



## Training Proposal for:

**Health Net, Inc.**

**Agreement Number: ET17-0195**

**Panel Meeting of:** August 26, 2016

**ETP Regional Office:** Sacramento

**Analyst:** D. Jordan

### PROJECT PROFILE

Contract Attributes:	Retrainee	Industry Sector(s):	Insurance Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Sacramento, Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 6,391	U.S.: 8,474	Worldwide: 8,474
Turnover Rate:	12%		
Managers/Supervisors: (% of total trainees)	3%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$738,000		\$0	\$0		\$738,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,000,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Commercial Skills	410	8 - 200	0	\$1,800	\$16.48
				Weighted Avg: 120			

**Minimum Wage by County:** Job Number 1: \$16.10 for Sacramento County; Job Number 1: \$16.48 for Los Angeles County.

**Health Benefits:**  Yes  No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:**  Yes  No  Maybe  
Up to \$1.48 per hour may be used to meet the Post-Retention Wage for trainees in Job Number 1.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Support Staff		12
Analyst		45
Claims Specialist		152
Customer Service Representative		188
Supervisor		13

**INTRODUCTION**

Established in 1979 and headquartered in Woodland Hills, Health Net, Inc. (Health Net) (www.healthnet.com) provides and administers health benefits to approximately 7.6 million individuals across the country. Service delivery is through group, individual, Medicare, Medicaid, Department of Defense (including TRICARE), and Veterans Affairs programs. Health Net operates in 26 states and the District of Columbia. The Company has California offices in Bakersfield, El Centro, Fresno, Huntington Beach, Los Angeles, Modesto, Mountain View, Oakland, Rancho Cordova, Sacramento, San Bernardino, San Diego, San Jose, San Marcos, San Rafael, and Woodland Hills. Only the two Rancho Cordova facilities and one Woodland Hills facility will participate in this proposal.

Health Net’s Rancho Cordova and Woodland Hills facilities are eligible for funding as a company facing out-of-state competition as a call center supporting multi-state incoming call volume.

This will be Health Net’s second ETP Agreement in the last two years. In the previous Agreement Health Net focused on introducing and implementing the new changes that have

been made by the Affordable Care Act, and hiring new staff. In this contract Health Net will concentrate on training staff on the changes that are continuously evolving, ensuring that incumbent workers are learning new skills and being cross trained on new job functions.

## **PROJECT DETAILS**

### **Need for Training**

With the new changes of the Affordable Care Act (ACA) Health Net requires a large number of highly trained employees. Staff must adjust to the continually changing healthcare market and system. Training will focus on the basic understanding of Health Net program options, benefits and authorization rules. Health Net has developed new health plans to help meet the ACA's standards.

### **Training Plan**

**Commercial Skills (100%):** Training will be provided to all trainees so they can effectively communicate policies, procedures and applicable benefits to members and healthcare providers, research and insure proper disposition of claims, work in departmental teams, demonstrate effective communications skills, handle difficult and sensitive issues, interact with staff in other departments to clarify and resolve problems presented by customers, and demonstrate a comprehensive knowledge of Health Net programs. They will learn to identify and analyze eligibility and benefit issues, facilitate the filing of appeals and grievances, and maintain complete records and files.

### **Commitment to Training**

Health Net represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company's current training budget for California facilities is approximately \$5 million. ETP-funded training will allow Health Net to complete more training at a faster pace. All training is mandatory at Health Net and they regularly provide new employee orientation, computer operations training, and on-the-job training.

#### ➤ Training Infrastructure

There is a number of staff dedicated to scheduling training, enrolling trainees, and tracking training hours. Health Net has contracted with Steve Duscha Advisories for administrative services. Health Net believes four of their part time employees will work on internal administration of the training activities.

### **Impact/Outcome**

Health Net's objective is to reinforce incumbent workers' basic understanding of Health Net's programs, benefits and referral/authorization rules. After receiving training, staff will have a basic understanding of company processes and be able to follow company customer service protocols.

### **LMS**

Staff has reviewed and approved Health Net's Learning Management System for recordkeeping.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following table summarizes performance by Health Net, Inc. under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0331	Woodland Hills	05/05/14 – 05/04/16	845,800	\$776,315 (91%)

**DEVELOPMENT SERVICES**

Health Net retained Steve Duscha Advisories in Sacramento to assist with development of this proposal for a flat fee of \$17,000.

**ADMINISTRATIVE SERVICES**

Steve Duscha Advisories will also perform administrative services in connection with this proposal for a fee of not to exceed 13% of payment earned.

**TRAINING VENDORS**

N/A

## Exhibit B: Menu Curriculum

### Class/Lab Hours

8-200 Trainees may receive any of the following:

#### COMMERCIAL SKILLS

- ✚ ACA exchange products
- ✚ Adjustments cross training
- ✚ Administrative payment process to resolve a claim issue
- ✚ Appeals and grievances
- ✚ Applying communication techniques to meet customer's business and human needs
- ✚ Applying critical thinking skills: probing, analyzing and problem-solving techniques
- ✚ Arizona commercial benefits and eligibility
- ✚ Arizona commercial cross training
- ✚ Arizona Medicaid cross training
- ✚ Arizona Medicaid enrollment and claims processing
- ✚ Arizona Medicaid systems training
- ✚ Behavioral health claims
- ✚ Behavioral health plans
- ✚ Behavioral health provider networks
- ✚ California claims systems
- ✚ California Medicaid enrollment and claims processing
- ✚ Capitation systems: claims
- ✚ Capitation systems: Commercial
- ✚ Capitation systems: Medicaid
- ✚ Claim form types and use
- ✚ Claim system tools
- ✚ Claims adjustments, real time
- ✚ Claims research
- ✚ Claims review, processing and approval
- ✚ Commercial claims
- ✚ Commercial cross training
- ✚ Commercial payments
- ✚ Commercial procedures by state
- ✚ Commercial provider networks
- ✚ Computer applications and systems
- ✚ Cross training in a team environment
- ✚ Customer care center ACA payment training
- ✚ Database management
- ✚ Database reporting
- ✚ Dual eligible enrollment
- ✚ Dual eligible claims processing
- ✚ Dual eligible plans
- ✚ Enrollment system, exchange
- ✚ Enrollment system, group plans
- ✚ Enrollment system, Medicaid plans
- ✚ Enrollment system, Medicare plans
- ✚ Exclusive provider organization cross training
- ✚ Great customer service

- ✚ HMO claims
- ✚ HMO provider systems
- ✚ HMO training
- ✚ Home health care claims processing
- ✚ Large business groups
- ✚ Leading teams
- ✚ Medicaid adjustments
- ✚ Medicaid applications and systems
- ✚ Medicaid claims
- ✚ Medicaid long-term care
- ✚ Medicaid membership
- ✚ Medicaid provider networks
- ✚ Medicaid provider systems
- ✚ Medical management
- ✚ Medicare Advantage enrollment and claims
- ✚ Medicare Advantage provider networks
- ✚ Medicare claims
- ✚ Medicare provider networks
- ✚ Membership cross training
- ✚ Membership from ACA exchanges
- ✚ Membership systems
- ✚ Oregon point of service plans
- ✚ Oregon systems training
- ✚ Physician provider group cross training
- ✚ Point of Service plans cross training
- ✚ Preferred provider organization cross training
- ✚ Preferred provider organizations enrollment and claims
- ✚ Preferred provider organizations provider network management
- ✚ Provider dispute resolution tools
- ✚ Provider grievances
- ✚ Provider systems
- ✚ Recovery process
- ✚ Small business groups
- ✚ State health plan benefits and eligibility
- ✚ State health plan cross training

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.