

**Ventura County Medi-Cal Managed Care Commission (VCMCC)  
dba Gold Coast Health Plan (GCHP)**

**Executive/Finance Committee Meeting**

**Regular Meeting**

**Tuesday, August 13, 2019 – 3:00 p.m.**

**Community Room at Gold Coast Health Plan**

**711 E. Daily Drive, Suite 106, Camarillo, CA 93010**

**AGENDA**

**CALL TO ORDER**

**ROLL CALL**

**PUBLIC COMMENT**

The public has the opportunity to address Ventura County Medi-Cal Managed Care Executive Finance Committee on the agenda. Persons wishing to address the Committee should complete and submit a Speaker Card.

Persons wishing to address the Executive Finance Committee are limited to three (3) minutes unless the Chair of the Committee extends time for good cause shown. Comments regarding items not on the agenda must be within the subject matter jurisdiction of the Committee.

**CONSENT**

**1. Approval of Executive Finance Committee Regular Meeting Minutes of  
June 6, 2019.**

**RECOMMENDATION:** Approve the minutes.

**2. Approval of Executive Finance Committee Special Meeting Minutes of  
July 9, 2019.**

**RECOMMENDATION:** Approve the minutes.

### **FORMAL ACTION ITEMS**

#### **3. June 2019 Financials**

Staff: Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Accept the June 2019 Financials and forward to the Ventura County Medi-Cal Managed Care Commission for approval.

### **DISCUSSION**

- 4. FY19-20 Strategies to Contain Administrative and Medical Expense Costs**
- 5. Overview of Medi-Cal Transportation Benefit**
- 6. FY19-20 Annual Strategic Planning Retreat**

### **COMMENTS FROM COMMITTEE MEMBERS**

### **ADJOURNMENT**

---

Administrative Reports relating to this agenda are available at 711 East Daily Drive, Suite #106, Camarillo, California, during normal business hours and on <http://goldcoasthealthplan.org>. Materials related to an agenda item submitted to the Committee after distribution of the agenda packet are available for public review during normal business hours at the office of the Clerk of the Board.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact (805) 437-5512. Notification for accommodation must be made by the Tuesday prior to the meeting by 3 p.m. will enable the Clerk of the Board to make reasonable arrangements for accessibility to this meeting.

**AGENDA ITEM NO. 1**

**TO:** Executive Finance Committee  
**FROM:** Maddie Gutierrez, Clerk to the Commission  
**DATE:** August 13, 2019  
**SUBJECT:** Meeting Minutes of June 6, 2019 Regular Executive Finance Committee Meeting

**RECOMMENDATION:**

Approve the minutes.

**ATTACHMENTS:**

Copy of the June 6, 2019 Regular Executive Finance Meeting minutes.

**Ventura County Medi-Cal Managed Care Commission (VCMCC)  
Executive/Finance Committee**

**June 6, 2019**

**CALL TO ORDER**

Committee member Antonio Alatorre called the meeting to order at 3:03p.m.  
In the Community Room located at Gold Coast Health Plan, 711 East Daily Drive,  
Camarillo, California.

**ROLL CALL**

Present: Committee members Antonio Alatorre, Fred Ashworth, and Dee Pupa.  
Committee member Laura Espinosa was not present at time of roll call,  
arrived at 3:11 p.m.

Absent: Committee member Jennifer Swenson.

**PUBLIC COMMENT**

None.

**PRESENTATION**

**1. Fiscal Year 2018-2019 Audit Plan**

**RECOMMENDATION:** Receive and file the presentation.

Moss Adams representatives, Stelian Damu and Kimberly Sokoloff reviewed a PowerPoint presentation which was provided to the Committee. The audit plan was discussed. Mr. Damu stated if there are certain areas of focus, the Committee should give their input and make requests in order to satisfy needs. Responsibilities were reviewed. The results of the audit will be presented in October. Moss Adams will present results and financial statements. There will be no opinion of internal controls, but they will evaluate internal controls. All significant matters will be presented to the Commission and staff immediately.

