Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR’s Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

### A. GENERAL INFORMATION

<table>
<thead>
<tr>
<th>1. Date</th>
<th>2. Department</th>
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<tbody>
<tr>
<td>2022-01-10</td>
<td>CalPERS</td>
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3. Organizational Placement (Division/Branch/Office Name)

| Health Policy and Benefits Branch/Clinical Policy and Programs Section |

<table>
<thead>
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<th>4. CEA Position Title</th>
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<tr>
<td>Chief Clinical Director</td>
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5. Summary of proposed position description and how it relates to the program's mission or purpose.

(2-3 sentences)

CalPERS is the 2nd largest purchaser of health care in the United States, below only the Federal Government. As the Chief Clinical Director (CCD) and Chief Physician, this position will develop, assist in implementation, update, maintain, and advise on all health care policies. In addition to health care policy for our 1.5M members, the position will also provide clinical medical input and opinion to assist with CalPERS' COVID Return to Office Plan, COVID testing, and campus-wide health safety for team members at the workplace. This position will also lead the new health care quality and equity measures, aligning with Covered CA and DHCS to provide guidance for statewide purchasers to maximize value.

6. Reports to: (Class Title/Level)

| Chief Health Director/Executive |

7. Relationship with Department Director (Select one)

- [ ] Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- [x] Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain): Attends Executive Staff meetings once a week to update the CEO and Executive team on current COVID policies, status, and Governor's orders and other highly important healthcare related issues/topics; presents to the CalPERS Board of Administration and Stakeholders; and participates in bi-weekly CEO web chats with the CalPERS team answering all clinical questions. Going beyond COVID, the position will also report on all important health care related updates and activities impacting our 1.5M members.

8. Organizational Level (Select one)

- [ ] 1st
- [ ] 2nd
- [x] 3rd
- [ ] 4th
- [ ] 5th (mega departments only - 17,001+ allocated positions)
9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

CalPERS has the potential to be the most sophisticated group purchaser of healthcare in the United States. It is the second largest group purchaser in America larger than General Motors, second only to the Federal Government. It sits on one of the most comprehensive databases in the country, including the full claims experience of 1.5 million people, and longitudinal data that in some cases stretches across the entire lifetime of its members. CalPERS is also one of three California Government purchasers, along with the Department of Health Care Services (DHCS) and Covered California, that together buy healthcare for over 16 million Californians well over half of the non-Medicare eligible population of California. With strong commitments from the leaders of each of those purchasers, the three are uniquely positioned to transform the delivery of care across the state.

The Chief Clinical Director (CCD) will be the leader responsible for clinical strategy, medical policy, medical management, and other clinical operations to continuously improve the health services provided by health plans contracted by CalPERS and promote improvement in California's delivery system. The CCD directs and leads the implementation of medical programs and policies, while enhancing the relationships with health care providers, health plans including its self-funded PPOs, state and federal regulatory agencies, and other stakeholders. The CCD is ultimately responsible for ensuring the clinical strategy, tactics, and resources are in place to successfully advance the mission of CalPERS.

The path to meaningful delivery system transformation at CalPERS, depends on successfully developing the clinical policy team and requiring improvement is clinical policy and quality. There is an urgent need for clinical and healthcare delivery system policy expertise to be able to engage in a meaningful and productive way in cross-purchaser alignment planning and strategic planning initiatives, including behavioral health access and quality. As CalPERS CCD and Chief Physician, this position will also advise from a clinical perspective for the development of all policies including the COVID essential worker policies, COVID Return to Office Plan, COVID on-site testing, and campus-wide health safety for team members at the workplace.

In addition, leading the Clinical Policy Office, this position will revisit all of CalPERS health care quality and equity metrics ensuring access to all and maximizing value. This will include engagement and leadership in the first ever, on-going, alignment project with DHCS and Covered California to ensure all health plan purchasers have aligned contract measures; develop innovative contracts and integrate our quality improvement efforts; lead equity initiatives for all Californian's; and ensure guidance for statewide purchasers to maximize value.

