

**Ventura County Medi-Cal Managed Care Commission
(VCOMMCC) dba Gold Coast Health Plan (GCHP)
Commission Meeting Minutes
September 23, 2013**

CALL TO ORDER

Chair Gonzalez called the meeting to order at 3:04 p.m. in Suite 200 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

ROLL CALL

COMMISSION MEMBERS IN ATTENDANCE

David Araujo, MD, Ventura County Medical Center Family Medicine Residency Program
May Lee Berry, Medi-Cal Beneficiary Advocate
Lanyard Dial, MD, Ventura County Medical Association
Eileen Fisler, Ventura County Health Care Agency
Peter Foy, Ventura County Board of Supervisors
David Glyer, Private Hospitals / Healthcare System
Robert Gonzalez, MD, Ventura County Health Care Agency
Robert S. Juarez, Clinicas del Camino Real, Inc.

EXCUSED / ABSENT COMMISSION MEMBERS

Laurie Eberst, Private Hospitals / Healthcare System
Vacant, Clinicas del Camino Real, Inc.
Vacant, Ventura County Medical Center Executive Committee

STAFF IN ATTENDANCE

Michael Engelhard, CEO
Nancy Kierstyn Schreiner, Legal Counsel (arrived at 3:04 p.m.)
Michelle Raleigh, CFO
Ruth Watson, COO
Traci R. McGinley, Clerk of the Board
Charlie Cho, MD, Chief Medical Officer
Melissa Scrymgeour, IT Director
Sherri Bennett, Director of Network Operations
Brandy Armenta, Compliance Officer
Guillermo Gonzalez, Government Relations Director
Steven Lalich, Communications Manager
Jenny Palm, Health Services Director
Lyndon Turner, Finance Manager

The Pledge of Allegiance was recited.

Language Interpreting and Translating services provided by GCHP from Lourdes González Campbell and Associates.

Introductions

Stuart Busby, Chief-Capitated Rates Development Division of California Department Health Care Services (DHCS).

PUBLIC COMMENT

None.

1. APPROVE MINUTES

a. Regular Meeting of August 26, 2013

Commissioner Foy moved to approve the Regular Meeting Minutes of August 26, 2013. Commissioner Berry seconded. The motion carried with Commissioner Juarez abstaining. **Approved 7-0.**

2. APPROVAL ITEMS

a. Adopt 2014 Commission Meeting Calendar

Commissioner Foy moved to adopt the 2014 Commission Meeting Calendar. Commissioner Juarez seconded. The motion carried. **Approved 8-0.**

b. Consumer Advisory Committee (CAC) Membership

COO Watson provided an overview of the written report and stated that the proposed outreach and timeline was approved by the CAC and it created an ad hoc committee to review applications. The selection of a candidate will then be presented for approval by the CAC at its December Committee Meeting. That information will then be presented at the January Commission Meeting.

Commissioner Berry moved to approve the outreach and timeline plan to recruit a Medi-Cal beneficiary to the CAC and increase the board to an eleven member committee with a Medi-Cal beneficiary seat once the Commission appoints said Medi-Cal beneficiary. Commissioner Glycer seconded. The motion carried. **Approved 8-0.**

c. AB 97 Implementation

Network Operations Director Bennett reviewed the written report explaining GCHP's analysis of the financial impact to the Plan if the provider rate reductions from AB 97 are implemented. She added that as a follow-up to the written report, it was determined that ICF-DD providers are not impacted by this cut.

Discussion was held regarding emergency transportation, the requirements for the Plan to provide the service, the criteria for Members to utilize it and the cost to the Plan.

Commissioner Foy moved to approve the proposed AB 97 implementation with the condition that the emergency transportation services are monitored. Commissioner Araujo seconded. The motion carried. **Approved 8-0.**

d. ACA / Medi-Cal Mental Health Benefit Vendor Selection

CMO Dr. Cho discussed the requirements that have been placed on Medi-Cal managed care plans to provide mental health services. He reviewed the written report requesting authorization to enter into a contract with a vendor selected through an emergency procurement process. GCHP anticipates that the change in the capitation rate will be equivalent to the administrative and benefits costs; however, DHCS has not finalized the benefit parameters and rates. Information was solicited from three vendors that provide mental health benefits management with Medi-Cal experience (Beacon Health Solutions, Optum and The Holman Group).

Discussion was held regarding the importance of providers having the same cultural background as the Member receiving the benefits.