**Commissioner Laura Espinosa arrived at 3:11 p.m.**

Ms. Kimberly Sokoloff reviewed the audit control process. The timeline for the audit was presented and draft results will be presented to the Commission in October. Commissioner Alatorre asked how the \$12 million overpayment to a provider will appear in the audit. Mr. Damu stated they are evaluating and will work with management. CFO Bishop stated it would not be a receivable unless it is 100%

recoverable. Commissioner Alatorre asked about the pending OIG investigation, and how will the liability appear. There is feedback from legal counsel on such matters. There is specific guidance on accounting standards that needs to be followed. General Counsel, Scott Campbell stated it was in last year's footnotes. Commissioner Ashworth inquired about the number of years Moss Adams had performed the Plan's audit. Mr. Damu responded that it was the third year. Mr. Damu stated all audit information will be presented in October to the Commission.

## **2. April 2019 Financials**

**RECOMMENDATION:** Accept the April 2019 Financials and forward to the Ventura County Medi-Cal Managed Care Commission for approval.

CFO Bishop stated there was a significant increase in expenses for April. In drilling down to the cause of the increase, it is due to a spike in high dollar cases. Michele Casey, Senior DSS Analyst, reviewed a PowerPoint presentation on the expense increase analysis. Ms. Casey explained the MARA risk profile findings with a 2017 and 2018 comparison, and clarified that there was currently not enough data for 2019 to definitively state whether our population was getting sicker. Data will be re-evaluated in a couple of months. She noted there was a small increase in risk score for Aged, Disabled and Long Term Care categories but that the overall risk scores for the population did not increase substantially in 2018. A prospective high risk model will help in the prediction for future. The root cause for the April increase is the High Cost Utilization which increased almost 20% between the last quarter of 2018 and the first quarter of 2019. It was noted there was an admission spike in both St. John's Regional Medical Center and the Ventura County Medical Center. Many admissions were for sepsis. Chief Operating Officer, Ruth Watson stated there has been a change in population. There is an increase in homelessness and drug use which also correlates with the sepsis diagnosis. COO Watson noted other plans are going through the same issue. CEO Villani stated there is a decrease in the healthy member population, but more analysis needs to be done to determine if the data supports that theory. Commissioner Ashworth asked if a portion of the increase was due to the fires; there was an increase in respiratory diagnoses. COO Watson stated that in January there were many high dollar claims. She also stated the County is going to the river bottom to offer care for the homeless which might drive increased utilization where they were receiving no treatment prior.

CEO Villani stated we cannot tell who is falling off the system, as they are listed as "family". COO Watson stated there is an underlying fear in the community due to undocumented status. Commissioner Alatorre asked if GCHP could educate the public to stay on Medi-Cal. Would there be an option to do outreach in Spanish in the community. CEO Villani stated there are limitations on what the Plan can do but there is a focus on community relations and staff has been added for community outreach. CEO Villani stated most Medi-Cal plans have taken a loss

this year, the difference is that other plans have more reserves. GCHP is still fairly new compared to other plans. We need to get to a balanced budget.

Commissioner Ashworth asked if there was also a drop in birth rates. CFO Bishop stated the rate went up in April.

CFO Bishop stated there was a budgeted \$12 million loss, and the fiscal year to date loss is currently \$35.8 million. TNE dropped more than expected and is at 292% of the required amount by the State. The Plan did receive some unexpected revenue of approximately \$3 million which helped offset some of the loss. Claims dropped in May and CFO Bishop is monitoring June.

CEO Villani stated there is also a dermatology issue, adding that the formulary is being reviewed and OptumRx is also looking at pharmacies and providers. CEO Villani stated that there is a dermatologist who has figured out how to get everything approved and that OptumRx has more insight on this issue and changes are being made. Commissioner Alatorre stated some independent pharmacies get more money for brand medications than generic. Commissioner Pupa stated this is a trend and that we need to look at contracts and rates. Commissioner Alatorre stated that more procedures are being done in-house and this is also becoming a trend.

