

PAYERS & PROVIDERS

CALIFORNIA EDITION

California Based Medicare Advantage Plan Startup Gets \$20 Million Series A Funding Round

Clever Care Health Plan Inc., a startup company offering Medicare Advantage health plans, announced it has raised \$20 million in Series A financing led by Norwest Venture Partners with participation from Global Founders Capital. This round follows a \$6 million seed investment from Norwest and GFC, bringing total funding to \$26 million to date.

Clever Care Health Plan, Inc. is a private company headquartered in Little Saigon, Orange County, CA, that offers enhanced benefits. Clever Care also operates a second office in Arcadia, Los Angeles County, CA.

Norwest and GFC state they were attracted to Clever Care in part because of the vast managed care experience of the three founders and their experience with launching and managing new health plans. The financing will be used to set up a California Medicare Advantage health plan and hire staff for its two offices in Little Saigon in Orange County and Arcadia in Los Angeles County.

Clever Care Health Plan's Founders are experienced Managed Care executives, led by CEO Dave Firdaus, COO Myong Lee, and CFO Hiep Pham, who are focused on providing a culturally sensitive Medicare Advantage health plan to the local communities in California. COO Myong Lee saw how challenging it was for his parents to access healthcare through an interpreter. He also noticed that existing Medicare Advantage provider directories have a limited number of providers that understand his parents' culture and lifestyle which made it harder for them to access healthcare on their terms.

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Covered California Continues Strong Signup Activity

Covered California announced on Tuesday that more than 84,000 people had enrolled in health care coverage since the exchange announced a special-enrollment period in response to the COVID-19 pandemic. The pace of sign-ups during this five-week period has been more than 2.5 times the level that Covered California saw during the same period in 2019.

The enrollment data covers the period from March 20, when Covered California opened the health insurance exchange to any eligible uninsured individuals who need health care coverage amid the COVID-19 emergency, through April 24. Anyone who is uninsured and meets Covered California's eligibility requirements, which are similar to those in place during the annual open-enrollment period, can sign up for coverage through June 30.

During this time, Covered California has also seen tremendous consumer interest online, with nearly 1.4 million new users visiting CoveredCA.com, which is almost twice the number of visits seen during the same time period last year. There were also more than 208,000 unique visits to Covered California's Medi-Cal page, which is nearly a 50 percent increase over the same time period last year.

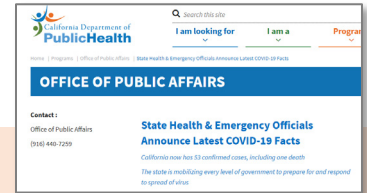
Covered California is also sending out 11.6 million emails to consumers. The emails encourage people to use Covered California to find out if they are eligible for financial assistance to help pay for the cost of their health care coverage. In addition, the email notes that all Covered California health plans offer a telehealth option, where consumers can get care without needing to visit a provider in person, and it helps direct tells them on how they can enroll in either Covered California or Medi-Cal.

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COVID-19 in California By The Numbers

(Source: CDPH – Data is as of the dates indicated)



April 28th	April 21st	April 14th	April 7th	March 31st	March 24th	March 17th	March 10th	
46,500	35,396	24,424	16,957	8,155	2,535	598	157	Positive cases
2.7%	2.1%	1.6%	1.3%	1.1%	1.5%	2.2%	1.3%	% Age 0-17 cases*
48.7%	48.1%	48.1%	49.0%	50.9%	50.8%	NA	NA	% Age 18-49 cases*
26.2%	26.9%	27.3%	27.4%	26.2%	25.4%	NA	NA	% Age 50-64 cases*
22.4%	22.7%	23.0%	22.2%	21.7%	22.3%	31.7%	39.2%	% Age 65+ cases*
3,495	3,357	3,171	2,714	1,855	NA	NA	NA	Confirmed Hospitalizations
33.9%	36.3%	37.1%	42.5%	41.7%	NA	NA	NA	Confirmed % ICU
1,516	1,627	1,894	3,078	3,168	NA	NA	NA	Suspected Hospitalizations
1,887	1,354	821	442	171	53	13	4	Deaths

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

Additional COVID-19 Numbers

California: New York Times COVID-19 Database as of April 29 2020

- 48,904 total cases
- 1,961 deaths
- Los Angeles County: 22,485 cases and 1,056 deaths
- Riverside: 3,942 cases and 143 deaths
- Sand Diego County: 3,432 cases and 133 deaths
- Orange County: 2,324 cases and 34 deaths
- Santa Clara County: 2,134 cases and 108 deaths
- Top Five Counties: 70% of cases and 77% of deaths. These counties comprise 53% of the state population.

Stanford Health Care Reduces Staffing Costs

Due to financial pressures caused by COVID-19, Stanford Health Care has implemented a temporary workforce adjustment program requiring employees to either take paid vacation time or accept a 20% pay cut from April 27 to July 4. Employees can also take a furlough if they have run out of or cannot use paid time off. Stanford Health Care includes Stanford Hospital, Lucile Packard’s Children Hospital and Stanford Health Care-ValleyCare.

