I am pleased to share HPSM’s strategic framework for 2019-2021. This framework serves as a roadmap that sets a clear direction for our organization over the next three years. I am proud of the amazing progress we’ve made over the last few years with our 2016-2018 plan, and this framework builds on that success by continuing our focus on access to high quality care and services, strong internal operations and financial stability.

There are many challenges and opportunities that lie ahead for HPSM and San Mateo County, and I look forward to working with our staff and community partners on ways to improve the patient experience and drive better health outcomes, and doing it all in a cost-efficient way. Our mission remains the same: To ensure access to high quality care services and supports that help San Mateo County’s vulnerable and underserved residents live the healthiest lives possible.

This strategic framework is the result of input from staff, Commissioners, advisory committee members, providers and other key partners. Thank you all for your contributions.

Maya Altman, CEO
Mission, Vision and Values

Our Mission

To ensure access to high-quality care services and supports that help San Mateo County’s vulnerable and underserved residents live the healthiest lives possible.

Our Vision

Healthy is for everyone and we fight to make that happen.

Our Values

- **Advocate** for the health and well-being of our members and other underserved residents of San Mateo County
- **Partner** with providers and community organizations to overcome local challenges faced by members and providers
- **Give** individual and personal attention to our members by being culturally and linguistically responsive to their unique needs
- **Support** our providers by ensuring they receive timely payment for their services and by reducing administrative obstacles
- **Strive** to be good stewards of public resources by focusing on the efficient use of services and funds
- **Act** with the highest standards of ethics, integrity, and transparency
- **Embrace** a work atmosphere that encourages employee growth and commitment to HPSM’s mission
Our Strategic Priorities

The work we do is aligned with three strategic priorities:

1. Access to High-Quality Care and Services
2. Strong Internal Operations
3. Financial Stability

These strategic priorities help focus our attention on specific goals and strategies that are important to our members, providers, community partners, employees, and HPSM Commissioners.

“For me, it’s amazing, this kind of program. We are very glad and are the most happy people in the world.”

—As a result of the Community Care Settings Program, Rafael and Zenaida have lived in an apartment since 2015
Access to High-Quality Care and Services

We are deeply committed to ensuring that high-quality care and services are accessible and affordable for all our members. Each department within HPSM plays a key role in advancing our work related to meeting quality standards. Our three-year goals and strategies related to quality focus on continually improving our services and programs, strengthening our partnerships with health care providers, and integrating services across public and private systems of care.

A. Improve services and programs to better meet members’ needs

HPSM members have a wide range of needs, and we do our best to understand and address those needs by providing health care benefits and administering certain programs. We intend to build on the strength of our consumer-involved committees, as well as utilize other venues, to directly engage members in designing new programs and enhancing existing ones.

B. Strengthen provider partnerships to achieve higher quality care, reduce costs, and improve patient experiences

HPSM values its provider partnerships and will continue to improve and streamline our interaction with providers so they can spend more time on patient care. HPSM is committed to designing new programs with our provider community, such as the outcome-based pay-for-performance program designed through our Clinical Partnership primary care learning collaborative. HPSM will also invest in necessary resources and capabilities to support the provider network with these efforts—including actionable data analytics and technical assistance with population health management.

C. Integrate services across public and private care systems to address members’ holistic needs

Collaboration with other local entities that address important social determinants of health, such as housing and food security, is necessary to impact health outcomes. Therefore, HPSM will continue to work with key County agencies such as Aging and Adult Services, Behavioral Health and Recovery Services, Family Health Services and the Human Services Agency to define collective goals, improve care coordination and data sharing, and clarify roles in order to effectively leverage resources and avoid duplication of services.
Strong Internal Operations

Strong internal operations built on a culture of continuous quality improvement, creativity and innovation enable us to achieve our mission and organizational goals. We must constantly evolve and take a proactive approach to meet the ever-changing health care environment. This includes an ongoing, systematic process of identifying problems, implementing and monitoring changes, and evaluating effectiveness. We are always looking for ways to improve our operations, processes and activities to be more efficient. The following goals and strategies will ensure HPSM operations are effective, streamlined, and consistent.

