



97753

DATE: August 13, 2019

TO: Board of Supervisors

FROM: Debra Halladay, Interim Chief Executive Officer, Valley Health Plan

SUBJECT: VHP Business Development Resolution Delegating Authority

RECOMMENDED ACTION

Adopt Resolution delegating authority to the County Executive, or designee, to negotiate, execute, amend, or terminate certain types of Agreements relating to community outreach programs that promote health awareness and/or support Employee Wellness Division in an amount not to exceed \$1,800,000 for period August 16, 2019 through August 15, 2022, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on August 15, 2022. (Roll Call Vote)

FISCAL IMPLICATIONS

Approval of the recommended action will not require any modification to the current Board-approved budget for Valley Health Plan (VHP). The funds required to support the proposed Delegation of Authority are included in the FY 2020 Approved Budget.

REASONS FOR RECOMMENDATION

VHP has been granted this type of resolution delegating authority to use limited County resources to support, plan, coordinate, and participate in health awareness promotion and community outreach partnerships that further the health improvement priorities and mission of VHP and the County of Santa Clara since August 30, 2016. The delegation for the previous two-year period, August 16, 2017 through August 15, 2019, has been beneficial. VHP was able to participate in events, partnerships, and strategic alliances, while also increasing community awareness of the health plan's priorities of health and long-term wellness.

Since becoming a Covered California Qualified Health Plan Issuer (QHP) in 2013, and now publicly offered, VHP seeks to continue to participation in strategic community partnerships and events that are diverse, multi-cultural, and focused on targeted consumer demographic

populations. VHP was the only QHP in Region 7 to have an increase in membership for the 2018 plan year, growing to over 16,658 members as of June 2019. The enrollment trend is due in part to increased community engagement and a focused sales and broker relations strategy.

Due to the plan's relatively small size, VHP is heavily dependent on collaboration and strategic partnerships with compatible community and wellness-based organizations to maximize outreach efforts. The proposed resolution to delegate authority is very similar to the previous delegations of authority and would continue to enhance VHP's operational flexibility related to building and sustaining local strategic partnerships, and participating in community and wellness efforts such as, but not limited to, the examples contained in Attachment B.

In the past, VHP has partnered with respected community events such as the Silicon Valley Leadership Group (SVLG) Turkey Trot, 408K Race to the Row, Silicon Valley Pride, Day on the Bay, San Jose Giants and San Jose Earthquakes events and activities, amongst other similar events.

VHP will continue working to optimize Santa Clara County resources when possible by taking advantage of opportunities to collaborate with other Santa Clara County Departments and Agencies to promote health awareness, partner on media buys and share event participation tactics. In addition, VHP would also like to be able to collaborate with and support the County's Employee Wellness Department strategies and campaigns to provide resources and incentives of an equivalent and competitive nature to the other County of Santa Clara medical, dental, and vision carriers in accordance to the California Department of Health Care Services (DHCS) regulatory language and guidelines. In the past VHP has used its delegation to partner with Public Health and other County Departments during San Jose Earthquakes and Giants games, and other community events in order to offer more coordinated and holistic health and wellness education.

Partnering in local community and County sponsored events provides opportunities for VHP to not only earn the trust of the community by promoting the mission of VHP and the County of Santa Clara to provide health care to its residents and employees, but to bring revenue growth and cost savings to the County health system through increases in VHP membership and improved community wellness.

CHILD IMPACT

VHP's participation in community partnerships and health promotion events will have a positive impact on children and youth by raising awareness about healthcare and health insurance opportunities. Efforts such as the Free Play Days with the San Jose Earthquakes and Motivation Mondays with the San Jose Giants teach children and youth about the joys and benefits of being active.

SENIOR IMPACT

VHP's participation in community partnerships and health promotion events will have a positive impact on seniors by raising awareness about healthcare and health insurance opportunities. These events give VHP representatives the ability to engage and interact with at-risk populations regarding the importance of preventive health and offer information about how to seek assistance

SUSTAINABILITY IMPLICATIONS

The recommended action will have no/neutral sustainability implications.

BACKGROUND

VHP has the opportunity to continue to grow membership as part of the Affordable Care Act and a participant in Covered California, however, VHP continues to face the challenge of reaching new markets and marketing to the diverse community of Santa Clara County and the surrounding areas.

Historically, VHP was created by the County of Santa Clara to provide health insurance for closely related employer groups. Through Covered California, VHP is now broadly available to individuals and families living in Santa Clara County. VHP currently offers the lowest cost Covered California plans in Santa Clara County, and strives to increase community awareness of its offerings. In the near future, VHP intends to offer products to a broader employer group market as well.

VHP continues to reach out to and identify potential health awareness promotion and community partnerships. Participation in local community events and partnerships has helped VHP increase membership and has benefitted the community by promoting health insurance coverage to broader segments of the population. VHP event staff speak Spanish and Vietnamese at events where these are the primary languages. In addition, staff distributes promotional and health education collaterals at events to promote wellness and increase brand and product awareness in the community. Local community events and partnerships provide opportunities for VHP to share health information with local residents and support VHP's commitment to promoting better health in Santa Clara County, expanding presence and reputation in the health insurance marketplace.

CONSEQUENCES OF NEGATIVE ACTION

VHP will miss opportunities to share health information and further promote VHP health care coverage/insurance through community partnerships and at events that reach VHP's target audience. This would also result in less local community market exposure and could lead to slower than projected enrollment and revenue growth.

STEPS FOLLOWING APPROVAL

Clerk of the Board will email a signed copy of the resolution to stacy.burnell@vhp.sccgov.org and michelle.hondaphilli@vhp.sccgov.org

LINKS:

- Linked To: 80618 : 80618
- Linked To: 87478 : 87478

ATTACHMENTS:

- Attachment B -VHP Community Events and Partnerships_072319 (PDF)
- VHP Marketing and Business Development DoA Resolution (PDF)