Public Comment #1

Dr. Enrique De La Garza, Chief Executive Officer of Americas Health Plan (AHP), requested GCHP allow AHP to provide information to be considered with the other vendors. Dr. De La Garza stated that AHP has an extensive network, through Clinicas del Camino Real which has over 40 years of experience. He added that translation services would not be an issue as they have a large number of staff that interpret, not just translate. He requested the vendor selection process be revisited and local options be considered.

Commissioner Juarez expressed concern that the procurement policy was not being followed. COO Watson explained that this was a request to proceed through emergency procurement due to the January 1, 2014 implementation date imposed by the State. CEO Engelhard added that GCHP found these three vendors after discussing options with other managed care plans.

The Commission expressed concern that the State has not provided the benefit levels and rates. CEO Engelhard explained that GCHP does not expect to receive that information until mid-November.

Commissioner Dial stressed the importance of utilizing a company that has a proven record of providing these services. Discussion was held as to the need of proceeding immediately, given the State's deadline. CEO Engelhard explained that the process is expected to take between 90-120 days.

Commissioner Foy moved to provide the CEO with the authority to contract for managed behavioral health services but that any local company that wishes to be considered be given the opportunity for the contract. Commissioner Glycer seconded. The motion carried. **Approved 7-1**, with Commissioner Juarez voting no.

3. ACCEPT AND FILE ITEMS

a. Revised Corrective Action Plan (CAP)

CEO Engelhard reviewed the written report with the Commission and explained that the revised CAP includes a new Medical CAP as a result of the Medical Audit Review of the November 1, 2011 - October 31, 2012 period. GCHP has until October 18, 2013, 30-days from receipt of the new CAP, in which to provide a plan of action and timeframe for remedy.

Public Comment #1

Arnoldo Torres, Senior Vice-President of Government Relations of AHP indicated that AHP met with California State Assembly Member Jeff Gorell's Chief of Staff. He went on to state that there is a difference of opinion regarding the letter contained in the packet from DHCS about GCHP's ability to move forward with the Plan-to-Plan agreement. He stated that AHP believes the Plan-to-Plan agreement would greatly assist GCHP in fulfilling the requirements of the CAP. Mr. Torres added that there are many community members that believe DHCS is not taking the correct opinion.

Commissioner Berry began discussing issues contained in the September 18, 2013 letter from DHCS and initiated discussion concerning Americas Health Plan (AHP) Plan-to-Plan contract with GCHP.

After discussion between Legal Counsel Schreiner and Commissioner Juarez regarding the possible impacts to AHP and Clinicas del Camino Real, Inc. as the wholly owned shareholder of AHP, and Commissioner Juarez as CEO of Clinicas, Commissioner Juarez recused himself and left the room.

Commissioner Berry continued, stressing the importance of GCHP reaching compliance. Commissioner Foy added that the State has made it very clear that it wants GCHP to focus and devote all its time and effort on the issues in the CAP.

Chair Gonzalez stated that he understands the State's direction, although this is the Commission of GCHP, the State regulates the Plan so it needs to follow the State's direction. He added that this CAP will require much of staff's attention.

Public Comment #2

Christine Velasco, Clinicas CFO, asked for an explanation of the Conflict of Interest for Commissioner Juarez versus other Commissioners. Legal Counsel Schreiner explained the Fair Political Practice Commission (FPPC) process for analysis of conflicts of interest.

Commissioner Foy moved to accept and file the Revised Corrective Action Plan. Commissioner Fisler seconded. The motion carried. **Approved 7-0**, with Commissioner Juarez recused.

Commissioner Juarez returned to the room.

RECESS

A brief recess was called at 4:32 p.m., the meeting reconvened at 4:37 p.m.

b. CEO Update

CEO Engelhard reviewed the written report with the Commission.

Commissioner Foy moved to accept and file the CEO Update. Commissioner Eberst seconded. The motion carried. **Approved 8-0.**

c. July Financials (Unaudited)

(Inventory Trend, Page 3c-7a was provided to the Commission.) The Executive Finance Committee did not review the financials because the September Committee Meeting was canceled so CFO Raleigh reviewed the material in-depth. She noted that GCHP's net income is ahead of budget which also helps obtain Tangible Net Equity (TNE) faster. CFO Raleigh closed adding that GCHP is currently in the middle of the FY 2012-13 financial audit.