In a statement, Lisa Kim, Stanford Health Care Media Relations Specialist commented “Stanford Health Care is navigating the unprecedented economic impact of COVID-19 and, as part of this effort, is implementing a temporary reduction in hours across the organization. This is a difficult but necessary decision to sustain the long-term health of the organization so we can continue to provide critical services to the community. We continue to provide the safest, highest quality care for our patients and remain dedicated to pioneering research and effective clinical therapies to address this evolving situation. We are immensely proud of our community at Stanford Health Care, and we thank our employees for their tireless efforts and ongoing support during these challenging times.”

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Lawmaker Pushing Mental Health Reform: It's 'More Needed Than Ever'

By Samantha Young, California Healthline

As the chair of the Senate Select Committee on Mental Health, Jim Beall is one of the most outspoken advocates for mental health in the state legislature. He believes Californians' mental health needs are more acute than ever and ought to be addressed — even in the face of deep state budget cuts.

"He's been a unique voice and champion who is not afraid to take an unpopular stand because it's the right thing to do," said Michelle Cabrera, executive director of the County Behavioral Health Directors Association of California. "We are in a precarious moment right now." But whether state lawmakers will have the appetite — or funding — to enact mental health reform this year is unclear. The focus is unquestionably on responding to the novel coronavirus.

Gov. Gavin Newsom is scaling back his own plans to expand health care. His budget advisers told lawmakers on April 16 the state will spend at least \$7 billion to respond to the pandemic. And state Senate President Pro Tem Toni Atkins has asked lawmakers to focus on bills related to the outbreak. Beall talked to California Healthline's Samantha Young about why he believes mental health care must remain a priority. He and state Sen. Scott Wiener (D-San Francisco) have said they intend to pursue companion bills creating state parity laws, which would require health plans in California to provide mental health care benefits on par with medical benefits. Their previous attempts have failed, in part because of opposition from the health insurance industry. Beall also wants the state to certify mental health peer-support specialists, people who rely on their own experiences to help others in treatment. This interview has been edited for length and clarity.

Q: The state's response to the coronavirus has taken center stage. Are the mental health reforms you and others have advocated on hold for the year? I think they are more needed than ever. People are very vulnerable under this kind of stress. Senior isolation is a big problem, and it's going to get worse and worse. The economy is distressed, people losing jobs causes a huge amount of stress, not being able to pay the rent, PTSD kicks in with veterans.

Q: How do you pay for mental health programs when there is so much competition in the budget to respond to the coronavirus? Counties have Mental Health Services Act reserves to support existing services during a crisis like this pandemic. They are also receiving state and federal emergency funds. But it's never enough. We have to find a way to shift our priorities. The homeless mentally ill population is highly susceptible to the virus. Prioritizing mental health spending is key to the success of a whole community.

Q: What are your priorities on mental health care? Mental health has always been a segregated element of health care. It should be treated just like any other part of your body in terms of the health care system. It isn't. We've been trained in our minds to think of mental health as a social failing, not a real, legitimate health care issue. In fact, mental health is just like any other disease. If you don't treat it, it gets worse and worse. So I believe mental health parity is very important because of that. And I have a philosophical belief that unless we require parity, it won't happen.

Q: The governor said the state can enforce the existing federal mental health parity law. Can you explain why you believe a state law is needed? Right now with the staff the state has, they check health plans every three years. We want them to check every year and to do more vigorous checks. Real parity is how long it takes to get an appointment. How many months do I have to wait when they give me a referral to a doctor? Is the doctor able to take patients or is it just a doctor on a list?

Q: Your parity bill focuses on the treatment of substance abuse. Why is that an area that needs focus? That's one of the main lagging things with parity. Substance abuse, just a decade ago, was thought of by most people as a human failing, not a medical issue. A lot of people still think that way. Now, if a doctor sees a patient and the patient has addiction, the doctor says, "You know you're addicted to opioids and I've got to give you this prescription because we have to deal with your addiction. But I can't really do it right now because I have to submit the request to the insurance company and have them review and approve your medication." That can take a couple weeks, and in some cases they overrule it. What this bill says is if a doctor says that you're in need of care for a medical addiction and the doctor prescribes medication, the health plan cannot stop the doctor from prescribing the medication for you.

Q: Why is it in the state's interest to require insurance companies to cover mental health services equally? When the insurance companies don't provide mental health services, people get sick. You know what happens when they get sick? They lose their jobs. When they lose their jobs, guess what happens. When they're unemployed, they go on Medi-Cal. Not having good health insurance programs with mental health care costs the state a lot of money when people end up on the Medi-Cal system.

This story was produced by Kaiser Health News, which publishes California Healthline, an editorially independent service of the California Health Care Foundation.