Commissioner Pupa asked whether the MCO Tax is based on membership. CFO Bishop confirmed it is a flat amount paid on a quarterly basis and does not impact the Plan. Commissioner Pupa stated that Adult Expansion is another issue. CFO Bishop stated there is an 11% increase in Adult Expansion rates for FY 19-20. Commissioner Pupa asked about the decrease in cash for April. CFO Bishop stated the decrease was due to receipt of the Hospital Quality Assurance Fee in March, which was then distributed in April.

Commissioner Alatorre mentioned the cost analysis was very good but some of the comments on dermatology and pharmaceuticals seem to stay the same monthly, almost like a cut and paste, and suggested that more information is needed. CFO Bishop responded that the explanations do not change if there is consistency in the cause for the variance. Medical expense trends are reviewed in detail on a monthly basis, and the overall per member per month costs have been consistent, with the exception of those areas noted.

Commissioner Ashworth motioned to accept the April 2019 Financials and forward to the Ventura County Medi-Cal Managed Care Commission for approval. Commissioner Espinosa seconded. The vote was as follows:

AYES:           Committee members Antonio Alatorre, Fred Ashworth, Laura Espinosa, and Dee Pupa.

NOES: None.

ABSENT: Committee member Jennifer Swenson.

Committee Chair Antonio Alatorre declared the motion carried.

### **3. Gold Coast Health Plan Budget – Fiscal Year 2019-2020**

RECOMMENDATION: Accept the Gold Coast Health Plan Budget for Fiscal Year 2019-2020, and forward to the Ventura County Medi-Cal Managed Care Commission for approval.

Chief Financial Officer, Kashina Bishop stated the budget was a challenging process. The main goal was to be as accurate as possible. She noted there was not much cushion being added. CFO Bishop apologized for the delay in providing the budget report, adding that she worked on the budget until the last minute to provide as much detail and accuracy as possible.

The main driver of the budget is membership. Membership is projected to decrease by 2%. Base capitation rates were reviewed, noting a 12% increase. Commissioner Ashworth noted data labels on the charts would be helpful. CFO Bishop reviewed the medical expenses and underlying assumptions. She explained that the medical expenses were based on CY 2018 data, trending forward based on contract changes, changes to fee schedules, and assumed increases to drug unit costs. CFO Bishop highlighted that there is an assumed \$5 million savings in the medical budget which will be achieved through contract changes, enhanced audit and recovery services, and preferred networks. Staff will have to monitor progress in achieving these savings.

Commissioner Ashworth noted the budget has an MLR, he asked how much risk to exposure. CEO Villani stated there is a lot of variability. Commissioner Pupa stated pharmacy concerned her with only a 3% increase. CFO Bishop stated there is a savings from dermatology. CFO Bishop acknowledged her concerns, noting that more would have been assumed, but it was offset with recent savings in dermatologicals.

CEO Villani noted the approach to the budget was conservative. CFO Bishop clarified that she would not consider it conservative because there is not a lot of cushion, but reasonable based on recent trends.

General administrative expenses were reviewed. CFO Bishop reviewed the salary expense and corresponding changes to the budgeted positions. She noted that a 3% merit pool was included along with a 6% vacancy factor. There was a discussion on the potential for staff reduction, and CFO Bishop stated staff is very taxed right now. New positions were limited and some positions were repurposed. CFO Bishop highlighted other significant assumptions in the administrative budget.

Chief Administrative Officer, Melissa Scrymgeour, reviewed the proposed enterprise project portfolio budget, estimated at \$7.8M. CAO Scrymgeour noted that roughly 60% of the project portfolio budget is for the ETP and PCCM projects, which the Commission has already approved. CAO Scrymgeour added that most of the projects included in the portfolio are carryover projects from last fiscal year and have already been initiated. Newly added projects include Knox Keene licensing, and upgrades to Inovolan (Plan's HEDIS vendor system) to help meet new regulatory requirements and Multiview (Plan's financial system) for new functional enhancements. CAO Scrymgeour stated that the Enterprise Data Warehouse is another key initiative for the Plan. She also highlighted that the enterprise portfolio budget includes \$867k for staff augmentation resources to support the projects.

