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Blue Shield Offering Up to \$200M In Support to Network Providers

Blue Shield of California is working with financial service partners to provide up to \$200 million in direct support to healthcare providers and hospitals through financing guarantees, advance payments and restructuring of contracts for dealing with the pressures of the COVID-19 pandemic.

Blue Shield is planning to accelerate an innovative new, high-tech patient billing solution that was introduced in a pilot program in northern California last fall, offering it to more in-network medical providers across the state.

The nonprofit health plan also has taken steps to ease prior authorizations for member care to lessen administrative barriers for providers so they can spend more time and resources devoted to patient care.

Paul Markovich, Blue Shield President and CEO commented in a statement that “we are arranging hundreds of millions of dollars of support to clinicians and Hospitals that are heroically serving Californians on the front lines of this fight. We are providing financial solutions, reducing administrative barriers and offering new digital tools to help them face this unprecedented challenge.”

Blue Shield is working with two financial institutions to help providers with guaranteed loans and to make advanced payments to them on anticipated healthcare costs. The plan is to offer favorable repayment terms to help providers get through the next six months.

Blue Shield also has been working on a patient billing solution with San Francisco-based technology startup OODA Health and northern California providers such as Hill Physicians and Dignity Health. The payment pilot program was launched in the Sacramento region last year. The initiative enables a provider to receive the patient’s portion of the bill at the time of claim adjudication, eliminating the time and expense providers experience to receive payment for member out-of-pocket costs.

Blue Shield is making these changes to reduce review process burdens:

- Extending new and existing prior authorizations for elective procedures from the usual 120 days to 180 days.
- Streamlining initial clinical concurrent reviews to reduce provider documentation requirements.
- Waiving prior authorizations for patient transfers of post-acute patients when a member is moved to a different site of care, including skilled nursing facilities and extended acute rehabilitation facilities.

Other steps recently taken by Blue Shield to support providers include:

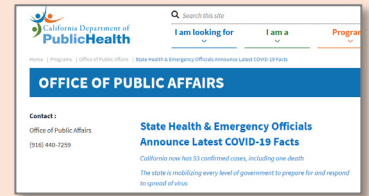
- Offering a digital tool at no additional cost for its nearly 350 in-network hospitals to help them triage the influx of patients seeking advice on coronavirus or other medical care via their websites.
- Donating \$500,000 to the Oakland COVID-19 Relief Fund to support, among its projects, pop-up coronavirus testing sites organized by Brown & Toland Physicians that will prioritize medical providers and first responders.
- Providing \$100,000 support to MedShare, a San Francisco Bay area nonprofit organization that donates personal protective equipment (PPE) supplies to nonprofit community healthcare providers.
- Blue Shield of California Promise Health Plan is giving \$100,000 sponsorship funds to community health providers in Los Angeles and San Diego counties.

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COVID-19 in California By The Numbers

(Source: CDPH)



April 7th	March 31st	March 24th	March 17th	March 10th	March 4th	
16,957	8,155	2,535	598	157	53	Positive cases
1.3%	1.1%	1.5%	2.2%	1.3%	NA	% Age 0-17 cases*
49.0%	50.9%	50.8%	NA	NA	NA	% Age 18-49 cases*
27.4%	26.2%	25.4%	NA	NA	NA	% Age 50-64 cases*
22.2%	21.7%	22.3%	31.7%	39.2%	NA	% Age 65+ cases*
2,714	1,855	NA	NA	NA	NA	Confirmed Hospitalizations
42.5%	41.7%	NA	NA	NA	NA	Confirmed % ICU
3,078	3,168	NA	NA	NA	NA	Suspected Hospitalizations
442	171	53	13	4	1	Deaths

* excludes unknown age cases: Age 18-64 cases were combined for 3/17 and 3/10

Additional COVID-19 Numbers

New York Times COVID-19 Database as of April 8, 2020

- 19,054 total cases
- 504 deaths
- Los Angeles County: 7,530 cases and 198 deaths
- Sand Diego County: 1,530cases and 36 deaths
- Santa Clara County: 1,380 cases and 47 deaths
- Riverside: 1,179 cases and 32 deaths
- Orange County: 1,016 cases and 17 deaths
- Top Five Counties: 66% of cases and 65% of deaths