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California Based Medicare Advantage Plan Startup Gets \$20 Million Series A Funding Round continued

The Clever Care provider network currently involves 20,000 providers in Northern and Southern California. The Clever Care website states the plan is "Where East meets West". Clever Care says they deliver a culturally sensitive approach to overall care, and "offer members a balance between Western medicine and the healing-centric approach of Eastern medicine. Traditional eastern medicine has existed over thousands of years. It includes natural treatments such as acupuncture, herbal remedies, exercise, including tai chi and qi gong, and treatments such as cupping and moxibustion. These alternative therapies address the well-being of mind and body, enhancing the management of certain chronic conditions and improving disease prevention."

In a statement, CEO Dave Firdaus commented "Our syndicate of investors shows the commitment to improve health care cost and accessibility in the Medicare segment. With this financing we will build a high-quality Medicare Advantage health plan that is affordable and accessible. We are delighted to have such strong financial support as we work to better serve Medicare populations with multicultural needs."

Casper de Clercq, general partner at investor Norwest, will join the company's board of directors. He brings over 30 years of healthcare industry experience to the Clever Care team. He added "the team at Clever Care has extensive relevant experience in the value-based care model for Medicare Advantage members. Each member of the senior leadership team has at least 15 years of operating experience in delivering high quality customer service to Medicare members. We are delighted to participate in this unique Medicare Advantage program. I look forward to joining the board as we work to provide improved Medicare coverage for seniors in California."

Care 4 Caregivers Now provides peer coaching to assist those serving on the COVID-19 front lines

The California Medical Association's Wellness Program (CMA Wellness) and Mercury Insurance today announced a partnership on a new initiative, Care 4 Caregivers Now, that provides frontline healthcare workers with mental and emotional wellness support and coaching. Care 4 Caregivers Now will train and connect volunteer physicians, nurses and healthcare workers to provide peer-to-peer coaching to assist those serving on the front lines of the COVID-19 pandemic.

Funded by a \$150,000 donation from Mercury Insurance, Care 4 Caregivers Now will provide healthcare workers with desperately needed access to wellness coaching support as they bravely fight the ongoing battle against COVID-19.

Care 4 Caregivers Now is the first program of its kind and it will provide wellness solutions to help reduce emotional exhaustion, stress and burnout for doctors, nurses, medical technicians and support staff. The program has identified more than 300 volunteer physicians and nurses who have been trained or are willing to be trained as a peer coach for frontline health workers impacted by COVID-19.

●● News Bullets ●●

- SCAN Health Plan offers a home delivery pharmacy service that offers 90-day supplies of many medications for free
- California Immunization Coalition Urges Parents to Keep Infant and Child Immunizations Up-To-Date
- Delta Dental Of California Announces Partnership With Lendeavor For \$200 Million COVID-19 Financial Assistance Program
- CMA issues guidelines on reopening California's health care system
- Kaiser is building a \$14M COVID-19 lab to process 10,000 tests a day
- Blue Shield Updates Details on Financial Support Options to Providers
- Testing suggests infections in L.A. County greatly exceed documented cases
- Not enough patients: California's community health centers struggle to stay open
- CVS, UCLA Health unite to free hospital beds for COVID-19 patients

↑ Moving Up ↑

- The MCHC Health Centers (Mendocino Community Health Clinic) executive team and board of directors announced the appointment of Scott McFarland as the organization's new chief executive officer, replacing retired CEO Carole Press.

Aetna Health of California Enrollment and Utilization Table as of 12/31/2019

QUARTERLY STATEMENT AS OF December 31, 2019 - Aetna Health of California Inc.

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 Patient Days Incurred	Annualized Hospital Days/1000	Average Length of Stay		
1. Large Group Cor	181,953	10,304	7,756	184,501	910	550,218	63,249	54,582	117,831	4,275	93	4.47	
2. Medicare Risk	13,163	349	405	13,107		39,389	8,229	1,770	9,999	690	210	8.31	
3. Medicare Suppl	0			0					0		0		
4. Medi-Cal Risk	0			0					0		0		
5. Individual	0			0					0		0		
6. Point of Service	0			0					0		0		
7. Point of Service	0			0					0		0		
8. Point of Service	43	5	6	42		125	28	11	39	0	0	0.00	
9. Small Group Cor	19,439	1,835	1,856	19,418		57,930	3,151	4,057	7,208	518	107	4.32	
10. Healthy Families				0					0		0		
11. AIM				0					0		0		
12. Medicare Cost				0					0		0		
13. ASO				0		N/A	N/A	N/A	0	N/A	N/A	N/A	
14. PPO Individual				0					0		0		
15. PPO Small Group				0					0		0		
16. PPO Large Group				0					0		0		
17. Aggregate Contracted	0	0	0	0	0	0	0	0	0	0	N/A	N/A	
18. Other Source of	0	0	0	0	0	0	0	0	0	0	N/A	N/A	
19. Total Members	214,598	12,493	10,023	217,068	910	647,662	74,657	60,420	135,077	5,483	N/A	N/A	

Source: Quarterly Statement 12/31/2019 Aetna Health of California, Enrollment and Utilization Table

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