CFO Bishop reviewed the overall projected budget, which is an estimated \$1.5 million gain. Commissioner Alatorre stated the County is doing approximately 79 layoffs and huge freezes. CFO Bishop stated staff cannot be cut, but can be repurposed. There was a \$3 million cut in the first go-round of the budget. CEO Villani stated the approach to the budget was cautious, with limitations on staff and a review of any vacant positions. Commissioner Pupa noted there is a \$40 million loss this year, but asked how it will turn to a \$1.5 million surplus by next year. CFO Bishop stated it will be due to the 12% increase from the State, which is not a small increase. Commissioner Pupa asked if cash projections are included in the budget when it is prepared. CFO Bishop stated she does not as she does not see a lot of variability. Commissioner Pupa stated the 12% increase is going to medical expenses and therefore cash will be flat. CFO Bishop stated revenue will be flat for approximately 18 months so the Plan has a lot of work to do. In FY20/21 major projects will be completed, and the Plan will be in a good place by then. We still have reserves, but this upcoming year is not without risk.

Commissioner Pupa asked when the budget would be presented to the Commission. CFO Bishop replied it would be done at the June Commission meeting.

Commissioner Pupa motioned to accept the 2019-2020 Budget and forward to the Ventura County Medi-Cal Managed Care Commission for approval. Commissioner Ashworth seconded. The vote was as follows:

AYES: Committee members Antonio Alatorre, Fred Ashworth, Laura Espinosa, and Dee Pupa.

NOES: None.

ABSENT: Committee member Jennifer Swenson.

Committee Chair Antonio Alatorre declared the motion carried.

## **COMMENTS FROM COMMISSIONERS**

Commissioner Espinosa stated she would have appreciated more time to review the budget in order to be more prepared. CFO Bishop stated next year it will be an easier process.

Commissioner Alatorre stated the Committee needs to meet more often. He would like to meet every other month. Commissioner Espinosa agreed. General Counsel, Scott Campbell, stated this item was not on the agenda but the possibility of scheduling more meetings could be done if necessary. The Committee agreed to try and schedule a special meeting in August pending schedules and availability.

## **ADJOURNMENT**

The meeting was adjourned at 5:28 p.m.

Approved:

---

Maddie Gutierrez, Clerk of the Commission

**AGENDA ITEM NO. 2**

TO: Executive Finance Committee  
FROM: Maddie Gutierrez, Clerk to the Commission  
DATE: August 13, 2019  
SUBJECT: Meeting Minutes of July 9, 2019 Special Executive Finance Committee Meeting

**RECOMMENDATION:**

Approve the minutes.

**ATTACHMENTS:**

Copy of the July 9, 2019 Special Executive Finance Meeting minutes.

**Ventura County Medi-Cal Managed Care Commission (VCMMCC)**  
**Executive/Finance Committee Special Meeting**  
**July 9, 2019**

**CALL TO ORDER**

Committee member Antonio Alatorre called the meeting to order at 3:03p.m. In the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Camarillo, California.

**ROLL CALL**

Present: Committee members Antonio Alatorre, Laura Espinosa and Dee Pupa.

Absent: Committee members Fred Ashworth and Jennifer Swenson.

Call In Participants: Dale Villani, Chief Executive Officer and Kelly Ryan, Senior Corporate Attorney.

**PUBLIC COMMENT**

None.

**CONSENT**

**1. Approval of Executive Finance Committee regular Minutes of June 6, 2019.**

**RECOMMENDATION:** Approve the minutes.

Committee member Espinosa motioned to table the approval of the minutes until the next regular Executive Finance Committee meeting which is scheduled in August. Committee member Alatorre seconded. The vote was as follows:

AYES: Committee member Antonio Alatorre, Laura Espinosa and Dee Pupa.

NOES: None.

ABSENT: Committee member Fred Ashworth and Jennifer Swenson.

Committee Chair Antonio Alatorre declared the motion carried.

## **FORMAL ACTION ITEM**

### **2. Review of Gold Coast Health Plan Budget – Fiscal Year 2019/2020**

**RECOMMENDATION:** Discuss the questions and responses for the Gold Coast Health Plan Budget for Fiscal Year 2019/2020 and forward to the Ventura County Medi-Cal Managed Care Commission for final approval.

