Ventura County MediCal Managed Care Commission (VCMMCC) 
dba Gold Coast Health Plan (GCHP)

Regular Meeting
Monday, July 25, 2016, 3:00 p.m.
Gold Coast Health Plan, 711 East Daily Drive, Community Room, Camarillo, CA 93010

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENT

The public has the opportunity to address Ventura County Medi-Cal Managed Care Commission (VCMMCC) doing business as Gold Coast Health Plan (GCHP) on the agenda. Persons wishing to address VCMMCC should complete and submit a Speaker Card.

Persons wishing to address VCMMCC are limited to three (3) minutes. Comments regarding items not on the agenda must be within the subject matter jurisdiction of the Commission.

CONSENT CALENDAR

1. Approval of Ventura County MediCal Managed Care Commission Meeting Regular Minutes of June 27, 2016

   Staff: Tracy Oehler, Clerk of the Board

   RECOMMENDATION: Approve the minutes.

FORMAL ACTION ITEMS

2. May 2016 Fiscal Year to Date Financials

   Staff: Patricia Mowlavi, Chief Financial Officer

   RECOMMENDATION: Accept and file May 2016 Fiscal Year to Date Financials.

Meeting Agenda available at http://www.goldcoasthealthplan.org
3. Appointment of Audit Committee Vacancy Replacement

Staff: Patricia Mowlavi, Chief Financial Officer

**RECOMMENDATION:** Appoint an Audit Committee member to fill the vacancy.

4. Approve Amendment to Professional Services Contract for Network Development and Contracting

Staff: Ruth Watson, Chief Operations Officer

**RECOMMENDATION:** Approve amendment to professional services agreement with Steven Peiser, an individual, in an amount not-to-exceed $200,000.

5. Consider Resolution Authorizing Starting Regular Meeting Dates for the Remainder of the 2016 Calendar Year at 2:00 p.m.

Staff: Scott Campbell, General Counsel

**RECOMMENDATION:** Adopt Resolution No. 2016-__ authorizing starting regular meeting dates for the remainder of the 2016 calendar year at 2:00 p.m.

**REPORTS**

6. Chief Executive Officer (CEO) Update

**RECOMMENDATION:** Accept and file the report.

7. Chief Operations Officer (COO) Update

**RECOMMENDATION:** Accept and file the report.

8. Chief Medical Officer (CMO) Update

**RECOMMENDATION:** Accept and file the report.

**CLOSED SESSION**

9. PUBLIC EMPLOYEE APPOINTMENT

Title: Chief Diversity Officer
10. CONFERENCE WITH LABOR NEGOTIATORS
   Agency designated representatives: Scott Campbell, General Counsel
   Unrepresented employee: Chief Diversity Officer

11. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
   Title: Chief Executive Officer

12. CONFERENCE WITH LABOR NEGOTIATORS
   Agency designated representatives: Scott Campbell, General Counsel
   Unrepresented employee: Chief Executive Officer

13. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
   Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One Case

COMMENTS FROM COMMISSIONERS

ADJOURNMENT

Unless otherwise determined by the Commission, the next regular meeting will be held on August 22, 2016, at Gold Coast Health Plan at 711 E. Daily Drive, Suite 106, Camarillo, CA 93010.

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 Commission 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) 437-5509. Notification for accommodation must be made by the Thursday prior to the meeting by 3 p.m. to enable the Clerk of the Board to make reasonable arrangements for accessibility to this meeting.

This agenda was posted on Tuesday, July 19, 2016, at 1:00 p.m. at the Gold Coast Health Plan Notice Board and on its website.
AGENDA ITEM NO. 1
Ventura County Medi-Cal Managed Care Commission (VCMMCC)
dba Gold Coast Health Plan (GCHP)

June 27, 2016 Regular Meeting Minutes

CALL TO ORDER

 Commissioner Darren Lee called the meeting to order at 3:02 p.m. in the Lower Plaza Assembly Room at the County of Ventura Government Center – Hall of Administration, 800 South Victoria Avenue, Ventura, California.

PLEDGE OF ALLEGIANCE

 Commissioner Lee led the Pledge of Allegiance.

ROLL CALL

Present: Commissioners Antonio Alatorre (arrived at 3:04 p.m.), Shawn Atin, Lanyard Dial M.D., Barry Fisher, Peter Foy (arrived at 3:04 p.m.), Michele Laba, M.D., Darren Lee, Gagan Pawar, M.D., and Dee Pupa

Absent: Commissioner Jennifer Swenson

PUBLIC COMMENT

None.

Commissioners Alatorre and Foy arrived at 3:04 p.m.

PRESENTATIONS

1. Community Partner Collaborative Presentation

Vickie Lemmon, Director of Health Services, introduced the other representatives of the Community Partner Collaborative: Dee Johnston, Manager of Care Management Services, Gold Coast Health Plan (GCHP); Linda Bays, Staff/Services Manager, Ventura County Public Health; Patty Chan, Public Health Division Manager, Children’s Medical Services Director; Seleta Dobrosky, Supervising Public Health Nurse, Ventura County Public Health; Pauline Preciado, Child Health Disability and Prevention (CHDP) Program Coordinator, Ventura County Public Health; Evy Criswell, CHDP Deputy Director, Children’s Health Programs; and Myra Medina, Supervisor, Conejo Medical Therapy Unit, California Children Services Project Coordinator, Ventura County Pact Chair.

Ms. Lemmon stated the Ventura County Pact (VC-Pact) is a collaboration between Ventura agencies to promote the continuum of care for children with special health
care needs and a California Community Collaborative funded by the Lucile Packard Foundation for Children’s Health, which is currently administered by Ventura County Public Health. The collaborative projects focused on obtaining quality breast pumps for members; developmental screenings for infants; a California Children Services (CCS) Kaizen for Medical Home project concentrating on ensuring members’ clinical information is being sent to the correct medical home; improving turnaround time for CCS service requests; increasing referrals to GCHP Care Management from community partners and providers; implementing a GCHP Care Management hotline allowing nurses direct access to GCHP; and the creation of the VC-Pact.

A discussion followed between the Commissioners and presenters regarding the CCS approval percentages data is currently being collected, so there are no statistics available at this time; and the pilot program which focuses on improving the overall care of the pediatric population with BMIs of 85% or greater. Dr. C. Albert Reeves, Chief Medical Officer, stated Ventura County Public Health received a State grant for a pilot project on childhood obesity in Santa Paula and will be collaborating with GCHP.

CONSENT CALENDAR

2. Approval of Ventura County Medical Managed Care Commission Meeting Minutes of April 25, 2016.

RECOMMENDATION: Approve the minutes.

Commissioner Fisher moved to approve the recommendation. Commissioner Atin seconded.


NOES: None.

ABSTAIN: Commissioner Foy.

ABSENT: Commissioner Swenson.

Commissioner Lee declared the motion carried.

3. Approval of Ventura County MediCal Managed Care Commission Meeting Regular Minutes of May 23, 2016.

RECOMMENDATION: Approve the minutes.

Commissioner Fisher moved to approve the recommendation. Commissioner Atin seconded.

FORMAL ACTION ITEMS

4. April 2016 Fiscal Year to Date Financials

RECOMMENDATION: Accept and file April 2016 Fiscal Year to Date Financials.

Patricia Mowlavi, Chief Financial Officer, reported GCHP continues to have a strong financial performance with a gain of $35 million in net assets, which is $23 million favorable to the budget; Medical Loss Ratio is at 91% for April and 88% for the fiscal year to date; administrative costs are under plan at 5.9%; and Tangible Net Equity is 520% of the State minimum at $135 million.

Commissioner Atin moved to approve the recommendation. Commissioner Alatorre seconded.


NOES: None.

ABSTAIN: None.

ABSENT: Commissioner Swenson.

Commissioner Lee declared the motion carried.

5. State of California Department of Health Care Services Contract Amendment 22

RECOMMENDATION: Approve and authorize the Chief Executive Officer to execute Amendment 22 to the Department of Health Care Services Contract, adjusting the Adult Expansion population 2014/2015 capitation rates and revising the Medical Loss Ratio calculation language.

Dale Villani, Chief Executive Officer, stated Amendment 22 memorializes the reduced funding the Plan receives for the Adult Expansion for the 2014/2015 timeframe.

Commissioner Dial moved to approve the recommendation. Commissioner Fisher seconded.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioner Swenson.

Commissioner Lee declared the motion carried.

6. Quality Improvement Committee 2016 First Quarter Report

RECOMMENDATION: Accept and file the Quality Improvement Committee 2016 First Quarter Report.

Dr. C. Albert Reeves, Chief Medical Officer, stated the Healthcare Effectiveness Data and Information Set (HEDIS) project is well underway with the National Committee for Quality Assurance (NCQA) final certification date of July 15, 2016. Final HEDIS results will be brought to the Commission in August. HEDIS improvement projects included a diabetic retinal eye exam member incentive; cervical cancer screening reminder letters; a children and adolescents access to primary care providers member incentive; a postpartum exam member incentive; and medication management for people on persistent medications.