A. Maximize the capacity of our employees to achieve organizational effectiveness

HPSM employees are skilled and committed to advancing our organizational mission. As technology, policies, regulations, and community needs evolve, so too must the knowledge and skillset of our employees. We will continue to support professional development opportunities for our staff so that our organization operates as effectively and efficiently as possible. In addition to strong technical expertise, we recognize there is high demand for professionals with managed care experience in the region and strive to increase our employee engagement rates. Highly engaged, well-trained employees contribute to a successful, sustainable organization. We must also develop succession plans for critical positions to avoid unnecessary gaps in organizational leadership.

B. Achieve high standards of operational excellence for our members and providers

Continual improvement of our operational capabilities is critical to carrying out our mission. We have robust programs in compliance and other operational areas to ensure we safeguard our members’ health information, provide ongoing access and services in situations of unplanned or unexpected disruptions (such as natural disasters or staff transitions), and adhere to all state and federal standards). We have improved our external state and federal audit performance over the past three years and will build on those results while also achieving full National Committee for Quality Assurance (NCQA) accreditation. We will continue to monitor our performance through compliance and operational dashboards, internal audits, program evaluations, and ongoing improvement activities.

C. Optimize technology solutions to support our members and providers

The right technology solutions and infrastructure must support our many internal and external program goals, such as the need to coordinate care, leverage data analytics and reporting, manage complex payment models and provider networks, and support employee growth. Any technology enhancement or change will be expected to improve staff effectiveness, enable better care and services for our members and providers, and be financially sustainable for HPSM.
Financial Stability

HPSM must ensure our resources are well protected and used efficiently to accomplish the mission for which our organization exists. The following goals and strategies will enable HPSM to advance its mission while proactively managing the long-term sustainability of the organization.

A. Sustain core services and programs
We face continued uncertainty regarding the stability and levels of state and federal funding for programs administered through HPSM. To ensure stability for our members and providers in the event of fiscal challenges, we need to maintain solid financial reserves and monitor reserve levels frequently.

B. Improve the delivery system through innovative and sustainable investments
HPSM will continue exploring opportunities to invest in new programs and expand existing programs that further our mission. Any investments will be considered in collaboration with our providers and community partners, and will be financially sustainable for HPSM.

C. Continue to manage our costs
As good financial stewards of public dollars, we need to address the many factors leading to higher health care costs, as well as judiciously invest our administrative funding in the most efficient and effective manner. We do this by trending health care costs over time, identifying specific areas of concern, and addressing them in collaboration with our providers. We must manage our administrative budget closely and look for ways to reduce duplication and leverage technology to streamline workflows.
HPSM took the following trends, opportunities, and challenges into consideration when developing our 2019-2021 strategic framework.

Bay Area Trends
High housing costs, long commute times, and competition for a skilled workforce in the Bay Area challenge our ability to recruit and retain qualified staff. We are encouraged by the positive staff response to recent benefit enhancements, such as alternative work schedules and professional development and training.

San Mateo County’s population is aging. In 2010, 13% were aged 65 or over. State census projections estimate that number to reach 19% by end of 2021. The aging population presents a compelling need to find new solutions or enhance existing services that meet the needs of seniors and the frail elderly.

Medi-Cal and Medicare
We do not expect significant cuts to Medi-Cal benefits in the short-term, given the state’s sizable rainy day fund to protect against downturns in the economy and state revenues. Medi-Cal cuts may be needed in response to actions at the federal level (see below).

HPSM was able to build up our financial reserves in the past few years and make strategic investments in operations and care delivery. We expect flat or decreasing Medi-Cal rates over the next few years, which will limit continued reserve growth.

We expect CareAdvantage Cal MediConnect (CMC) to be authorized by the state and federal government through the end of 2020. HPSM is actively working with other CMC plans and the State to extend and build on the pilot phase, but it is unclear at the moment what the program will look like after 2020. We experienced positive CMC financial results in 2017 for the first time since 2012; however, we remain concerned about the long-term sustainability of CMC given the current financial structure.