Chief Financial Officer, Kashina Bishop reviewed questions submitted by Supervisor Zaragoza. Written responses were made available to the Committee members.

The budget was presented with a \$12 million loss. The loss was acceptable given projected revenue. CFO Bishop stated “Go Live” had financial challenges and in late 2018 several things happened:

- Adult Expansion
- Audit adjustment
- It has been hard to figure out what was previously done
- There were errors made in previous budgets
- Dermatology also affecting budget

In 2018 TNE dropped and there were significant budget variances. Long term care was not built into the budget.

In a six (6) month period there has been more members receiving behavioral health benefits. There has been an increase in medical expenses which causes an increase in losses. Committee member Espinosa asked if there is a relationship between behavioral health and physical therapy. Chief Medical Officer, Nancy Wharfield stated there is a direct correlation. Physical Therapy is needed to promote activity and it is used to treat behavioral issues. To make Physical therapy easier, a certain number of visits are approved without prior authorization. CEO Villani stated prior authorization is needed for more than 10 visits.

Committee member Alatorre asked how many patients with autism diagnosis. CMO Wharfield stated there is no autism benefit, Medi-Cal benefits are changing.

Committee member Pupa noted provider rates lead to financial losses and she would like a better understanding if the increase in cost is due to utilization or due to increased cost per unit. The second item that she would like to see the mitigation plan, Committee member Pupa asked what is being done to contain costs. Commissioners need as much data as possible.

Committee member Alatorre asked how many positions have been eliminated and why. He is requesting a metrics from Human Resources on increases, bonuses, vacancies, and positions filled in the last six (6) months. Committee member Alatorre would like to see this report submitted on a quarterly basis. Committee

member Pupa stated that upon review of salaries and benefits, she noted administrative positions, salaries and benefits. She would like to know about additional positions and promotions. The County budget is vetted through many, and there is not a lot of information on GCHP staffing. CFO Bishop stated some information is in the budget document and a three percent (3%) merit pool is built in. Committee member Pupa stated in salary expense, the percent changes eight percent (8%) and adding in taxes and benefits related to the salaries increases to seventeen percent (17%). She asked what are the staffing levels and what are the salaries. CFO Bishop stated she will outline information in more detail and present to the Commission. She noted that GCHP is very different model than the County. Staff is working hard to be successful on major projects and the stress level for staff can be felt. We do not want to tax staff any more, many will leave due to stress. CFO Bishop stated she is making great positive changes, but she is losing really good staff who have become too stressed. She does not advocate for taking away the merit pool. Human Resource Executive Director, Jean Halsell, stated she will provide more information.

CFO Bishop continued reviewing medical expenses. There is an RFP for audit services which will identify if members have other medical insurance such as SSI.

CMO Wharfield stated a new core system will be put in place. This will provide increased surveillance in certain areas. The P & T Committee has been reviewing drugs from the formulary that are used inappropriately. CEO Villani stated the another point to note is how we are going to address contracting in the next fiscal year. Chief Operating Officer, Ruth Watson, stated we are looking at opportunities. A pay-for-performance initiative across all entities is also being reviewed. We still need to negotiate how we pay with providers. Commissioner Alatorre pointed out the \$12 million owed to GCHP. CFO Bishop replied the State backed it out. Committee Alatorre asked if CFO Bishop had anything in writing from the State. General Counsel, Scott Campbell stated this can be discussed in Closed Session with six (6) non-County Commissioners. Committee member Espinosa stated the Commissioners should be informed of the requirement when the meeting notice goes out in order to have the six (6). Committee member Alatorre stated there needs to be full transparency to the Public and the Commission.

CFO Bishop reviewed projects outlined in the budget. She noted those projects have already been approved by the Commission. She also reviewed Tangible Net Equity (TNE). Committee member Pupa asked what the threshold is. CFO Bishop stated 150% is monitored.

CFO Bishop stated the budget does not incorporate for capitation rates. There is nothing in the budget to reduce provider capitation. There was a change to capitation for transportation, long term care expenses and three percent (3%) increase in pharmacy. Some medical expenses can be reduced but some members need more care.