A discussion followed between the Commissioners and staff regarding the clarification of the diabetic retinal eye exam high results (90th percentile), which indicates the members are partaking in the exams; the cervical cancer screening letters low results and the reevaluation of this project; the rate increase in avoidance of antibiotic treatment with adults with acute bronchitis from Q2 to Q3 due to sickness trends; the State mandated immunizations for two-year-olds performance improvement project in conjunction with Las Islas Clinic, as it has the largest number of children with the lowest rate of immunizations; the denial of a second performance improvement project for Screening, Brief Intervention, and Referral to Treatment, as members have a low rate of developmental screening and GCHP is partnering with the Community Memorial Health Clinic in Camarillo to develop strategies to improve developmental screening in young children; the reason for the impediment for appropriate testing for children with strep because testing is more complicated in children; the suggestion to change the pharmacy graph color from red (indicative of negative results) and though the results are not perfect, they are positive; summary of credentials/peer reviews including the increase of 121 credentialed specialists; the explanation of the erratic call center numbers due to past staffing issues at Xerox; and the improvement in turnaround time regarding grievance and appeals due to increase staffing.

Commissioner Fisher moved to approve the recommendation. Commissioner Laba seconded.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioner Swenson.

Commissioner Lee declared the motion carried.

7. **Pay-for-Performance Program to Improve Children’s Access to Care (ARCH)**

RECOMMENDATION: Approve the Pay-for-Performance Program to Improve Children’s Access to Care.

Dr. Reeves stated GCHP has failed to meet the Department of Health Care Services requirement to reach the 25% percentile for the children’s access to care HEDIS Measure three years in a row. This $1.4 million ARCH pay-for-performance program will allow the group or provider to receive a defined monetary payment if they achieve a 5%, 7.5%, or 10% improvement in the access for children as reported on the National Committee for Quality Assurance Certified results released July 15, 2017.

Commissioner Fisher moved to approve the recommendation. Commissioner Lee seconded.


NOES: None.

ABSTAIN: None.

ABSENT: Commissioner Swenson.

Commissioner Lee declared the motion carried.

**REPORTS**

8. **Chief Executive Officer (CEO) Update**

Mr. Villani announced Gold Coast Health Plan’s five year anniversary and will be celebrating July 29, with invitations extended to the Commission as well as other dignitaries. GCHP has sent letters of support to Health Care Delivery Systems regarding the Ventura County Whole Person Care Pilot Project and to Clinicas del Camino Real, Inc., regarding their new Access Point application for financial
assistance from the United States Health Resources and Services Administration for their expansion plan into Oxnard’s Lemonwood neighborhood. The initial meeting of the Hospital Association of Southern California for Medi-Cal Task Force was held. Comprised of GCHP, CalOptima, CenCal Health, and Partnership Health Plan CEOs, the purpose of the meeting was to frame common issues and concerns around access to care, behavioral health, and data sharing. The next meeting will be held July 21. Compliance highlights include the continuing review of the behavioral management contract with Beacon and follow-up claims audits, which resulted in a corrective action letter regarding their capability to pay claims. The annual Fraud Waste and Abuse training program for the Commissioners is due and the Compliance Department will be sending an email regarding the training. He also noted the State financial cap remains in place; the strategic plan update is tentatively scheduled for the first week of November with Jennifer Kent from Sacramento; the Medical Managed Care Final Rule “Mega Rule” will take effect July 5, 2016, which has wide-ranging impacts, but nothing occurring immediately; and the Ventura County Star article highlighting the ARCH program.

9. Chief Operations Officer (COO) Update

Mr. Villani noted the update reflects the improvement in the call statistics.

10. Health Services Update

Nancy Wharfield, M.D., Associate Chief Medical Officer, noted the End of Life Option Act became effective June 9, 2016, and is a fee for services benefit. Doctors are not required to participate and there is no requirement for GCHP to facilitate.

Commissioner Dial moved to approve the recommendation to accept and file the reports. Commissioner Atin seconded.


NOES: None.

ABSTAIN: None.

ABSENT: Commissioner Swenson.

Commissioner Lee declared the motion carried.

COMMENTS FROM COMMISSIONERS

None.
Mr. Campbell announced the Closed Sessions items are the ones listed on the Agenda and on Agenda Item No. 14, Conference with Legal Counsel – Existing Litigation, the two representatives from Clinicas will be recusing themselves.

CLOSED SESSION

The Commission adjourned to Closed Session at 3:53 p.m. regarding the following items:

11. PUBLIC EMPLOYEE APPOINTMENT
   Chief Diversity Officer

12. CONFERENCE WITH LABOR NEGOTIATORS
   Agency designated representatives: Scott Campbell, General Counsel
   Unrepresented employee: Chief Diversity Officer

13. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
   Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One Case

14. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
   Paragraph (1) of subdivision (d) of Section 54956.9
   Clinicas Del Camino Real Inc. v. Ventura County Medi-Cal Managed Care Commission dba Gold Coast Health Plan, Ventura County Superior Court Case No. 56-2014-00456149-CU-BC-VTA

OPEN SESSION

The Regular Meeting reconvened at 7:27 p.m.

Mr. Campbell reported on Agenda Item 14. Conference with Legal Counsel – Existing Litigation, the Commission unanimously approved the settlement agreement with Clinicas Del Camino Real, Inc., and the agreement will be finalized and signed shortly resolving all claims.

ADJOURNMENT

The meeting was adjourned at 7:29 p.m.
AGENDA ITEM NO. 2

TO: Gold Coast Health Plan Commission

FROM: Patricia Mowlavi, CFO

DATE: July 25, 2016

SUBJECT: May 2016 Fiscal Year to Date Financials

SUMMARY:

Staff is presenting the attached fiscal year to date ("FYTD") May 2016 financial statements (unaudited) of Gold Coast Health Plan ("Plan") for the Commission to accept and file. These financials were reviewed by the Executive / Finance Committee on July 7, 2016, where the Executive/Finance Committee recommended that the Commission accept and file these financials.

BACKGROUND/DISCUSSION:

The staff has prepared the FYTD May 2016 financial package, including statements of financial position, statement of revenues, expenses and changes in net assets, and statement of cash flows.

FISCAL IMPACT:

Financial Highlights

Overall Performance – For the eleven months ended May 31, 2016, the Plan’s gain in net assets was approximately $35.1 million. This represents a $22.5 million favorable variance to budget which was largely due to the continued growth in membership in the Adult Expansion ("AE") category of aid and savings from lower than anticipated administrative costs.

Tangible Net Equity – The Plan’s operating performance has increased the Tangible Net Equity (TNE) amount to approximately $135.0 million, which is $42.5 million higher than budget.

Membership – May membership of 206,495 exceeded budget by 4,633 members. As in the prior months, the AE and Adult / Family categories continue to be the catalysts for membership growth, accounting for almost 95% of the total FYTD enrollment growth.

Revenue – FYTD, net revenue was $614.1 million or $27.8 million favorable to budget. The positive variance resulted primarily from better than anticipated membership for AE with higher capitation rates.
For the year, revenue includes a $21.2 million reserve for rate reductions associated with AE. This reserve represents an expected refund, to the Department of Health Care Services ("DHCS"), for rate overpayments (as DHCS continues to pay at the July 1, 2014 rates rather than the July 1, 2015 published rates) and the anticipated refund of revenue to achieve a medical loss ratio ("MLR") of 85%, for this aid category. (The MLR is calculated by dividing health care costs by revenue). The combined total due back to the DHCS, for both rate overpayment and 85% MLR portion, is $208.5 million. Beginning in January, the DHCS started to recoup the AE rate overpayment through monthly reductions of its payment to the Plan. Year-to-date, a total of $69.3 million has been deducted, including $17.5 million in May.

Health Care Costs – FYTD health care costs were $543.7 million or $8.4 million higher than budget. For the year, the MLR was 88.5% versus budget of 91.3%.

Some health care cost items of note include:

- **Capitation** – FYTD, capitation was $92.9 million or $28.2 million higher than budget. The variance was driven by the Enhanced Adult Expansion Capitation program, which was revised effective July 2015, as well as higher than budgeted capitated membership growth.

- **Fee for Service** – FYTD, total claims expense was $435.9 million compared to a budget of $447.9 million. While there was some movement of services between categories, the overall variance was due to lower than expected costs associated with the delivery of Inpatient and Specialty Physician health services.

- **Pharmacy** – FYTD, overall Pharmacy expense was $90.5 million or $5.1 million higher than budget. This variance was offset by specialty drug reimbursement which appears in revenue.

Administrative Expenses – FYTD, administrative costs were $36.9 million or $2.6 million lower than budget. Savings were realized due to delays in new hires and related costs associated with personnel. These savings were somewhat offset by higher expenses for certain outside services whose expense varies proportionally with membership.

