
Member Services	1,923	919	84
Utilization Management	951	410	33
Enrollment & Eligibility	511	161	33
Health Plan	487	271	44
Transportation	484	195	0
Case Management	412	497	0
Grievance & Appeals	279	142	0
Quality Improvement	189	234	0
Information Technology	168	133	126
Provider Services	110	39	4
Behavioral Health	77	11	3
Claims	51	17	5
Independent Living & Disability Services	34	9	0
Member Materials – Language/Format	32	64	2
Marketing	23	30	0
Legal	18	6	0
Compliance	16	4	0

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Department	Medi-Cal 2024 Grievance Cases	Medicare 2024 Grievance Cases	Covered California 2024 Grievance Cases
Medicare-ND	13	769	0
Community Resource Center (CRC)	12	7	0
Pharmacy	10	145	5
Quality Management	6	10	0
Health Education	3	1	0
Continuity of Care	1	0	0
Strategy	0	0	4
Total	5,810	4,074	344

Next Steps:

1. The Grievance and Appeals department will partner with internal departments to support internal grievance reduction
2. The Grievance and Appeals department will continue to work with the Provider Relations team to educate Primary Care Physicians access issues.

Procurement process: N/A**Recommendation(s):**

That the Governing Board of the Inland Empire Health Plan (IEHP) Review & File through December 31, 2025.

Financial Impact: \$ 0	Not to Exceed Amount: \$0	Term: N/A
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Fiscal Impact	Financial Review	Procurement Review	Reviewed by Counsel	Director Approval	Chief Approval
None	NA	NA	NA	J. Wellmaker 03/07/2025	S. White 03/14/2024

2024 IEHP Grievances and Appeals Overview

Presented by: Jennifer Wellmaker
Director, Grievance & Appeals

2024 Grievances and Appeals

Overview: IEHP conducts a Grievance and Appeals annual study to review case volume, rates, and to identify trends and areas of opportunity for improvement.

Background:

- A grievance is defined as a Member complaint expressing dissatisfaction with any aspect of IEHP or its Providers.
- An appeal is defined as a review (reconsideration) by IEHP on services Members believe they are entitled to receive.

Methodology: All Medi-Cal, Medicare, and Covered California grievances and appeals cases received between 01/01/24 and 12/19/24 were included in this report.

Grievances and appeals were grouped into the following categories:

- Access
- Attitude/Service
- Benefits
- Billing/Financial
- Compliance
- Enrollment/Disenrollment
- Quality of Care
- Quality of Practitioner Site



Grievances

2024 Top Standard Medi-Cal Grievances

Rank	Category	Subcategory	Total 2023 Cases	Subcategory	Total 2024 Cases
1	Attitude and Service	IEHP	6,595	IEHP	5,810
		Practitioner Customer Service	3,730	Practitioner Customer Service	2,655
		Transportation	2,286	Practitioner Office Staff – Customer Service	1,381
2	Quality of Care	Referral	3,968	Referral	4,626
		PCP	3,505	PCP	3,071
		Specialist	2,236	Specialist	2,071
3	Access	Telephone	2,102	Telephone	1,766
		PCP - Appointment	1,814	PCP - Appointment	1,487
		Specialist - Appointment	1,330	Specialist - Appointment	1,484

The 2024 Medi-Cal Grievance volume reveals a 13 % decrease from the prior year.

Top 3 Subcategories noted in **blue.*



2024 Top Standard Medicare Grievances

Rank	Category	Subcategory	Total 2023 Cases	Subcategory	Total 2024 Cases
1	Attitude and Service	IEHP	3,843	IEHP	4,074
		Transportation	808	Practitioner Customer Service	661
		Practitioner Customer Service	604	Practitioner Office Staff – Customer Service	518
2	Quality of Care	PCP	1,073	PCP	964
		Referral	800	Specialist	763
		Specialist	459	Referral	430
3	Access	Telephone	731	Telephone	753
		PCP - Appointment	296	Specialist - Appointment	308
		Specialist - Appointment	296	PCP - Appointment	244

The 2024 Medicare Grievance volume reveals a 10% decrease from the prior year.