CHCF Physician COVID-19 Survey Results

California Health Care Foundation and Truth on Call have released results of a statewide COVID-19 survey of hospital-based critical care, emergency department, and infectious disease physicians about staffing and the availability of testing, personal protective equipment (PPE), intensive care unit beds, and ventilators. The physicians were surveyed from March 26 to March 31, 2020. Results included:

- 74% said patients and clinicians at their hospital who need it get tested (safety net MDs - 68%)
- 70% said their hospital has adequate PPE (safety net MDs - 67%)
- 32% were extremely worried (66% worried or extremely worried) that their hospital will run out of adequate PPE in the next month? (Safety net MDs - 36%/71%)
- 31% were extremely worried (62% worried or extremely worried) that their hospital will run out of ICU space or ventilators in the next month? (Safety net MDs - 36%/74%)
- 26% were extremely worried (50% worried or extremely worried) that their hospital will have insufficient health care providers in the next month? (Safety net MDs - 29%/54%)

L.A. Care Health Plan – 23 Years Strong

by L.A. Care Health Plan Staff

L.A. Care Health Plan is marking its 23rd anniversary under the cloud of the coronavirus pandemic, but that cloud has not changed the mission the health plan has held for 23 years – to provide access to quality health care for Los Angeles County's vulnerable and low-income residents and to support the safety net required to achieve that purpose. In fact, the coronavirus outbreak is shining a bright light on just how important that mission is for Los Angeles County, and how strong L.A. Care has remained in the face of crisis.

L.A. Care has become a trusted resource for the communities we serve – and not just for health coverage. L.A. Care recently launched L.A. Care Community Link, which is a free online search tool for social services assistance that is proving extremely helpful during the coronavirus outbreak. With many members and community members suddenly finding themselves unemployed, without food and other resources, L.A. Care Community Link is helping to connect them to much needed services. L.A. Care also has a web page and regular social media posts with accurate and up-to-date coronavirus information for members and the public.

“Our top priority is the health and wellness of our members,” said John Baackes, L.A. Care CEO. “While we are living through this outbreak, access to accurate information and social services support such as food assistance are just as important as the health coverage we offer. We are doing all we can to keep members informed so they can stay healthy.”

Community involvement remains an important part of L.A. Care's DNA, even though the health plan has grown dramatically over the past 23 years. It started with 200,000 Medi-Cal members and now serves more than 2.1 million members in four product lines. It is the largest publicly operated health plan in the country, with a heart as large as its size.

L.A. Care has committed nearly \$200 million over the years to organizations that are working to improve the quality of life for communities all across Los Angeles County. Ongoing projects include housing for members experiencing homelessness and an initiative to combat a physician shortage within L.A. County's safety net. The \$20 million commitment to Brilliant Corners and L.A. County's Housing for Health program has housed 254 individuals and families, so far. The \$155 million, five-year Elevating the Safety Net initiative has led to an additional 72 physicians in the L.A. County safety net.

This past year, L.A. Care proudly launched a \$146 million partnership to jointly operate 14 Community Resource Centers with plan partner Blue Shield of California Promise Health Plan. The centers will connect members from both plans and the Los Angeles community to classes and personalized services that will address social needs and keep them active, healthy and informed. Over the next year, we will see seven new centers open across the county, while seven existing centers will be rebranded, and in some cases, relocated to larger facilities.

As we work to address the heartbreaking situation currently rocking our nation, L.A. Care and all of its employees stand strong with members, providers, and community partners to say we will get through this together.