The administrative cost ratio ("ACR") for FYTD was 6.0% versus 6.7% for budget. (The ACR is calculated by dividing administrative expenses by total revenue.)

Cash and Medi-Cal Receivable – At May 31, 2016, the Plan had $404.6 million in cash and short term investments and $61.1 million in Medi-Cal Receivable for an aggregate amount of $465.7 million. The cash amount also included $4.5 million related to the Managed Care Organizations (MCO) tax. Excluding MCO tax, the combined cash and short term investment amount would be $400.1 million. As stated in the April 2016 Financial Letter, the Plan’s cash position over the next several months merits monitoring due to: (1) cash owed to the State of California that will be required to be returned with a significant portion expected to be repay within the next 12 months, and (2) consistent with prior years, and as expected, the end of the State’s fiscal year also means that there will be a long delay in the State paying the Plan. The Plan has been informed that the next payment will not be until July at the earliest and may possibly be stretched into August.
Until the next payment, the Plan expects cash usage to be range of $105 - $115 million to cover health care and operating expenses.

Investment Portfolio – As of May 31, 2016, the value of the investments were as follows:

- Short-term Investments $233.7 million: Cal Trust $80.4 million; Ventura County Investment Pool $85.2 million; LAIF CA State $63.1 million; Bonds $5.0 million.
- Long-term Investments (Bonds) $19.4 million.

RECOMMENDATION:

Staff requests that the Commission accept and file the March 2016 financial package.

CONCURRENCE:

July 7, 2016 Executive / Finance Committee

ATTACHMENT:

May 2016 Financial Package
FINANCIAL PACKAGE
For the month ended May 31, 2016

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● Financial Overview
● Financial Performance Dashboard

APPENDIX

● Statement of Financial Positions
● YTD Statement of Revenues, Expenses and Changes in Net Assets
● Statement of Revenues, Expenses and Changes in Net Assets
● Statement of Financial Positions
● YTD Cash Flow
● Monthly Cash Flow
● Cash Trend Combined
● Membership
● Total Expense Composition
● Paid Claims and IBNP Composition
● Pharmacy Cost & Utilization Trends
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<th>JUL - SEP 15</th>
<th>OCT - DEC 15</th>
<th>JAN - MAR 16</th>
<th>APR 16</th>
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<th>Budget Comparison</th>
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<td>21,819,072</td>
<td>22,591,994</td>
<td>24,405,592</td>
<td>25,882,936</td>
<td>25,735,231</td>
<td>26,623,299</td>
<td>(886,068)</td>
<td>(886,068)</td>
<td>(886,068)</td>
</tr>
<tr>
<td>GCHP TNE</td>
<td>(6,031,881)</td>
<td>11,891,099</td>
<td>55,535,211</td>
<td>107,145,264</td>
<td>123,433,646</td>
<td>131,430,454</td>
<td>134,544,336</td>
<td>135,022,999</td>
<td>135,022,999</td>
<td>92,540,464</td>
<td>42,482,535</td>
<td>45.9%</td>
<td>45.9%</td>
</tr>
<tr>
<td>pmpm</td>
<td>(12,068,853)</td>
<td>26,623,299</td>
<td>1,082,847</td>
<td>65,977,165</td>
<td>65,977,165</td>
<td>65,977,165</td>
<td>65,977,165</td>
<td>65,977,165</td>
<td>65,977,165</td>
<td>65,977,165</td>
<td>65,977,165</td>
<td>65,977,165</td>
<td>65,977,165</td>
</tr>
<tr>
<td>% of Required TNE level</td>
<td>31%</td>
<td>47%</td>
<td>56%</td>
<td>58%</td>
<td>54%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
</tr>
<tr>
<td>% of Required TNE level (excluding $7.2 million LOC)</td>
<td>27%</td>
<td>44%</td>
<td>53%</td>
<td>55%</td>
<td>54%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
<td>52%</td>
</tr>
</tbody>
</table>

Note: TNE amount includes $7.2 million related to the Lines of Credit (LOC) from Ventura County.
FINANCIAL PERFORMANCE DASHBOARD
FOR MONTH ENDING May 31, 2016

Note: 11+1 indicates 11 months of actual results followed by 1 months of forecasts

## Key Performance Indicators

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical Cost Ratio</td>
<td>89%</td>
<td>81%</td>
<td>86%</td>
<td>88%</td>
</tr>
<tr>
<td>Admin Cost Ratio, 8%</td>
<td>10%</td>
<td>11%</td>
<td>9%</td>
<td>6%</td>
</tr>
<tr>
<td>Operating Gain, 3%</td>
<td>10%</td>
<td>11%</td>
<td>9%</td>
<td>6%</td>
</tr>
</tbody>
</table>

* FY 14 and FY 15 differs from Budget Presentation due to Auditors’ Adjustments.

## Operating Gain and Tangible Net Equity

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Gain</td>
<td>$10,723</td>
<td>$43,644</td>
<td>$51,610</td>
<td>$43,504</td>
</tr>
<tr>
<td>TNE</td>
<td>$4,691</td>
<td>$48,335</td>
<td>$99,945</td>
<td>$143,449</td>
</tr>
<tr>
<td>Required TNE</td>
<td>$10,974</td>
<td>$48,335</td>
<td>$99,945</td>
<td>$143,449</td>
</tr>
<tr>
<td>500% of Required TNE</td>
<td>$54,871</td>
<td>$89,340</td>
<td>$112,783</td>
<td>$128,676</td>
</tr>
</tbody>
</table>

* FY 14 and FY 15 differs from Budget Presentation due to audit adjustments. FY 16 updated for Operating Gain and TNE Only

TNE excludes LOC ($7.2M)

Note: 11+1 indicates 11 months of actual results followed by 1 months of forecasts
For the month ended May 31, 2016

APPENDIX

- Statement of Financial Positions
- YTD Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Financial Positions
- YTD Cash Flow
- Monthly Cash Flow
- Cash Trend Combined
- Membership
- Total Expense Composition
- Paid Claims and IBNP Composition
- Pharmacy Cost & Utilization Trends
### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>05/31/16</th>
<th>04/30/16</th>
<th>03/31/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cash and Cash Equivalents</td>
<td>$170,828,399</td>
<td>$187,241,603</td>
<td>$183,075,433</td>
</tr>
<tr>
<td>Total Short-Term Investments</td>
<td>233,781,109</td>
<td>233,687,190</td>
<td>233,529,909</td>
</tr>
<tr>
<td>Medi-Cal Receivable</td>
<td>61,064,913</td>
<td>62,553,746</td>
<td>64,292,235</td>
</tr>
<tr>
<td>Interest Receivable</td>
<td>486,448</td>
<td>427,102</td>
<td>461,810</td>
</tr>
<tr>
<td>Provider Receivable</td>
<td>4,790,353</td>
<td>256,964</td>
<td>305,404</td>
</tr>
<tr>
<td>Other Receivables</td>
<td>0</td>
<td>171,605</td>
<td>171,958</td>
</tr>
<tr>
<td>Total Accounts Receivable</td>
<td>66,341,714</td>
<td>63,499,417</td>
<td>65,231,408</td>
</tr>
<tr>
<td>Total Prepaid Accounts</td>
<td>762,586</td>
<td>971,983</td>
<td>1,152,318</td>
</tr>
<tr>
<td>Total Other Current Assets</td>
<td>133,545</td>
<td>133,545</td>
<td>133,545</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>471,847,353</td>
<td>485,443,739</td>
<td>483,122,613</td>
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<tr>
<td>Total Fixed Assets</td>
<td>2,233,289</td>
<td>2,070,160</td>
<td>1,329,168</td>
</tr>
<tr>
<td>Total Long-Term Investments</td>
<td>19,376,673</td>
<td>19,397,763</td>
<td>19,418,836</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$493,457,316</td>
<td>$506,911,662</td>
<td>$503,870,618</td>
</tr>
</tbody>
</table>