CFO Bishop stated a list of department positions was reviewed as well as some of the changes. Some positions were re-purposed. Sr. Director of Human Resources, Jean Halsell, stated she sends positions for approval to Dale and Kashina. CEO Villani stated the belt needs to be tightened on additional staff and it was painful. We need to stay flat. CFO Bishop has bulk of people are in Health Services and staff is limited. We still need to meet requirements. Committee member Pupa asked about the Senior IT Business Management positions which was converted from consultant to full time employee. Chief Administrative Officer, Melissa Scrymgeour stated the cost of IT resources is offset by full time employee, it was seen as an on-going need. Committee member Pupa asked if employee was remote. Ms. Haskell replied the employee was remote, but there are several employees who work from home. Committee member Pupa asked about five positions in infrastructure. Committee member Alatorre asked if all 27 are IT staff. CAO Scrymgeour explained the various positions and what departments they work in. Ms. Halsell stated if they are on the list, they are active employees. Committee member Espinosa asked if all 27 employees were under IT. CAO Scrymgeour replied there are some in infrastructure, information technology and solution services. CFO Bishop stated there is a 6% vacancy factor that is built in. Committee member Espinosa stated that we might not meet regulatory requirements, what department is lacking. Ms. Halsell responded Health Services. COO Watson stated member operations is also at risk.

Chief Compliance Officer, Brandy Armenta, state we were on two (2) CAPS with staff being an issue on both. We don't want the CAP, we need appropriate staffing.

Committee member Alatorre asked if there any anticipated mid-year budget revisions. CFO Bishop stated there is a much better handle on medical expenses and will review month by month. Rates are flat for eighteen (18) months. In 18 months, everything will be different. We are not designed to profit.

Committee member Espinosa asked why there is nothing in the 2020 budget for AHP plan to plan. CAO Scrymgeour replied we are working with existing resources. Committee member Espinosa stated there is not much discussion on the Knox Keene licensing. CCO Armenta stated we use internal resources with in-house Counsel. Committee member Espinosa asked don't you need information to project the budget, she asked to be shown, in the budget, where she could review the AHP and Knox Keene expenses. CCO Armenta stated GCHP is not bringing in outside consultants. COO Watson stated we are trying to absorb as much as we can. Committee member Espinosa stated she is concerned the Commission will get something to approve in a few months. COO Watson stated that for AHP, we did a lot of projecting costs last year. As the project was reviewed, the burden was on internal staff, but they handled the project. Therefore extra money was not needed.

Committee member Espinosa stated there has been no discussion on Knox Keene with the Commission. CCO Armenta stated the new counsel has been with GCHP

since 2012. CEO Villani stated the two-plan model was discussed several times in his CEO Updates, and it was specified that GCHP was moving forward with the licensing. GCHP needs to be a Knox Keene plan. CCO Armenta stated GCHP needs to have a Knox Keene license to be part of the two plan model. Committee member Espinosa stated there has not been an in-depth discussion on the licensing. CEO Villani stated in regards to County politics, County issues, etc. the Plan needs to make a decision to move forward. Committee member Espinosa stated the budget is the platform but more narrative, more detail and more discussion is needed.

CFO Bishops stated that more questions were submitted by Commissioner Shawn Atin and Dee Pupa. She will outline the responses in writing and will outline more information. Committee member Alatorre asked when it would be available. CFO Bishop stated it would be available at the next Commission meeting.

## **DISCUSSION**

### **3. Executive Finance Meeting Dates**

Chief Financial Officer Kashina Bishops informed the committee that she will be on vacation and wants to look at dates to reschedule the August meeting. Clerk to the Commission, Maddie Gutierrez stated calendars were approved at the October Commission meeting for the remainder of 2019 and for the 2020 year. The Committee has now requested to meet every other month instead of quarterly as approved. Committee member Alatorre stated he wants to keep the August meeting on the scheduled if there is a quorum. CFO Bishop asked who would review the financials. Committee member Alatorre stated that Ruth Watson has done it when the CFO was not available, and CEO Villani can present if necessary in the event CFO Bishop is not present.