L.A. Care Health Plan serves more than 2.1 million members in Los Angeles County, making it the largest publicly-operated health plan in the country. L.A. Care offers four health coverage plans including Medi-Cal, L.A. Care Covered™, L.A. Care Cal MediConnect Plan and the PASC-SEIU Homecare Workers Health Care Plan, all dedicated to being accountable and responsive to members. As a public entity, L.A. Care's mission is to provide access to quality health care for L.A. County's low-income communities, and to support the safety net required to achieve that purpose. L.A. Care prioritizes quality, access and inclusion, elevating health care for all of L.A. County.

News Bullets

- California Secures 200M Masks A Month At Cost Of \$1B
- Newsom Warns That Although The Curve Is Bending, It's Also Stretching
- Stanford deploys new test that tells healthcare workers if they've been exposed
- California Still Way Behind In Coronavirus Testing Despite Recent Advances
- Ordered By The State, SF Nursing Home - Campus for Jewish Living - Prepares To Accept Coronavirus Patients
- Orinda Nursing Home With Coronavirus Outbreak Had Sanitation, Staffing Violations
- CA Boosts Worker's Comp, Insurance Benefits for COVID-19 Diagnosis

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Kaiser, Dignity and Government Partnership Creates LA Surge Hospital

Los Angeles Surge Hospital, a temporary facility in Los Angeles that will expand access to additional beds and expand ICU capacity for patients who contract COVID-19 is currently expected to open April 13. It will open in phases, ramping up to accept more patients as physicians and staff are hired and supplies and equipment are secured, up to a projected capacity of 266 beds when fully operational.

Dignity Health and Kaiser Permanente will partner with the State of California and the County of Los Angeles to open the facility, which will be located on the campus of the former St. Vincent Medical Center in central Los Angeles. Governor Newsom previously authorized the leasing of facilities to respond to the COVID-19 pandemic, including the recently closed St. Vincent Medical Center. The hospital will create additional inpatient capacity in the community to treat the expected surge of patients with COVID-19 in the coming weeks. The facility will operate as a dedicated referral hospital and will not have an emergency room or accept walk-in patients. The County of Los Angeles' Department of Health Services will play a critical role in coordinating intake and transfer requests from hospitals across the county.

The State of California will fund the hospital and its operations and will be responsible for obtaining all federal and state permits, licenses, and waivers to operate. The State is also responsible for procuring critical equipment and supplies, such as personal protective equipment and ventilators. Dignity Health and Kaiser Permanente are providing expertise in establishing the Los Angeles Surge Hospital and will oversee management at the facility. Operational support will not diminish either health care system's existing front-line capacity.

Julie Sprengel, president of Dignity Health's Southwest Division, will serve as acting CEO. David Quam, MD, who served in multiple leadership roles for Kaiser Permanente, will be the chief medical officer. Jason Black, RN, formerly of Dignity Health, will be the chief nursing executive. Additional leaders will be announced soon.

Acting CEO Julie Sprengel, MBA, RN, currently oversees Dignity Health's Southwest Division, which encompasses 9 acute care hospitals in Southern California and Nevada: California Hospital Medical Center, Community Hospital of San Bernardino, Glendale Memorial Hospital and Health Center, Northridge Hospital Medical Center, St. Bernardine Medical Center, and St. Mary Medical Center in Long Beach, and 3 St. Rose Dominican facilities in Nevada. With nearly 20 years of progressive health care management, Sprengel's experience includes operations, strategic planning, financial analysis, and clinical integration.

Chief Medical Officer David A. Quam, MD is the former medical director and chief of staff of Kaiser Permanente San Bernardino County. Dr. Quam most recently served as an assistant executive medical director overseeing the Kaiser Permanente Southern California Laboratory System and the regional Genetics and Pathology departments. In addition, he was instrumental in the planning of the Kaiser Permanente School of Medicine and participated in Kaiser Permanente's programwide Precision Medicine/Genomics efforts.

Chief Nursing Executive Jason Black, RN, DNP, MBA, most recently served as chief operating officer at Dignity Health Glendale Memorial Hospital where he was accountable for day-to-day operations of the 334-bed facility. Dr. Black's breadth of experience spans acute care, sub-acute care, and ambulatory care in community medical centers and public hospitals. Previous experience includes serving as chief nursing officer at the West Anaheim Medical Center and as senior director of clinical operations and performance improvement at San Diego-based Scripps Health.