Some specific responsibilities of the new CEA include:
- Develop, implement and continue to refine a framework for holding plans accountable for quality care and delivery system redesign, including quality incentives and disincentives.
- Engage and align with public purchasers to drive delivery system reform efforts
- Provide clinical support and expertise for new capabilities within HPRA including benefit design optimization, dashboarding, identification and elimination of clinical waste, and auditing
- Build, implement and enforce effective care delivery strategies, including effective primary care, promotion of integrated delivery systems and networks based on value
- Identify, develop, and implement promising approaches for improving access to and quality of evidence-based behavioral health services
- Drive value-based prescribing and formulary development especially addressing high-cost drugs
- Create and implement data analysis plans for high-impact clinical areas, including behavioral health and chronic disease/high-cost members to drive effective quality improvement and paying for value
- Support the aggregation of claims and clinical data across health plans and develop opportunities to enhance data sharing
B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- ✔ Program is directly related to department's primary mission and is critical to achieving the department's goals.
- □ Program is indirectly related to department's primary mission.
- □ Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: The CalPERS Mission states, "Deliver retirement and health care benefits to members and their beneficiaries." In support of our mission, CalPERS also has Pension, Investment and Health Beliefs. The Health Beliefs include sustainability, high quality care, affordability, comprehensive care, competitive plan choice, and quality program administration.

CalPERS provides health benefits to more than 1.5 million public employees, retirees, and their families through health plans from Preferred Provider Organizations, Health Maintenance Organizations, and Exclusive Provider Organizations.

The program and this technical expert physician who will drive complex policy are integral to delivering on the mission for our 1.5 million members. Without this position, CalPERS will be at risk of not achieving the mission.

The Clinical Policy and Programs Section, within the Health Policy and Benefits Branch, directly supports the department's primary mission and is critical to achieving the department's goals. To emphasize the importance of this role, our health peers at other agencies have several leadership and CEA positions reporting to them at this level and are compensated at significantly higher salary, which also makes retention at CalPERS an ongoing challenge. Discrepancies in the levels at which we staff leadership positions has made it hard for the CalPERS Health Branch to both recruit and retain talent.
B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

This position was previously charged with running the Clinical Policy area that reviewed Health Plan options, Health Grievance and Appeal determinations and CalPERS Clinical Health Policy.

When the Chief Health Director came to CalPERS, the vision was to elevate that lead of the Clinical Policy area to the Chief Medical Officer for CalPERS. This position not only sets CalPERS Clinical Health Policy, but drives change to Health Equity, the Health Strategic Plan and is responsible for the safety of approximately 2,800 CalPERS team members.

In addition, due to the COVID 19 Pandemic, the Chief Medical Officer has been asked to participate weekly with the CEO and the Executive Team advising on medical and clinical considerations for early essential employees on property; how to maintain health safety, from a clinical perspective, within the multiple CalPERS facilities; contact tracing; preparing a weekly report to team members on the status of the pandemic, the variant(s), vaccine efficacy and safety; presenting to the CalPERS Board of Administration and Stakeholders on the pandemic status; and medical related components of the Return to Office Program for all team members. Even beyond COVID, this position will continue to advise the CEO and Executive Team on other healthcare related issues and topics.

The decisions and policies made will impact the safety of approximately 2,800 team members, and the Board and Stakeholders make decisions for our 1.5 million members based on this advice. The advice, including vaccination and testing status and locations, has been utilized by CalHR and the Governor's Office.
C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

1. Clinical Policy and Quality:
The CCD will oversee and direct the medical and clinical pharmaceutical policy, medical management, and clinical operations of the CalPERS health plans and self-funded PPOs. The CCD is also responsible for ensuring that the health care strategy, tactics, and resources are in place to successfully advance the mission of CalPERS and help the department improve the evolving health care landscape.