## **COMMENTS FROM COMMITTEE MEMBERS**

None.

## **ADJOURNMENT**

Committee member Alatorre motioned to adjourn the meeting. Committee member Espinosa seconded.

The meeting was adjourned at 2:22 p.m.

Approved:

---

Maddie Gutierrez, Clerk of the Commission



**AGENDA ITEM NO. 3**

**TO:** Gold Coast Health Plan Executive / Finance Committee  
**FROM:** Kashina Bishop, Chief Financial Officer  
**DATE:** August 13, 2019  
**SUBJECT:** June 2019 Financials

**SUMMARY:**

Staff is reviewing the June 2019 Financials of Gold Coast Health Plan with the Executive / Finance Committee.

**RECOMMENDATION:**

Accept the June 2019 Financials and forward to the Ventura County Medi-Cal Managed Care Commission for approval.

**ATTACHMENTS:**

June 2019 Financials



**AGENDA ITEM NO. 4**

**TO:** Gold Coast Health Plan Executive / Finance Committee  
**FROM:** Dale Villani, Chief Executive Officer  
**DATE:** August 13, 2019  
**SUBJECT:** FY19-20 Strategies to Contain Administrative and Medical Expense Costs - Discussion

**SUMMARY:**

Discuss strategies to contain administrative and medical expenses.

**ATTACHMENTS:**

FY 19/20 Financial Savings Initiatives



## **AGENDA ITEM NO. 5**

To: Gold Coast Health Plan Executive / Finance Committee  
From: Nancy Wharfield, MD, Chief Medical Officer  
Date: August 13, 2019  
RE: Overview of Medi-Cal Transportation Benefit - Discussion

### **SUMMARY:**

Transportation to medical appointments by passenger vehicles was added to the Medi-Cal benefits administered by Gold Coast in 2017. Staff will review how the Plan implemented and grew participation in the Medi-Cal transportation benefit since 2017.

### **Overview of Medi-Cal Transportation Benefit**

#### **Background**

Access to transportation is a social determinant of health and plays a crucial role in public health. Lack of transportation affects access to health care services and lack of it results in missed or delayed health care appointments, increased health expenditures, and overall poorer health outcomes.

Medi-Cal members are eligible for transportation to medical services including trips to medical, dental mental health, substance use disorder appointments and to pick up prescriptions or medical supplies. Nonmedical Transportation (NMT) is provided in a variety of passenger vehicles such as cars, taxis, and buses. Nonemergency medical transportation (NEMT) is provided in specialized vehicles that can accommodate wheelchairs or gurneys. NEMT requires a prescription from a doctor. Emergency transport by ambulance or air is also a Medi-Cal benefit.

Ventura Transit Systems (VTS) has been Gold Coast Health Plan's (GCHP) legacy transportation vendor. They were selected to continue services with GCHP from a field of six vendors in an RFP issued in August 2018.