Eureka's St Joseph Hospital Participating in Two National COVID-19 Clinical Trials

St Joseph Hospital in Eureka announced today its participation in two national clinical trials of anti-viral drug Remdesivir for the treatment of moderate and severe COVID-19. The experimental drug has shown promise in the treatment of COVID-19. The clinical trial has been offered at Providence St. Joseph Health hospitals in Portland, OR and Washington state.

Providence St. Joseph Health (PSJH), the parent organization of St. Joseph Health, Humboldt County, has had a highly coordinated response to COVID-19 which includes implementation of clinical trials at several hospitals within the 51-hospital system.

St Joseph Hospital Eureka is the only hospital within St Joseph Health, Northern California to open as a site for these clinical trials. The hospital was chosen due to an established relationship with the principal investigator of the trial and was proactive in seeking accelerated approval for the trials in Humboldt.


Blue Shield of California Enrollment and Utilization Table as of 12/31/2019

QUARTERLY STATEMENT AS OF December 31, 2019 - California Physicians' Service dba Blue Shield of California

ENROLLMENT AND UTILIZATION TABLE

1	2	3	4	5	6	7	8	9	10	11	12	13
Source of Enrollment	Total Enrollees At End of Previous Period	Additions During Period	Terminations During Period	Total Enrollees at End of Period	Grandfathered Enrollees (also included in Column 5)	Cumulative Enrollee Months for Period	Total Member Ambulatory Encounters for Period - Physicians	Total Member Ambulatory Encounters for Period - Non-Physicians	Total Member Ambulatory Encounters for Period	Total Patient Days Incurred	Annualized Hospital Days/1000	Average Length of Stay
1. Large Group	545,553	14,078	4,553	555,078		1,664,452	1,281,168	83,380	1,364,548	23,598	170	4.80
2. Medicare R	94,616	1,769	1,403	94,982		284,481			0	9,338	394	3.80
3. Medicare S	192,112	7,230	3,072	196,270		584,800			0		0	
4. Medi-Cal Risk		0	0	0					0		0	
5. Individual	110,178	5,602	10,426	105,354		322,053	273,654	7,100	280,754	4,233	158	4.00
6. Point of Service	0	0	0	0					0		0	
7. Point of Service	0	0	0	0					0		0	
8. Point of Service	44,686	0	157	44,529		133,702	100,329	10,157	110,486	1,793	161	4.60
9. Small Group	160,969	6,661	4,989	162,641		485,551	318,949	9,334	328,283	5,305	131	4.30
10. Healthy Families				0					0		0	
11. AIM				0					0		0	
12. Medicare Cost				0					0		0	
13. ASO	798,456	1,359	6,381	793,434		N/A	N/A	N/A	0	N/A	N/A	N/A
14. PPO Individual	622,160	17,214	40,169	599,205		1,823,567	1,817,077	1,864,533	3,681,610	53,952	355	4.70
15. PPO Small Group	404,068	10,304	17,453	396,919		1,203,756	1,142,824	947,799	2,090,623	21,211	211	4.20
16. PPO Large Group	568,506	43,812	2,688	609,630		1,822,283	1,694,273	1,039,385	2,733,658	19,256	127	3.90
17. Aggregate Contracted from Other Plans	0	0	0	0		0	0	0	0	0	N/A	N/A
18. Aggregate Other Source of Enrollment	0	0	0	0		0	0	0	0	0	N/A	N/A
19. Total Member	3,541,304	108,029	91,291	3,558,042	0	8,324,645	6,628,274	3,961,688	10,589,962	138,686	N/A	N/A

Source: Quarterly Statement 12/31/2019 Blue Shield of California, Enrollment and Utilization Table



Current Legal, Regulatory and Corporate Practice Considerations

Telehealth Readiness

Thursday - 4/16/20 - 1pm Eastern

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