Provider Landscape
HPSM has built strong connections with key local providers to achieve common program goals and patient outcomes. However, due to the County’s aging population and the high cost of living, finding access to services along the continuum of skilled nursing facilities, long-term care, assisted living, and supportive independent living continues to be a challenge. HPSM must coordinate closely with providers and community partners to ensure our members have access to services along the continuum of care.

HPSM depends on broad community provider participation to ensure access to care, from large regional health systems to individual clinicians. We can build on existing alternative payment models to not only ensure access, but also improve health outcomes. To maximize value-based payments, HPSM will need to upgrade our internal data analytic capabilities to better support our diverse provider network with decision-making and population health management tools.
Integrated Services and Care Coordination

The state and community stakeholders continue to identify opportunities for Medi-Cal managed care plans to better integrate services and coordinate care for members with complex needs and multiple chronic conditions. HPSM is proud to have developed innovative programs such as the California’s Children Services Pilot, the Community Care Settings Program and HomeAdvantage that address these members’ unique needs.

There is local support to explore a pilot program that would allow HPSM to integrate medical and dental care for Medi-Cal beneficiaries. Also, early indications from the State suggest a potential focus on care coordination activities in the next State 1115 Waiver—an opportunity for HPSM to further integrate behavioral health and long-term services and supports with our local partners.

Political Uncertainty

The political environment at both the state and federal levels remains difficult to predict due to upcoming state and federal elections in the fall of 2018 for a new governor and federal Congressional seats, as well as the next presidential election in 2020. Changes in key leadership positions could impact our strategic priorities and the direction of initiatives such as the Cal MediConnect program and the State’s 2020 1115 Medi-Cal Waiver.

The White House and the current Congress tried unsuccessfully to enact sweeping Medicaid reforms that would have significantly reduced financial support for California’s Medi-Cal program, and likely led to cuts in existing benefits for beneficiaries and rates to managed care plans. Depending on the outcome of the 2018 midterm elections, Medicaid reform may again be targeted. This possibility will continue to inhibit our ability to take any significant financial or operational risks in the short term until a stable political environment is certain.

Working with a team of truly committed professionals who genuinely care about our members is remarkably rewarding. I love, love working for HPSM and my department.

—JoAnn B. Care Coordination Technician, since 2014
Our six programs serve one in five San Mateo County residents, representing diverse, low-income individuals and families, seniors, people with disabilities, and children with complex medical conditions. These programs include:

**Medi-Cal**
Health insurance program for low-income individuals and families. HPSM’s Medi-Cal program earned Interim Accreditation status in 2017 from the National Committee on Quality Assurance (NCQA).

**CareAdvantage Cal MediConnect**
Health insurance program for individuals with both Medicare and Medi-Cal.

**California Children’s Services (CCS)**
A partnership between HPSM and San Mateo County to deliver coordinated care and services to eligible kids with complex medical conditions.

**Healthy Kids**
Locally funded program for low-income children who do not qualify for Medi-Cal or other health insurance.
Our robust Provider Network includes:

- Federally Qualified Health Centers (FQHCs)
- Primary care physicians and clinics
- Specialty care physicians and clinics
- Skilled nursing and long-term care facilities
- Ancillary providers such as durable medical equipment (DME) suppliers
- Home health agencies
- Laboratories
- Behavioral health practitioners
- Regional hospital and medical centers

**HealthWorx**

Health insurance program for City of San Mateo part-time employees and In-Home Services and Support (IHSS) workers employed by the San Mateo County Public Authority.

**San Mateo County ACE**

Locally funded health coverage program for low-income adults who do not qualify for other health insurance. HPSM serves as the third-party administrator.

“What I love most about being an HPSM provider is partnering with patients and their families, through good times and hard times, and guiding children while they grow up into healthy adults. Medi-Cal allows me to provide high-quality health care to my patients and enables them to have access to all the additional services they might need along the way.” —Dr. Janet Chaikind, Pediatrics
We proudly employ more than 250 employees from diverse backgrounds who are committed to building a community where Healthy is for Everyone.

Acknowledgements

We greatly appreciate the input we gathered from HPSM Commissioners, community members, employees, providers, and community partners to inform our thinking for this strategic framework.