Top 3 Subcategories noted in **blue.*



2024 Top Standard Covered California Grievances

Rank	Category	Subcategory	Total 2024 Cases
1	Attitude and Service	IEHP	344
		Practitioner Customer Service	92
		Practitioner – Office Staff Customer Service	42
2	Quality of Care	Referral	85
		PCP	83
		Specialist	27
3	Access	PCP - Appointment	94
		Telephone	59
		Specialist - Appointment	49

2024 is the first year for the plan's CCA LOB

Top 3 Subcategories noted in **blue.*



2024 Top Exempt Medi-Cal Grievances

Grievances received orally not related to quality of care or denied services and resolved by the end of the following business day are exempt from the requirement to respond in writing. The top categories are listed below.

Category	2023 Total Exempt Cases	2024 Total Exempt Cases
Quality of Service	54,800	39,724
Access	52,691	37,811
Enrollment or Disenrollment	8,216	5,904
Transportation	7,379	5,119
Benefit Package	2,058	944
Benefits / Coverage	12	1
IEHP	10	5
Total	125,167	89,508

The 2024 Exempt Medi-Cal Grievance volume reveals a 28% decrease from the prior year.



2024 Top Same Day Medicare Grievances

Category	2023 Total Same Day Cases	2024 Total Same Day Cases
Quality of Service	8,680	11,836
Access	3,789	3,182
Benefit Package	2,697	3,179
Transportation	2,081	1,406
Enrollment or Disenrollment	369	188
IEHP	6	1
Benefits / Coverage	3	0
Total	17,627	19,792

The 2024 Same Day Medicare Grievance volume reveals a 12% increase from the prior year.



2024 Top Exempt Covered California Grievances

Category	2024 Total Exempt Cases
Quality of Service	2,447
Benefits / Coverage	1,616
Access	1,515
Enrollment or Disenrollment	872
Total	6,451

2024 is the first year for the plan's Covered California line of business



Top Grievance Subcategories: Log *Excerpts*

1. Attitude and Service – IEHP

Member stated she was needing assistance with the enrollment of her newborn. On 02/13/2024, the Member was assisted with submitting the information to the State. The Member was also provided with the State's information for follow up after 30 days.

2. Access – Appointment Availability

Member reported her Primary Care Physician did not have available appointments until August 2024. The Member stated she needed an authorization after hospital visit. An Immediate Needs Nurse assisted the Member by contacting the Provider's office to request a sooner appointment. The Member was scheduled a telehealth visit on 05/21/2024 and the referral information was provided. An Access issue was identified by the G&A team. The Provider was educated on access standards on 06/07/2024.

3. Quality of Care – Referral

Member was experiencing delays with a referral for Podiatry. The Member was seen on 04/11/2024 and the Provider submitted the referral on 04/19/2024. The referral information was provided to the Member. A Quality of Care issue was found by the Medical Director based on the referral timeliness. The Provider was educated on 05/16/2024.



Appeals

2024 Medi-Cal Appeals

Medical Appeals	2023	2024
Total Appeals volume	1,069	1,715
Rate (Per 1000 Member months)	0.0547	0.0980

The 2024 Medical Appeals volume reveals a 60% increase from the prior year.



2024 Medicare Appeals

Medical Appeals	2023	2024
Total Appeals volume	492	560
Rate (Per 1000 Member months)	1.2217	1.3249

The 2024 Appeals volume reveals a 14% increase from the prior year.

Pharmacy Appeals	2023	2024
Total Pharmacy Appeals volume	1,491	1,663
Rate (Per 1000 Member months)	3.7024	3.9346

The 2024 Pharmacy Appeals volume reveals a 12% increase from the prior year.



2024 Covered California Appeals

Medical Appeals	2024
Total Appeals volume	24
Rate (Per 1000 Member months)	0.0955

Pharmacy Appeals	2024
Total Pharmacy Appeals volume	105
Rate (Per 1000 Member months)	0.4178

2024 is the first year for the plan's Covered California line of business



Areas of Improvement

Top Areas of Improvement

Identified Area	Improvement Activity & SMART Goal
Attitude and Service – IEHP Departments	Identify root causes and reduce IEHP related grievance volume by 5% by the end of Q4 2025
Access - PCP – Appointment	Identify root causes and reduce Access-PCP appointment grievance volume by 5% by the end of Q4 2025



Questions