

**PUBLIC RISK, INNOVATION, SOLUTIONS, AND MANAGEMENT
(PRISM)**

PRISMHEALTH COMMITTEE

MEETING SUMMARY

Web Conference/Telephonic Meeting

Wednesday, September 24, 2025

9:30 a.m.

Sixth Meeting – 2025

Members Present

Naomi Whatley, GSRMA – Alternate
Brenda Olivas, Imperial County –
Alternate

Mai Yang, Merced County
Brendan Shannon, SDMTS
Alana Little, SDRMA
Raquel Arciniega, South Coast AQMD
Coral Ferrin, Tehama County
Andrew Guzman, City of Visalia

Members Absent

Ashleigh Szkubiel, San Luis Obispo County

PRISMHealth Cash Flow Estimate

Alliant presented a cash flow estimate that projected the revenue and expense for the program as it finalizes the transition away from the risk-sharing arrangement with Self Insured Schools of California (SISC), effective October 1, 2025. The estimate also included the targeted Incurred But Not Reported reserve, estimated to be at 56% by the end of October 2025 and fully funded by January 2026.

Express Scripts (ESI) Pharmacy Audit Results

The results of the external audit of ESI's pharmacy contract performance were presented to the Committee. The audit did identify several large findings related to ESI's calculation of program medication rebates; however, ESI rebutted the auditor findings, citing contract language adherence. The Committee approved acceptance of the ESI audit results response and requested the return of \$36,937.28 in financial errors, to be distributed to the program reserves.

Anthem Qualified Payment Amount (QPA) Savings Program

Alliant explained that the Federal No Surprises Act (NSA) requires health plans to pay the QPA, which establishes patient cost-sharing and protects against balance billing. Alliant went on to say that Anthem applies its Maximum Allowable Amount (MAA), and that the PRISMHealth Program would save approximately \$1.5M annually by using the QPA methodology, as QPA rates are typically lower than MAA rates.

The Committee approved the PRISMHealth Program's transition from using Anthem's Maximum Allowable Amount methodology to the Qualified Payment Amount methodology for claims that fall under the No Surprise Act, effective November 1, 2025. The approval also included the application of Anthem's 15% fee of savings achieved through the new payment methodology. The projected saving for MMA implementation is \$1.5M annually.

Gene Therapy Coverage Discussion

Alliant provided an education on gene therapy, a type of medical treatment that works by changing or replacing a person's genes to treat/prevent disease. The overview included gene therapy use, growing treatment pipeline, and cost implications. The item was informational, and the Committee was asked to consider whether coverage or exclusion is feasible in the future.

PRISMHealth MOU Update and Premium Payment Reminder

Staff explained that the MOU is still being finalized, and that it will be distributed to all program members for a 30-day review and comment period. Staff said they would be sending a formal reminder to all program members regarding premium payment requirements, being clear that these requirements will be enforced to ensure the Program has the necessary cash flow to operate.

Other Matters

- 2026 legislative and regulatory updates impacting the HMO and PPO coverages were presented.
- Staff announced that the 2026 PRISM Employee Benefits Symposium has been scheduled: April 23rd at the Marriott Long Beach, and April 30th at the Marriott Long San Ramon.
- Staff welcomed Marissa Case, PRISM Finance department, as the PRISMHealth and Employee Benefits Programs' dedicated finance employee.

Future Meetings

The next regularly scheduled meeting will be on **Thursday, October 30, 2025, at 9:30 a.m.**, to be held **via web conference**.