



Correspondence
Bd. 5/10/22, Item 37

Dear Supervisor Bartlett:

On behalf of the three Optum Care Networks (Arta, Monarch, and Talbert), I am writing in support of the ordinance change to permit CalOptima, as a County Organized Health System, to offer a Covered California health plan in conjunction and partnership with its contracted health networks.

CalOptima, with the support of its contracted health networks, has demonstrated a longstanding commitment to being a high-quality Medi-Cal plan for our community's vulnerable residents since 1995. Currently, more than 880,000 people, or 1 in 4 Orange County residents, is a CalOptima member. Optum Care Networks, serving close to 200,000 of the CalOptima Medi-Cal membership, are proud to be a part of CalOptima's broad, well-established provider network, with more than 10,400 physicians and 41 acute and rehabilitation hospitals.

The Optum Care Networks are dedicated to improving health care access in Orange County, and a CalOptima Covered California health plan (also known as an exchange or marketplace plan) will expand the options to ensure more patients have access to affordable, comprehensive health care. Marketplace plans were originally developed as part of the Patient Protection and Affordable Care Act. Such plans were created to allow public health plans to compete with for-profit/private health plans as a local option, helping to catalyze a more competitively priced market for shoppers, potentially bringing about more affordable plans across the board. A CalOptima plan, in partnership with its contracted health networks, will give Orange County residents more choice.

Further, Optum Care Networks appreciate that a CalOptima Covered California plan would extend local expertise and amplify community resources. With deep roots in Orange County, CalOptima has been mission-driven since inception and continues to be focused on serving Orange County residents. CalOptima and its contracted health networks have cultivated relationships and built provider and resource networks for nearly three decades. Optum Care Networks and CalOptima believe Orange County is unique — its composition, provider dynamics, regional disparities and more. Residents may prefer a local health plan that knows them and their neighborhood. Expansion into a marketplace plan is a natural next step and the timing is right, considering changes in the post-pandemic health care landscape.

The Public Health Emergency (PHE) is anticipated to end this summer. Optum Care Networks share CalOptima's priority of maintaining continuity of care for members in creating a marketplace plan. The end of the PHE will likely result in large numbers of members losing CalOptima coverage. Former CalOptima members would benefit from being able to purchase a CalOptima plan that lets them stay with their same doctor.

In closing, Optum Care Networks offer our support to CalOptima for its proposed entrance into Covered California through the partnership with its contracted health networks, which stands to benefit both members and providers.

We appreciate your consideration.

Ray Chicoine
President, Optum Orange County