### LIABILITIES & NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>05/31/16</th>
<th>04/30/16</th>
<th>03/31/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Incurred But Not Reported</td>
<td>$63,065,200</td>
<td>$64,894,380</td>
<td>$61,218,949</td>
</tr>
<tr>
<td>Claims Payable</td>
<td>6,840,902</td>
<td>10,139,605</td>
<td>10,265,571</td>
</tr>
<tr>
<td>Capitation Payable</td>
<td>48,333,685</td>
<td>44,150,454</td>
<td>40,034,217</td>
</tr>
<tr>
<td>Physician ACA 1202 Payable</td>
<td>9,107,963</td>
<td>9,528,709</td>
<td>9,600,012</td>
</tr>
<tr>
<td>AB 85 Payable</td>
<td>0</td>
<td>1,887,116</td>
<td>1,858,433</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>2,933,232</td>
<td>3,236,898</td>
<td>511,934</td>
</tr>
<tr>
<td>Accrued ACS</td>
<td>1,663,748</td>
<td>1,648,834</td>
<td>1,636,075</td>
</tr>
<tr>
<td>Accrued Expenses</td>
<td>84,424,139</td>
<td>98,197,894</td>
<td>107,437,725</td>
</tr>
<tr>
<td>Accrued Premium Tax</td>
<td>4,488,781</td>
<td>3,298,700</td>
<td>4,656,097</td>
</tr>
<tr>
<td>Accrued Interest Payable</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Current Portion of Deferred Revenue</td>
<td>38,333</td>
<td>76,667</td>
<td>115,000</td>
</tr>
<tr>
<td>Accrued Payroll Expense</td>
<td>1,210,142</td>
<td>1,103,838</td>
<td>1,005,125</td>
</tr>
<tr>
<td>Total Current Liabilities</td>
<td>222,106,125</td>
<td>238,163,094</td>
<td>238,339,138</td>
</tr>
<tr>
<td>Long-Term Liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DHCS - Reserve for Capitation Recoup</td>
<td>135,544,946</td>
<td>133,444,946</td>
<td>131,694,946</td>
</tr>
<tr>
<td>Other Long-term Liability-Deferred Rent</td>
<td>783,246</td>
<td>759,286</td>
<td>735,327</td>
</tr>
<tr>
<td>Notes Payable</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total Long-Term Liabilities</td>
<td>136,328,192</td>
<td>134,204,232</td>
<td>132,430,273</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>358,434,316</td>
<td>372,367,326</td>
<td>370,769,411</td>
</tr>
</tbody>
</table>

### Net Assets:

<table>
<thead>
<tr>
<th></th>
<th>05/31/16</th>
<th>04/30/16</th>
<th>03/31/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Net Assets</td>
<td>99,945,264</td>
<td>99,945,264</td>
<td>99,945,264</td>
</tr>
<tr>
<td>Total Increase / (Decrease in Unrestricted Net)</td>
<td>35,077,735</td>
<td>34,599,072</td>
<td>33,155,943</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>135,022,999</td>
<td>134,544,336</td>
<td>133,101,207</td>
</tr>
<tr>
<td>Total Liabilities &amp; Net Assets</td>
<td>$493,457,316</td>
<td>$506,911,662</td>
<td>$503,870,618</td>
</tr>
</tbody>
</table>

### FINANCIAL INDICATORS

<table>
<thead>
<tr>
<th></th>
<th>05/31/16</th>
<th>04/30/16</th>
<th>03/31/16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Ratio</td>
<td>2.12 : 1</td>
<td>2.04 : 1</td>
<td>2.03 : 1</td>
</tr>
<tr>
<td>Days Cash on Hand</td>
<td>214</td>
<td>218</td>
<td>196</td>
</tr>
<tr>
<td>Days Cash + State Capitation Rec</td>
<td>246</td>
<td>250</td>
<td>226</td>
</tr>
<tr>
<td>Days Cash + State Capitation Rec (less Tax Li)</td>
<td>244</td>
<td>248</td>
<td>224</td>
</tr>
<tr>
<td>Membership (includes retro members)</td>
<td>Actual</td>
<td>Budget</td>
<td>Variance</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>--------------</td>
<td>-------------</td>
<td>----------------</td>
</tr>
<tr>
<td></td>
<td>2,204,603</td>
<td>2,157,079</td>
<td>47,524</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium</td>
<td>$659,164,086</td>
<td>$642,181,672</td>
<td>$16,982,414</td>
</tr>
<tr>
<td>Reserve for Rate Reduction</td>
<td>(21,175,000)</td>
<td>(32,277,119)</td>
<td>11,102,119</td>
</tr>
<tr>
<td>MCO Premium Tax</td>
<td>(24,589,445)</td>
<td>(24,014,992)</td>
<td>(574,453)</td>
</tr>
<tr>
<td><strong>Total Net Premium</strong></td>
<td><strong>613,399,641</strong></td>
<td><strong>585,889,561</strong></td>
<td><strong>27,510,080</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Revenue:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous Income</td>
<td>723,508</td>
<td>421,666</td>
<td>301,842</td>
</tr>
<tr>
<td><strong>Total Other Revenue</strong></td>
<td><strong>723,508</strong></td>
<td><strong>421,666</strong></td>
<td><strong>301,842</strong></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>614,123,149</strong></td>
<td><strong>586,311,227</strong></td>
<td><strong>27,811,922</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Medical Expenses:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitation (PCP, Specialty, Kaiser, NEMT &amp; Vision)</td>
<td>92,907,575</td>
<td>64,706,687</td>
<td>(28,200,988)</td>
</tr>
<tr>
<td>FFS Claims Expenses:</td>
<td>Actual</td>
<td>Budget</td>
<td>Variance</td>
</tr>
<tr>
<td>Inpatient</td>
<td>100,496,940</td>
<td>110,668,387</td>
<td>10,171,447</td>
</tr>
<tr>
<td>LTC / SNF</td>
<td>98,360,282</td>
<td>100,491,622</td>
<td>2,131,340</td>
</tr>
<tr>
<td>Outpatient</td>
<td>40,466,246</td>
<td>35,629,684</td>
<td>(4,836,562)</td>
</tr>
<tr>
<td>Laboratory and Radiology</td>
<td>3,329,943</td>
<td>2,514,650</td>
<td>(815,293)</td>
</tr>
<tr>
<td>Emergency Room</td>
<td>17,763,172</td>
<td>14,498,476</td>
<td>(3,264,696)</td>
</tr>
<tr>
<td>Physician Specialty</td>
<td>42,691,875</td>
<td>46,833,160</td>
<td>4,141,285</td>
</tr>
<tr>
<td>Primary Care Physician</td>
<td>13,356,876</td>
<td>14,702,940</td>
<td>1,346,064</td>
</tr>
<tr>
<td>Home &amp; Community Based Services</td>
<td>13,371,775</td>
<td>13,758,294</td>
<td>26,519</td>
</tr>
<tr>
<td>Applied Behavior Analysis Services</td>
<td>923,452</td>
<td>549,898</td>
<td>(373,554)</td>
</tr>
<tr>
<td>Mental Health Services</td>
<td>4,069,694</td>
<td>4,977,931</td>
<td>908,237</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>90,467,288</td>
<td>85,372,010</td>
<td>(5,095,278)</td>
</tr>
<tr>
<td>Provider Reserve</td>
<td>0</td>
<td>6,390,078</td>
<td>6,390,078</td>
</tr>
<tr>
<td>Other Medical Professional</td>
<td>2,198,453</td>
<td>2,319,420</td>
<td>120,967</td>
</tr>
<tr>
<td>Other Medical Care</td>
<td>1,032</td>
<td>0</td>
<td>(1,032)</td>
</tr>
<tr>
<td>Other Fee For Service</td>
<td>6,679,032</td>
<td>6,693,867</td>
<td>14,835</td>
</tr>
<tr>
<td>Transportation</td>
<td>1,336,679</td>
<td>1,601,695</td>
<td>265,016</td>
</tr>
<tr>
<td><strong>Total Claims</strong></td>
<td><strong>435,868,927</strong></td>
<td><strong>447,925,564</strong></td>
<td><strong>12,056,637</strong></td>
</tr>
<tr>
<td>Medical &amp; Care Management Expense</td>
<td>14,427,246</td>
<td>19,585,726</td>
<td>5,158,480</td>
</tr>
<tr>
<td>Reinsurance</td>
<td>2,352,927</td>
<td>3,107,656</td>
<td>754,729</td>
</tr>
<tr>
<td>Claims Recoveries</td>
<td>(1,822,066)</td>
<td>0</td>
<td>1,822,066</td>
</tr>
<tr>
<td><strong>Sub-total</strong></td>
<td><strong>14,958,106</strong></td>
<td><strong>22,693,382</strong></td>
<td><strong>7,735,276</strong></td>
</tr>
<tr>
<td><strong>Total Cost of Health Care</strong></td>
<td><strong>543,734,608</strong></td>
<td><strong>535,325,533</strong></td>
<td><strong>(8,409,076)</strong></td>
</tr>
<tr>
<td><strong>Contribution Margin</strong></td>
<td><strong>70,388,541</strong></td>
<td><strong>50,985,694</strong></td>
<td><strong>19,402,847</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General &amp; Administrative Expenses:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and Wages</td>
<td>8,525,455</td>
<td>9,707,288</td>
<td>1,181,833</td>
</tr>
<tr>
<td>Payroll Taxes and Benefits</td>
<td>2,261,085</td>
<td>2,940,980</td>
<td>679,895</td>
</tr>
<tr>
<td>Travel and Training</td>
<td>238,704</td>
<td>542,811</td>
<td>304,107</td>
</tr>
<tr>
<td>Outside Service - ACS</td>
<td>17,682,673</td>
<td>16,676,178</td>
<td>(1,006,495)</td>
</tr>
<tr>
<td>Outside Services - Other</td>
<td>1,691,441</td>
<td>2,001,363</td>
<td>309,922</td>
</tr>
<tr>
<td>Accounting &amp; Actuarial Services</td>
<td>237,093</td>
<td>247,000</td>
<td>9,908</td>
</tr>
<tr>
<td>Legal</td>
<td>1,470,324</td>
<td>962,500</td>
<td>(507,824)</td>
</tr>
<tr>
<td>Insurance</td>
<td>357,818</td>
<td>298,848</td>
<td>(58,970)</td>
</tr>
<tr>
<td>Lease Expense - Office</td>
<td>904,107</td>
<td>956,340</td>
<td>52,233</td>
</tr>
<tr>
<td>Consulting Services</td>
<td>950,949</td>
<td>1,492,477</td>
<td>541,528</td>
</tr>
<tr>
<td>Advertising and Promotion</td>
<td>78,856</td>
<td>83,486</td>
<td>4,630</td>
</tr>
<tr>
<td>General Office</td>
<td>1,596,419</td>
<td>2,483,169</td>
<td>886,750</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>258,833</td>
<td>417,934</td>
<td>159,101</td>
</tr>
<tr>
<td>Printing</td>
<td>66,726</td>
<td>166,620</td>
<td>99,894</td>
</tr>
<tr>
<td>Shipping &amp; Postage</td>
<td>94,737</td>
<td>291,309</td>
<td>196,572</td>
</tr>
<tr>
<td>Interest</td>
<td>377,817</td>
<td>238,750</td>
<td>(139,067)</td>
</tr>
<tr>
<td>ARCH/Community Grants</td>
<td>110,000</td>
<td>0</td>
<td>(110,000)</td>
</tr>
<tr>
<td><strong>Total G &amp; A Expenses</strong></td>
<td><strong>36,903,037</strong></td>
<td><strong>39,507,053</strong></td>
<td><strong>2,604,016</strong></td>
</tr>
<tr>
<td><strong>Total Operating Gain / (Loss)</strong></td>
<td><strong>33,485,504</strong></td>
<td><strong>11,478,641</strong></td>
<td><strong>22,006,863</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non Operating</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues - Interest</td>
<td>1,626,107</td>
<td>1,100,000</td>
<td>526,107</td>
</tr>
<tr>
<td>Expenses - Interest</td>
<td>33,876</td>
<td>17,153</td>
<td>(16,723)</td>
</tr>
<tr>
<td><strong>Total Non-Operating</strong></td>
<td><strong>1,660,983</strong></td>
<td><strong>1,217,153</strong></td>
<td><strong>443,830</strong></td>
</tr>
<tr>
<td><strong>Total Increase / (Decrease) in Unrestricted Net Assets</strong></td>
<td><strong>35,077,735</strong></td>
<td><strong>12,561,488</strong></td>
<td><strong>22,516,247</strong></td>
</tr>
</tbody>
</table>