Commissioner Foy moved to accept and file the Unaudited July Financials. Commissioner Glycer seconded. The motion carried. **Approved 8-0.**

d. CMO Update & QI Quarterly Report

CMO Dr. Cho reviewed the written report and noted that the official HEDIS publication has not yet been released; however GCHP was advised by HSAG (the State's audit contractor for HEDIS reporting) that it met or exceeded the minimum performance level on 15 of the 25 Measures; however, on 10 measures it did not meet the minimum level. For being a first year plan, HSAG was very complimentary. Many of the areas that GCHP received lower performance levels were typically due to lack of documentation from physicians. For instance, the information does not show up for HEDIS if a Member obtains Cervical Cancer Screening through a family planning clinic.

Commissioner Dial asked if GCHP paid for the lab work regardless of where the Member received the screening, which might be a way to get better numbers. Dr. Cho responded that this matter would be researched.

Commissioner Juarez asked if GCHP could review data and determine which providers were and were not documenting well. Dr. Cho confirmed that the Plan was currently reviewing the data. GCHP needs to educate the providers on how the information needs to be recorded; therefore the item will be covered in the Provider Newsletter. Dr. Cho provided another example of when services are capitated and how that sometimes leads to more limited data; Vision Service Plan (VSP) has been unable to provide information as to whether Members being seen have diabetes; therefore GCHP does not know if there is an access problem or if it is a lack of documentation.

Discussion was held regarding the "Top 10 Drugs" reports. Dr. Cho noted that 10% of the total drug expenses are specialty drugs, which are standard for immune system conditions and cancer.

With regard to the Monthly Calls by Queue report, concern was raised regarding the average wait time and the fact that there was a longer waiting period for Spanish Speaking Members. Dr. Cho noted that this has come up in the past. COO Watson added that a majority of representatives at the call center are bilingual; however those representatives are on other calls as well.

Commissioner Dial moved to accept and file the CMO Update and QI Quarterly Report. Commissioner Araujo seconded. The motion carried. **Approved 8-0.**

4. INFORMATIONAL ITEMS

It was noted that minutes from the Consumer Advisory Committee (CAC) and the Provider Advisory Committee (PAC) were provided for the meetings noted below:

- a. **Consumer Advisory Committee Meeting Minutes of March 13, 2013 and June 12, 2013**
- b. **Provider Advisory Committee Meeting Minutes of February 12, 2013 and March 21, 2013**

COMMENTS FROM COMMISSIONERS

Commissioner Berry reported that COO Watson did an excellent job presenting the items to the CAC at the last meeting, goals were presented and overall it was a very productive meeting.

CLOSED SESSION

Legal Counsel Kierstyn Schreiner explained the purpose of the Closed Session items.

ADJOURN TO CLOSED SESSION

The Commission adjourned to Closed Session at 5:31 p.m. regarding the following items:

1. **Conference with Real Property Negotiators Pursuant to Government Code Section 54956.8**

Agency designated representatives: Nancy Kierstyn Schreiner, legal counsel, Michael Engelhard, CEO, Stacy Diaz, HR Manager
Michael Slater, real estate agent of CBR

- a. **Property Owners and Subject Real Property:** Brentwood Riverpark, LLC, 2901 N. Ventura, Oxnard, CA 93036
Under Negotiation: Price and Term of Payment
 - b. **Property Owners and Subject Real Property:** 711 Building LLC, 711 Daily Drive, Camarillo, CA 93010
Under Negotiation: Price and Term of Payment
 - c. **Property Owners and Subject Real Property:** LBA Realty Fund II LLC, 5300 Adolfo Road, Camarillo, CA 93012
Under Negotiation: Price and Term of Payment
2. **Closed Session Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9** Lucas v. Regional Government Services et al, VCSC Case No. 56-2013-00432444-CU-CE-VTA

RETURN TO OPEN SESSION

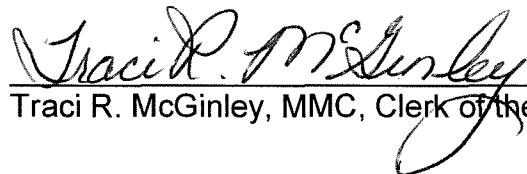
The Regular Meeting reconvened at 6:03 p.m.

Legal Counsel Kierstyn Schreiner announced that there was no reportable action.

ADJOURNMENT

Meeting adjourned at 6:05 p.m.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board