#### **Utilization Trends**

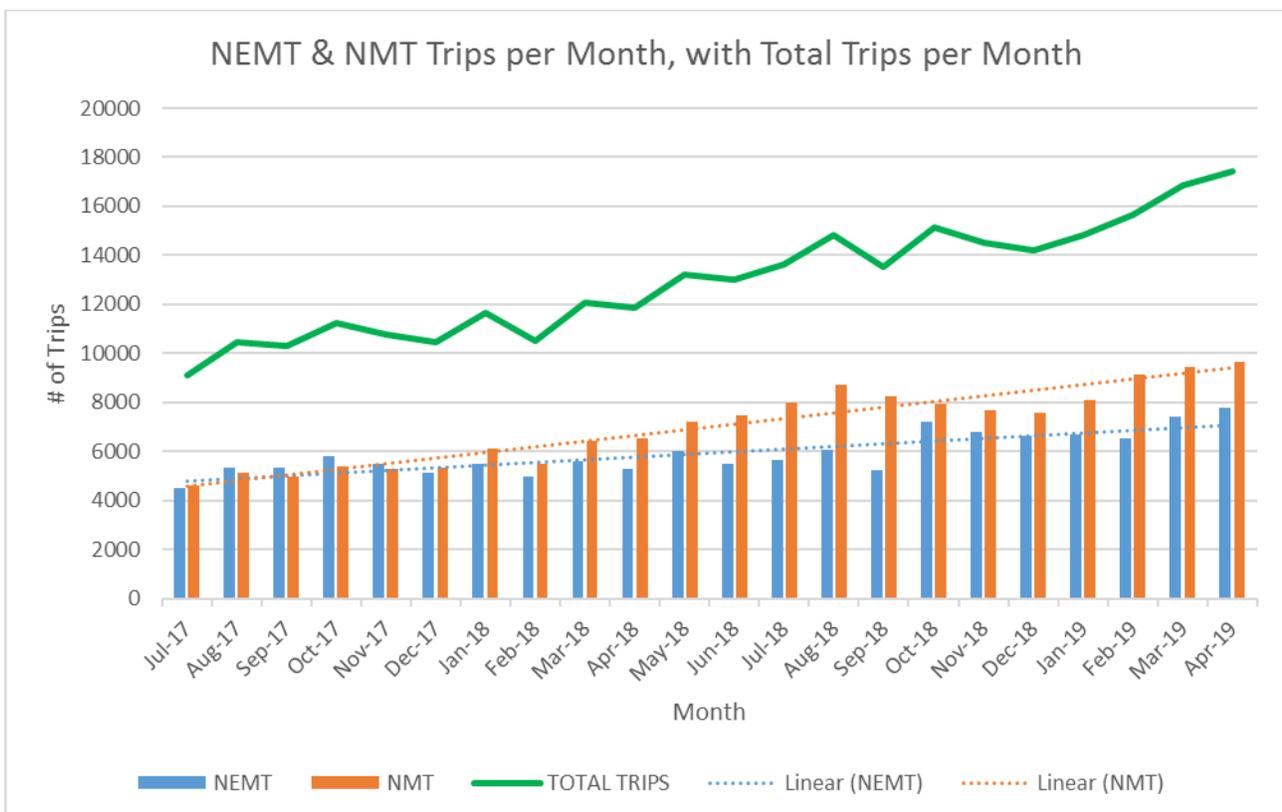
GCHP has promoted this important benefit through educational campaigns targeted at members and providers and utilization has increased dramatically in the past 2 years. Notifications to members were included in new member packets, member newsletters, and the GCHP web page. Additionally, the Plan created formal Call Center tools, and noticed Providers frequently through bulletins and newsletters. In 2018, the Plan designed and distributed a bilingual business card with the dedicated VTS transportation phone number

for members to contact VTS directly for their NMT ride. Staff have worked with community based organizations and provider partners to also improve service and efficiency of the transportation benefit. Initially this benefit required a physician authorization, but after assessing the efficiency of this practice, authorization for NMT was eliminated as the benefit was widely implemented. Additionally, the Plan changed its practice of authorizing NEMT to ensure that one authorization met all the member’s needs for up to one year.

GCHP recently collaborated with California Health Care Foundation to provide information for an issue brief they will be releasing later this year. We shared that the Plan is currently providing over 17,000 rides/month to medical services for just over 1,400 members.

Data highlights for the time period July 2017 to April 2019 are shown below:

- The number of unique utilizers has nearly doubled.
- The number of rides provided has also approximately doubled.
- NMT rides are utilized more than NEMT by about 1.5 times.
- Most rides are provided for adults 21 and over. Only 1 – 2% of rides are provided for children.
- Approximately half of all rides are provided to dialysis patients.
- The number of grievances/ride is very low (0.01% - 0.06%).





**AGENDA ITEM NO. 6**

**TO:** Gold Coast Health Plan Executive / Finance Committee  
**FROM:** Melissa Scrymgeour, Chief Administrative Officer  
**DATE:** August 13, 2019  
**SUBJECT:** FY19-20 Annual Strategic Planning Retreat - Discussion

**SUMMARY:**

Discuss approach for FY19-20 annual strategic planning retreat.

**ATTACHMENTS:** GCHP Strategic Plan 2018-2020.