Net Assets, Beginning of Year      | 99,945,264   |
Net Assets, End of Year             | 135,022,999  |
# STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

<table>
<thead>
<tr>
<th>FY 2015-16 Monthly Trend</th>
<th>Current Month</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FEB 16</strong></td>
<td><strong>MAR 16</strong></td>
</tr>
<tr>
<td><strong>Revenue:</strong></td>
<td></td>
</tr>
<tr>
<td>Premium</td>
<td>$60,531,080</td>
</tr>
<tr>
<td>Reserve for Rate Reduction</td>
<td>(2,110,000)</td>
</tr>
<tr>
<td>MCO Premium Tax</td>
<td>(2,383,411)</td>
</tr>
<tr>
<td><strong>Total Net Premium</strong></td>
<td>$56,037,668</td>
</tr>
<tr>
<td><strong>Other Revenue:</strong></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Income</td>
<td>38,333</td>
</tr>
<tr>
<td><strong>Total Other Revenue</strong></td>
<td>38,333</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>$56,076,002</td>
</tr>
</tbody>
</table>

## Medical Expenses:
- **Capitation (PCP, Specialty, Kaiser, NEMT & Vision):**
  - 9,085,138
- **FFS Claims Expenses:**
  - Inpatient: 7,392,640
  - LTC / SNF: 7,895,479
  - Outpatient: 3,379,287
  - Laboratory and Radiology: 278,498
  - Emergency Room: 1,672,260
  - Physician Specialty: 4,054,445
  - Primary Care Physician: 1,110,036
  - Home & Community Based Services: 1,158,925
  - Applied Behavior Analysis Services: 58,589
  - Mental Health Services: 298,271
  - Pharmacy: 8,431,109
  - **Total Claims:** 36,609,076
- **Medical & Care Management Expense:**
  - 1,185,612
- **Reinsurance:**
  - 291,461
- **Claims Recoveries:**
  - 423,027
- **Other Medical Care:**
  - 293
- **Other Fee For Service:**
  - 599,049
- **Transportation:**
  - 114,225
- ****Sub-total**:**
  - 1,203,046
- **Total Cost of Health Care:**
  - 46,897,269
- **Contribution Margin:**
  - 9,178,742

## General & Administrative Expenses:
- **Salaries and Wages:**
  - 740,575
- **Payroll Taxes and Benefits:**
  - 217,016
- **Travel and Training:**
  - 40,568
- **Outside Service - ACS:**
  - 1,613,004
- **Outside Services - Other:**
  - 183,036
- **Legal:**
  - 6,895
- **Insurance:**
  - 32,588
- **Lease Expense - Office:**
  - 110,467
- **Consulting Services:**
  - 82,510
- **Advertising and Promotion:**
  - 3,803
- **General Office:**
  - 131,842
- **Depreciation & Amortization:**
  - 21,153
- **Printing:**
  - 376
- **Shipping & Postage:**
  - 108
- **Interest:**
  - 9,282
- **ARCH/Community Grants:**
  - 0
- **Total G & A Expenses:**
  - 3,324,069

## Other Costs:
- **Operating Gain / (Loss):**
  - 5,854,672
  - Non Operating:
    - Revenues - Interest: 153,877
    - Expenses - Interest: 3,588
  - **Total Non-Operating:**
    - 150,288
  - **Total Increase / (Decrease) in Unrestricted Net Assets:**
    - 6,004,961

## Full Time Employees:
- 182
- 204
- 22
## PMPM - Statement of Revenues, Expenses and Changes in Net Assets

### General & Administrative Expenses:
- **Salaries and Wages**: 3.63
- **Payroll Taxes and Benefits**: 1.06
- **Travel and Training**: 0.20
- **Outside Service - ACS**: 7.91
- **Outside Services - Other**: 0.90
- **Accounting & Actuarial Services**: 0.03
- **Legal**: 0.64
- **Insurance**: 0.16
- **Lease Expense - Office**: 0.54
- **Consulting Services**: 0.40
- **Advertising and Promotion**: 0.02
- **General Office**: 0.65
- **Depreciation & Amortization**: 0.10
- **Printing**: 0.00
- **Shipping & Postage**: 0.00
- **Interest**: 0.05
- **ARCH/Community Grants**: 0.00

### Total G & A Expenses:
- **16.30**

### Total Operating Gain / (Loss):
- **28.70**

### Non Operating:
- **Revenues - Interest**: 0.75
- **Expenses - Interest**: 0.02

### Total Non-Operating:
- **0.74**

### Total Increase / (Decrease) in Unrestricted Net Assets:
- **29.44**

### Revenue:
- **Premium**: 296.75
- **Reserve for Rate Reduction**: (10.34)
- **MCO Premium Tax**: (11.68)

### Total Net Premium:
- **274.72**

### Other Revenue:
- **Interest Income**: 0.00
- **Miscellaneous Income**: 0.19

### Total Other Revenue:
- **0.19**

### Total Revenue:
- **274.91**

### Medical Expenses:
- **Capitation (PCP, Specialty, Kaiser, NEMT & Vision)**: 44.54

### FFS Claims Expenses:
- **Inpatient**: 36.24
- **LTC / SNF**: 38.71
- **Inpatient**: 16.57
- **Laboratory and Radiology**: 1.37
- **Emergency Room**: 8.20
- **Physician Specialty**: 19.88
- **Primary Care Physician**: 5.44
- **Home & Community Based Services**: 5.68
- **Applied Behavior Analysis Services**: 0.29
- **Mental Health Services**: 1.46
- **Pharmacy**: 41.33

### Provider Reserve:
- **0.00**
- **Other Medical Professional**: 0.81
- **Other Medical Care**: 0.00
- **Other Fee For Service**: 2.94
- **Transportation**: 0.56

### Total Claims:
- **179.47**

### Medical & Care Management Expense:
- **5.81**

### Reinsurance:
- **1.43**

### Claims Recoveries:
- **(1.34)**

### Sub-total:
- **5.90**

### Total Cost of Health Care:
- **229.91**

### Contribution Margin:
- **45.00**
- **13.26**
- **19.97**
- **23.62**

## Variance

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Actual</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium</td>
<td>296.75</td>
<td>299.99</td>
</tr>
<tr>
<td>Reserve for Rate Reduction</td>
<td>(10.34)</td>
<td>18.52</td>
</tr>
<tr>
<td>MCO Premium Tax</td>
<td>(11.68)</td>
<td>(11.81)</td>
</tr>
</tbody>
</table>