2. Health Equity:
This position will lead the department's Health Equity strategic plan initiative and the portfolio related to health equity. In addition, the CCD will lead programmatic and policy efforts to reduce health disparities and improve health equity. This effort involves multi-stakeholder involvement, including members, advocates, and other health care purchasers and has the interest of the legislature.

3. Statewide Delivery System Transformation through Alignment:
CalPERS is currently engaged in an extensive and multi-pronged cross-purchaser alignment effort to drive delivery system reform in California. This will include engagement and high-level leadership to ensure all health plan purchasers have aligned contract measures; develop innovative contracts and integrate our clinical quality improvement efforts; lead equity initiatives for all Californian's; and ensure guidance for statewide purchasers to maximize value. This will include development and implementation of relevant policies to ensure consistency.

4. Pandemic and Disaster Preparedness:
The Chief Clinical Director is the principle policy maker on the current pandemic and future pandemic related issues. This includes policies on the way we can safely provide services to our members and stakeholders, and ensure our team members' health and safety as well. In addition to internal preparedness and response, this position will serve to coordinate and ensure our health plans implement disaster and pandemic response appropriately and in the best interest of our members. As CalPERS Chief Clinical Director and Chief Physician, this position will provide clinical and medically related advice and develop all clinical and medically related policy components, including for the COVID essential worker policies, the COVID Return to Office Plan, COVID on-site testing, and campus-wide health safety for team members at the workplace.

As stated previously, some specific responsibilities of the new CEA include:
- Develop, implement and continue to refine a framework for holding plans accountable for quality care and delivery system redesign, including quality incentives and disincentives
- Engage and align with public purchasers to drive delivery system reform efforts
- Provide clinical support and expertise for new capabilities within HPRA including benefit design optimization, dashboarding, identification and elimination of clinical waste, and auditing
- Build, implement and enforce effective care delivery strategies, including effective primary care, promotion of integrated delivery systems and networks based on value
- Identify, develop, and implement promising approaches for improving access to and quality of evidence-based behavioral health services
- Drive value-based prescribing and formulary development especially addressing high-cost drugs
- Create and implement data analysis plans for high-impact clinical areas, including behavioral health and chronic disease/high-cost members to drive effective quality improvement and paying for value
- Support the aggregation of claims and clinical data across health plans and develop opportunities to enhance data sharing
13. What is the CEA position's scope and nature of decision-making authority?

The CCD will have high-level decision making authority in the following areas:

1. Delivery system transformation through Purchaser Alignment - Will identify and implement alignment opportunities for performance measures and contract requirements across purchasers.
2. Health Equity - Make recommendations to influence health equity integration and coordinate with health plans and statewide partners to address health impacts from the pandemic. Will also create and determine what strategy to use for engagement and communication.
3. Clinical Policy and Programs: The CCD will oversee and direct the medical and clinical pharmaceutical policy, medical management and clinical operations of the CalPERS health plans and self-funded PPOs. This includes directing policy to drive large strategic plan initiatives such as behavioral health access and quality and clinical quality improvement.
4. Clinical pharmaceutical policy and development: The CCD will have decision-making authority to drive value-based prescribing and formulary development especially addressing high-cost drugs.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The CEA is the leader responsible for clinical strategy, medical policy, medical management of the CalPERS health plans, and other clinical operations to continuously improve health care services on behalf of CalPERS members. This involves direct communication with health plan leadership and high-level collaboration with health care purchasers to drive improvements in clinical policy and programing. The CEA will not only develop and implement new policy; they'll interpret, update, and implement existing policy.

In addition, as CalPERS Chief Clinical Director and Chief Physician, this position will advise on and develop all policies/medically and clinically related policy components and will interpret policy related to important healthcare issues/topics such as the COVID essential worker policies, COVID Return to Office Plan, COVID on-site testing, and any campus-wide health safety for team members at the workplace.