

7631 Wyoming St., Suite 201, Westminster, CA 92683, Tel: (714) 898-0765 • Fax: (714) 898-0610

To: Family Choice Health Network (FCHN) PCPs

From: Toan Q. Tran, President FCHN **Re:** PCP Forum Meeting Minutes

Date: September 17, 2018

FCHN held a PCP forum on September 13, 2018. This business meeting included presentations by Dr. Toan Tran, President, Dr. Lowell Gordon, Medical Director and Jordan Hall, Executive consultant to the FCHN ACO. Dr. Tran recounted another successful year for FCHN. He made the following points:

- Merit-based incentives: The distribution formula is being increasingly weighted to include submission of encounter data, RAF scores, HEDIS results along with profitability, member growth and retention.
- Medi-Cal rates on the expansion (ObamaCare) population have been reduced by 50% from the initiation
 of the program, however, FCHN has not only continued to distribute merit-based incentives but has also
 held capitation rates steady. This is possible because FCHN consistently maintains low overhead and as
 demonstrated by a CalOptima audit, regularly allocates the least amount of money to administration.
- The FCHN model of PCP capitation and risk-sharing with Fountain Valley Hospital is under intense scrutiny from health plans who believe Fee-for-Service and wide-open networks is the better model.
 They point to the lack of encounters being submitted by Network PCPs as evidence that capitation results in diminished access to care.

Dr. Gordon, while also acknowledging another successful year, focused on two problem areas: Encounters and RAF scores for the non-CalOptima Medicare Advantage plans.

- Dr. Gordon re-emphasized that lack of encounters is a glaring deficiency for FCHN; therefore, the Board has voted that PCPs who do not have an <u>average</u> of 1 encounter per member per year for the 2nd half of 2018 (July 1-Dec. 31, 2018) will not be eligible to participate in Merit-based Incentive in March, 2019.
- RAF scoring is extremely low (range 0.577-0.807) for the non-CalOptima Medicare Advantage plans (Blue Shield, Health Net, Brand New Day and Central Health) with the goal being 1.0. This is not only unacceptably low but is a prime reason FCHN is losing money on these plans. PCPs were reminded to code chronic conditions appropriately for these members, especially complications from diabetes. PCPs were also reminded that OneCare Connect was the superior Senior Plan for Medi-Medi patients.

Jordan Hall focused on billing for Chronic care management:

- Chronic care management (CCM) is a FFS benefit for Medicare ACO members. FCHN will perform CCM requirements, including identifying which members have 2 chronic conditions, for ACO PCPs who then bill code 99490 each month; a sample superbill was displayed.
- Dr. Gordon noted that CCM was a similar process to ICT for OneCare Connect members where an interdisciplinary team worked to coordinate care for patients with multiple chronic conditions.

FCHN wants to thank the PCPs for their continued support, loyalty and for the excellent care provided to our Members and for making the year a great success!!