### Total Net Premium:
- **274.72**

### Other Revenue:
- **Interest Income**: 0.00
- **Miscellaneous Income**: 0.19

### Total Other Revenue:
- **0.19**

### Total Revenue:
- **274.91**

### Medical Expenses:
- **Capitation (PCP, Specialty, Kaiser, NEMT & Vision)**: 44.54

### FFS Claims Expenses:
- **Inpatient**: 36.24
- **LTC / SNF**: 38.71
- **Inpatient**: 16.57
- **Laboratory and Radiology**: 1.37
- **Emergency Room**: 8.20
- **Physician Specialty**: 19.88
- **Primary Care Physician**: 5.44
- **Home & Community Based Services**: 5.68
- **Applied Behavior Analysis Services**: 0.29
- **Mental Health Services**: 1.46
- **Pharmacy**: 41.33

### Provider Reserve:
- **0.00**
- **Other Medical Professional**: 0.81
- **Other Medical Care**: 0.00
- **Other Fee For Service**: 2.94
- **Transportation**: 0.56

### Total Claims:
- **179.47**

### Medical & Care Management Expense:
- **5.81**

### Reinsurance:
- **1.43**

### Claims Recoveries:
- **(1.34)**

### Sub-total:
- **5.90**

### Total Cost of Health Care:
- **229.91**

### Contribution Margin:
- **45.00**
- **13.26**
- **19.97**
- **23.62**

### General & Administrative Expenses:
- **Salaries and Wages**: 3.63
- **Payroll Taxes and Benefits**: 1.06
- **Travel and Training**: 0.20
- **Outside Service - ACS**: 7.91
- **Outside Services - Other**: 0.90
- **Accounting & Actuarial Services**: 0.03
- **Legal**: 0.64
- **Insurance**: 0.16
- **Lease Expense - Office**: 0.54
- **Consulting Services**: 0.40
- **Advertising and Promotion**: 0.02
- **General Office**: 0.65
- **Depreciation & Amortization**: 0.10
- **Printing**: 0.00
- **Shipping & Postage**: 0.00
- **Interest**: 0.05
- **ARCH/Community Grants**: 0.00

### Total G & A Expenses:
- **16.30**

### Total Operating Gain / (Loss):
- **28.70**

### Non Operating:
- **Revenues - Interest**: 0.75
- **Expenses - Interest**: 0.02

### Total Non-Operating:
- **0.74**

### Total Increase / (Decrease) in Unrestricted Net Assets:
- **29.44**
STATEMENT OF CASH FLOWS - FYTD

MAY 16

Cash Flow From Operating Activities
Collected Premium $ 772,810,267
Miscellaneous Income 1,206,044
State Pass Through Funds 64,203,583

Paid Claims
Medical & Hospital Expenses (356,959,139)
Pharmacy (89,409,673)
Capitation (82,469,368)
Reinsurance of Claims (3,133,055)
State Pass Through Funds Distributed (46,553,533)
Paid Administration (43,498,671)
MCO Taxes Received / (Paid) (30,822,448)

Net Cash Provided / (Used) by Operating Activities 185,374,009

Cash Flow From Investing / Financing Activities
Net Acquisition / Proceeds from Investments (63,420,063)
Net Discount / Premium Amortization of Investments 420,063
Repayment of Line of Credit (7,200,000)
Net Acquisition of Property / Equipment (1,563,752)

Net Cash Provided / (Used) by Investing / Financing (71,763,752)

Net Cash Flow $ 113,610,257

Cash and Cash Equivalents (Beg. of Period) 57,218,141
Cash and Cash Equivalents (End of Period) 170,828,399 $ 113,610,257

Adjustment to Reconcile Net Income to Net Cash Flow
Net Income / (Loss) 35,077,735
Depreciation & Amortization 414,576
Net Discount / Premium Amortization of Investments (420,063)
Decrease / (Increase) in Receivables 65,208,382
Decrease / (Increase) in Prepaids & Other Current Assets (47,599)
(Decrease) / Increase in Payables 72,153,165
(Decrease) / Increase in Other Liabilities (5,513,504)
Changes in Withhold / Risk Incentive Pool -
Change in MCO Tax Liability 847,208
Loss on asset disposal -
Changes in Claims and Capitation Payable 6,961,055
Changes in IBNR 10,693,053

185,374,009

Net Cash Flow from Operating Activities $ 185,374,009
# STATEMENT OF CASH FLOWS - MONTHLY

<table>
<thead>
<tr>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collected Premium</td>
<td>$52,454,183</td>
<td>$53,868,144</td>
</tr>
<tr>
<td>Miscellaneous Income</td>
<td>107,346</td>
<td>40,676</td>
</tr>
<tr>
<td>State Pass Through Funds</td>
<td>1,964,539</td>
<td>2,165,793</td>
</tr>
</tbody>
</table>

## Paid Claims

<table>
<thead>
<tr>
<th>Paid Claims</th>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical &amp; Hospital Expenses</td>
<td>(41,959,956)</td>
<td>(31,179,213)</td>
<td>(42,463,530)</td>
</tr>
<tr>
<td>Pharmacy</td>
<td>(5,040,324)</td>
<td>(9,268,697)</td>
<td>(9,348,750)</td>
</tr>
<tr>
<td>Capitation</td>
<td>(5,136,940)</td>
<td>(4,794,294)</td>
<td>(5,094,359)</td>
</tr>
<tr>
<td>Reinsurance of Claims</td>
<td>(293,872)</td>
<td>(292,601)</td>
<td>(291,220)</td>
</tr>
<tr>
<td>State Pass Through Funds Distributed</td>
<td>(11,194,602)</td>
<td>(1,858,433)</td>
<td>(1,850,953)</td>
</tr>
<tr>
<td>Paid Administration</td>
<td>(4,683,287)</td>
<td>(1,599,571)</td>
<td>(4,171,763)</td>
</tr>
<tr>
<td>MCO Tax Received / (Paid)</td>
<td>(2,413,406)</td>
<td>(2,128,383)</td>
<td>(2,051,653)</td>
</tr>
</tbody>
</table>

## Net Cash Provided / (Used) by Operating Activities

<table>
<thead>
<tr>
<th>Net Cash Provided / (Used) by Operating Activities</th>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>(16,196,319)</td>
<td>4,953,421</td>
<td>(5,835,354)</td>
<td></td>
</tr>
</tbody>
</table>

## Cash Flow From Investing / Financing Activities

<table>
<thead>
<tr>
<th>Cash Flow From Investing / Financing Activities</th>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Acquisition / Proceeds from Investments</td>
<td>(72,829)</td>
<td>(136,207)</td>
<td>(8,045,835)</td>
</tr>
<tr>
<td>Net Discount / Premium Amortization of Investments</td>
<td>72,829</td>
<td>136,207</td>
<td>45,835</td>
</tr>
<tr>
<td>Repayment of Line of Credit</td>
<td>-</td>
<td>-</td>
<td>(7,200,000)</td>
</tr>
<tr>
<td>Net Acquisition of Property / Equipment</td>
<td>(216,885)</td>
<td>(787,250)</td>
<td>(122,990)</td>
</tr>
</tbody>
</table>

## Net Cash Provided / (Used) by Investing / Financing

<table>
<thead>
<tr>
<th>Net Cash Provided / (Used) by Investing / Financing</th>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>(216,885)</td>
<td>(787,250)</td>
<td>(15,322,990)</td>
<td></td>
</tr>
</tbody>
</table>

## Net Cash Flow

<table>
<thead>
<tr>
<th>Net Cash Flow</th>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (16,413,204)</td>
<td>$ 4,166,170</td>
<td>$ (21,158,345)</td>
<td></td>
</tr>
</tbody>
</table>

## Cash and Cash Equivalents

<table>
<thead>
<tr>
<th>Cash and Cash Equivalents (Beg. of Period)</th>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>187,241,603</td>
<td>183,075,433</td>
<td>204,233,778</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Cash and Cash Equivalents (End of Period)</th>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>170,828,399</td>
<td>187,241,603</td>
<td>183,075,433</td>
<td></td>
</tr>
</tbody>
</table>

## Adjustment to Reconcile Net Income to Net Cash Flow

<table>
<thead>
<tr>
<th>Adjustment to Reconcile Net Income to Net Cash Flow</th>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net (Loss) Income</td>
<td>478,664</td>
<td>1,443,129</td>
<td>(737,696)</td>
</tr>
<tr>
<td>Loss on asset disposal</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Discount / Premium Amortization of Investments</td>
<td>(72,829)</td>
<td>(136,207)</td>
<td>(45,835)</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>53,756</td>
<td>46,258</td>
<td>35,311</td>
</tr>
<tr>
<td>Decrease / (Increase) in Receivables</td>
<td>(2,932,297)</td>
<td>1,821,990</td>
<td>(166,566)</td>
</tr>
<tr>
<td>Decrease / (Increase) in Prepaids &amp; Other Current As:</td>
<td>209,397</td>
<td>180,335</td>
<td>149,119</td>
</tr>
<tr>
<td>(Decrease) / Increase in Payables</td>
<td>(16,264,065)</td>
<td>(6,446,015)</td>
<td>(4,232,248)</td>
</tr>
<tr>
<td>(Decrease) / Increase in Other Liabilities</td>
<td>2,085,626</td>
<td>1,735,626</td>
<td>(3,812,429)</td>
</tr>
<tr>
<td>Changes in Withhold / Risk Incentive Pool</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Change in MCO Tax Liability</td>
<td>1,190,081</td>
<td>(1,357,397)</td>
<td>764,959</td>
</tr>
<tr>
<td>Changes in Claims and Capitation Payable</td>
<td>884,528</td>
<td>3,990,271</td>
<td>(1,119,231)</td>
</tr>
<tr>
<td>Changes in IBNR</td>
<td>(1,829,180)</td>
<td>3,675,431</td>
<td>3,329,261</td>
</tr>
</tbody>
</table>

## Net Cash Flow from Operating Activities

<table>
<thead>
<tr>
<th>Net Cash Flow from Operating Activities</th>
<th>MAY 16</th>
<th>APR 16</th>
<th>MAR 16</th>
</tr>
</thead>
<tbody>
<tr>
<td>(16,196,319)</td>
<td>4,953,421</td>
<td>(5,835,354)</td>
<td></td>
</tr>
</tbody>
</table>
GOLD COAST HEALTH PLAN
MAY 2016

Cash + Medi-Cal Receivable Trend ($ in Millions)
(Net of MCO Tax Liability and excludes pass-through funds)
GOLD COAST HEALTH PLAN

Membership - Rolling 12 Month

Total 194,664 189,314 193,867 194,875 198,148 200,385 203,857 202,945 203,981 205,206 205,530 206,495 201,862
FAMILY 89,108 85,583 87,559 87,756 89,623 90,445 91,739 91,343 92,228 92,629 92,797 92,798 90,911
DUALS 19,226 18,664 19,127 19,321 19,177 19,119 19,146 18,977 19,031 19,035 19,075 19,692
SPD 10,343 10,453 10,389 10,231 10,315 10,371 10,319 10,854 10,514 10,681 10,701 10,521 10,946
TLIC 28,125 27,530 28,121 27,601 27,987 27,902 28,504 27,912 27,620 28,002 27,281 27,676 26,819
AE 47,862 47,084 48,671 49,966 51,046 52,516 54,176 53,690 54,642 54,863 55,716 56,425 53,494

SPD = Seniors and Persons with Disabilities  TLIC = Targeted Low Income Children  AE = Adult Expansion
For the month ended February 28, 2014

GOLD COAST HEALTH PLAN

Total Expense Composition

Note: June 15 reflects the Enhanced Adult Capitation program and reclassification of fee-for-service expense to capitation expense.
GOLD COAST HEALTH PLAN
MAY 2016

Paid Claims Composition (excluding Pharmacy and Capitation Payments)

Note: Paid Claims Composition - reflects adjusted medical claims payment lag schedule.
Months indicated with 5* represent months for which there were 5 claim payments. For all other months, 4 claim payments were made.

IBNP Composition (excluding Pharmacy and Capitation)

Note: IBNP Composition - reflects updated medical cost reserve calculation plus total system claims payable.
June 2015 - reflects the Enhanced Adult Capitation program and reclassification of fee-for-service expense to capitation expense.
Effective Oct 14, Dual members were responsible for prescription copays, lowering the percentage of utilizing members.
AGENDA ITEM NO. 3

TO: Gold Coast Health Plan Commission
FROM: Patricia Mowlavi, CFO
DATE: July 25, 2016
SUBJECT: Audit Committee Vacancy Replacement

SUMMARY:

The Audit Committee was created to assist the Commission in fulfilling certain financial, audit, and compliance oversight responsibilities. There are currently two members on the Audit Committee: Commissioners Alatorre and Pupa. The Subcommittee requests that the Commission appoint a replacement to fill the position vacated by Commissioner Glyer.

BACKGROUND/DISCUSSION:

The Audit Committee Charter was adopted on September 28, 2015, which created a Committee comprised of at least three and no more than six members of the Commission. The Committee members will be financially literate and at least one member will be a financial expert. These skills are defined per the Charter as follows:

Each Committee member will be “financially literate”, as defined as being able to read and understand fundamental financial statements, including a company’s balance sheet, income statement and cash flow statement. At least one member shall be designated as the “financial expert”, as defined by having past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background that results in the individual being financially sophisticated. This would include having been a chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities.

FISCAL IMPACT:

None.

RECOMMENDATION:

Staff recommends that the Commission appoint an Audit Committee member to fill the vacancy.
AGENDA ITEM NO. 4

TO: Gold Coast Health Plan Commission

FROM: Ruth Watson, Chief Operations Officer

DATE: July 25, 2016

SUBJECT: Amendment to Professional Services Contract for Network Development and Contracting

SUMMARY:

In January 2016 Gold Coast Health Plan (GCHP or Plan) hired a consultant, Steve Peiser, a healthcare industry professional with expertise in business development, strategic planning, network management, acute-care hospital operations, and payor contracting and revenue maximization. Mr. Peiser was brought in to assist the Plan with network development, provider engagement and the advancement of value-based reimbursement programs in-line with the Center for Medicare and Medicaid Services (CMS) payment reform initiatives.

This contract with Mr. Peiser is now approaching an amount in excess of $100,000 which requires approval by the Commission in order for the Plan to continue with this critical effort.

BACKGROUND/DISCUSSION:

The Department of Health Care Services (DHCS) and the Center for Medicare and Medicaid (CMS) is moving towards value-based reimbursement where providers are paid for the value of care they deliver (value-based care) instead of by the number of services performed. This switch from traditional fee-for-service (FFS) payments towards Value Based Payments (VBP) has driven GCHP to reevaluate its existing provider contracting strategy.

In preparation of this transition, the Plan contracted in January 2016 with Steve Peiser, a contractor with extensive contracting and system development experience in Southern California. Mr. Peiser has made a significant impact in developing and implementing the Plan’s contracting strategy and value-based programs.

With Mr. Peiser’s assistance the Plan has completed successful negotiations with several key providers, developed a strategy and budget for Alternative Resources Community Health (ARCH), added specialists and ancillary providers to our network and begun to implement a provider engagement strategy.
The original contract was not expected to exceed the $100,000 level requiring Commission approval, however, as the program continues to develop it is clear that the contract will exceed that amount. Staff recommends ratification of the existing Professional Services contract with Steve Peiser allowing him to continue to assist the Plan in this transition from the FFS reimbursement system to one based on value.

RECOMMENDATION:

GCHP is transitioning away from a traditional fee-for-service contracting strategy to one focused on improving outcomes, lowering costs, and increasing overall access to care. The shift toward increased collaboration with plan provider partners, outcome-based payment and new benefit design is driving innovation in how we pay for health care and how health care will be delivered.

CMS’ payment reform represents one of the greatest financial challenges health systems currently face. Staff recommends an amendment of this professional services contract for an increase in an amount not to exceed $200,000 to assist the plan in addressing this challenge.

FISCAL IMPACT:

Staff requests approval of an amendment of the contract with Steve Peiser in an amount not to exceed $200,000. This amount is covered in the FY 2016-17 Commission approved budget. This contract amendment will insure adequate time to develop and implement the Plan’s VBP and Network Development strategy.

ATTACHMENT:

Exhibit A – Consulting Services Agreement
CONSULTING SERVICES AGREEMENT

THIS CONSULTING SERVICES AGREEMENT ("Agreement"), entered into on the 1st day of February, 2015, between Ventura County Medi-Cal Managed Care Commission d.b.a. Gold Coast Health Plan, a public entity (hereinafter "PLAN"), and Steven Peiser, an independent contractor (hereinafter "CONSULTANT") to provide consulting services to the PLAN on matters related to Network Contracting and Development as outlined in Description of Services, contained in Attachment A.

WHEREAS, PLAN is a County Organized Health System (COHS) model of managed care organization under contract to the State of California, Department of Health Care Services, (DHCS) pursuant to which it has enrolled Medi-Cal beneficiaries into its Health Plan (hereinafter "Members"); and

WHEREAS, PLAN desires to engage consultant to provide PLAN with professional consulting services on matters related to those services contained in Attachment A;

WHEREAS, CONSULTANT has experience and expertise necessary to provide such services;

NOW, therefore, be it resolved that in consideration of the mutual promises set forth below, the Parties hereby agree as follows:

I. Services

1.1 During the term of this Agreement, CONSULTANT shall furnish the services set forth in Attachment A (Statement of Work) of this Agreement, which is attached and incorporated herein (the "Services"). The Services shall be performed by CONSULTANT as an independent contractor and not as an agent or employee of PLAN.

1.2 CONSULTANT shall perform all Services provided pursuant to this Agreement in compliance with: (i) all applicable standards set forth by law or ordinance or established by the rules and regulations of any federal, state or local agency, commission, association or other pertinent governing, or accrediting body, having authority to set standards for health plans and county organized health systems; and (ii) all PLAN rules, regulations, policies and procedures.

1.3 CONSULTANT shall at all times maintain such licenses or certifications as may be necessary to perform the Services in the State of California (the "State").

1.4 CONSULTANT represents and warrants to PLAN as follows: (i) CONSULTANT's licenses or certifications required under this Agreement have never been denied, suspended, revoked, terminated, relinquished under threat of disciplinary action, or restricted in any way; (ii) CONSULTANT's professional privileges granted by any other organization, if any, have never been denied, suspended, revoked, terminated, relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction; (iii) CONSULTANT has not in the past conducted, and is not presently conducting business or professional practice in such a manner as to cause CONSULTANT to be suspended, excluded, debarred or sanctioned under the Medicare or Medicaid Programs, or any government licensing agency, nor has CONSULTANT ever been charged with or convicted of a criminal offense related to health care, or listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation; and (iv) each of the representations and warranties set forth herein shall be continuing and in the event any such representation or warranty fails to remain true and accurate during the term of this Agreement, CONSULTANT shall immediately notify PLAN.
II. Compensation

2.1 PLAN will pay CONSULTANT a rate of One-Hundred Forty dollars ($140.00) per hour for the Services.

CONSULTANT shall be responsible for payment of all expenses and costs related to the execution of these Services, such as consultation time with PLAN, mileage, and miscellaneous out-of-pocket expenses, unless otherwise approved by PLAN. CONSULTANT shall keep PLAN reasonably apprised on the progress of his activities related to performance of the Services.

2.2 Payment for the Services rendered and reimbursement for expenses (to the extent approved by PLAN) shall be made by PLAN to CONSULTANT upon timely submission of invoices. Invoices shall be submitted to the attention of the Chief Executive Officer at the address provided in Section IX, Notices. The invoices will include the dates in which the Services were performed and hours performing the Services. Payment shall be made within thirty (30) days of receipt of a properly submitted invoice.

2.3 CONSULTANT is responsible for paying all income taxes, including estimated taxes, incurred as a result of the compensation paid by PLAN for Services rendered under this Agreement. CONSULTANT shall indemnify PLAN for any claims, costs, losses, fees, penalties, interest, or damages suffered by PLAN resulting from CONSULTANT's failure to comply with this tax payment provision.

III. Independent Contractor

CONSULTANT shall perform the services set forth above as an independent contractor of PLAN. CONSULTANT is not and will not become an employee, agent or principal of PLAN as a result of the performance of the Services. CONSULTANT is not entitled to the rights or benefits afforded to PLAN employees, including disability or unemployment insurance, workers' compensation medical insurance, sick leave, or any other employment benefit. CONSULTANT is responsible for providing, at his own expense, and to the extent required, workers' compensation insurance, training, permits and licenses in addition to the insurance indicated below.

IV. Indemnification and Insurance

4.1 Indemnification by PLAN. PLAN shall hold harmless, indemnify and defend CONSULTANT for any and all claims resulting from any injury, disability or death arising out of or related to CONSULTANT's performance of the Services or operating of PLAN, except to the extent such injury, disability or death arises out of or is related to CONSULTANT's willful, reckless, fraudulent or criminal conduct.

4.2 Indemnification by CONSULTANT. CONSULTANT shall hold harmless, indemnify and defend PLAN for any and all claims resulting from any injury, disability or death arising out of or related to CONSULTANT's performance of the Services or operating of PLAN, to the extent such injury, disability or death arises out of or is related to CONSULTANT's willful, reckless, fraudulent or criminal conduct.

4.3 CONSULTANT Insurance. CONSULTANT shall procure and maintain for the duration of the Agreement, at CONSULTANT’s own expense, the following insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the Services: (a) automobile liability insurance with a minimum combined single
limit for bodily injury and property damage of $1,000,000 per accident, and (b) workers
compensation insurance as may be required by the laws of the State and general liability
insurance. CONSULTANT's insurance coverage shall be primary insurance as respect to PLAN.
Any insurance or self-insurance maintained by PLAN shall be excess of CONSULTANT's
insurance and shall not contribute with it. Upon request by PLAN, CONSULTANT shall provide the
PLAN with evidence of the insurance required herein.

4.4 PLAN Insurance. PLAN shall maintain, at PLAN's expense, comprehensive general
liability, directors and officers, and professional liability insurance, or an equivalent program of self-
insurance, against claims for injuries to persons or damage to property which may arise from or in
connection with the performance of the Services. Upon request by PLAN, CONSULTANT shall
provide the PLAN with evidence of the insurance required herein.

V. Term and Termination

5.1 Term. The term of this Agreement shall begin on the date set forth on the first page of the
Agreement and continue until the Agreement is terminated by PLAN or CONSULTANT as set forth
below.

5.2 Termination for Convenience. CONSULTANT may terminate this Agreement at any time
for any reason or for no reason with at least fourteen (14) business days prior written notice to
PLAN. PLAN may terminate this Agreement at any time for any reason or for no reason with at
least fourteen (14) business days prior written notice to CONSULTANT.

5.3 Termination for Cause. PLAN may terminate this Agreement immediately by written notice
to CONSULTANT upon CONSULTANT's failure to satisfy the representations and warranties in
Section 1.4, upon CONSULTANT's material breach of the HIPAA Business Associate Agreement
executed by the parties, or upon CONSULTANT's material breach of the provisions of Articles VI
or VII of this Agreement.

VI. Confidentiality of Member Information

6.1 CONSULTANT shall preserve as confidential and shall use only in connection with
CONSULTANT's performance of the Services, all privileged information acquired from PLAN in
the performance of this Agreement. The term "privileged information" shall include without
limitation unpublished information and data related to operations of PLAN, any and all
beneficiary information and plans, methods, processes, internal specifications and reports.

6.2 Notwithstanding any other provision of the Agreement, the names of persons
receiving public social services are confidential and are to be protected from
unauthorized disclosure in accordance with 42, CFR, §431.300 et. seq. and §14100.2, Welfare
and Institutions Code (W&I Code) and regulations adopted thereunder. For the purpose of this
Agreement, CONSULTANT and his staff will protect from unauthorized disclosure all
information, records, data and data elements collected and maintained for the operation of the
Agreement and pertaining to Members.

6.3 With respect to any identifiable information concerning a Member under this Agreement
that is obtained by the CONSULTANT, the CONSULTANT:

(a) will not use any such information for any purpose other than carrying out the express
terms of the Agreement,
(b) will promptly transmit to PLAN all requests for disclosure of such information,

(c) will not disclose except as otherwise specifically permitted by the Agreement, any such information to any party other than PLAN, the U.S. Department of Health and Human Services, or the Department of Health Care Services (DHCS) without prior written authorization specifying that the information is releasable under 42 C.F.R. § 431.300 et seq., W&I Code § 14100.2, and regulations adopted thereunder, and

(d) will, at the expiration or termination of the Agreement, return all such information to PLAN or maintain such information according to written procedures sent to PLAN by DHCS for this purpose.

6.4 CONSULTANT and PLAN shall make any and all efforts and take any and all actions necessary to comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009, and the regulations promulgated thereunder (collectively, "HIPAA Requirements"). CONSULTANT shall take such actions and develop such capabilities as are required to support PLAN compliance with HIPAA Requirements, including, if applicable, acceptance and generation of appropriate electronic files in HIPAA compliant standards formats.

6.5 CONSULTANT shall execute and comply with the PLAN Business Associate Agreement in addition to this Agreement and any other instruments as may be required by HIPAA Requirements.

VII. Non-Discrimination

During the performance of the Services under this Agreement, CONSULTANT and his staff shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and use of family care leave. CONSULTANT and his staff shall ensure that the evaluation and treatment of CONSULTANT's employees and applicants for employment are free of such discrimination and harassment.

VIII. Disputes

8.1 Judicial Reference. At the election of either party to this Agreement (which election shall be binding upon the other party), a dispute between CONSULTANT and PLAN arising out of this Agreement shall be heard and decided by a referee appointed pursuant to California Code of Civil Procedure Section 638 (or any successor provision thereto, if applicable), who shall hear and determine any and all of the issues in any such action or proceeding, whether of fact or law, and to report a statement of decision, subject to judicial review and enforcement as provided by California law, and in accordance with Chapter 6 (References and Trials by Referees), of Title 8 of Part 2 of the California Code of Civil Procedure, or any successor chapter. The referee shall be a retired judge of the California superior or appellate courts determined by agreement between the parties, provided that in the absence of such agreement either party may bring a motion pursuant to the said Section 638 for appointment of a referee before the appropriate judge of the Ventura Superior Court. The parties acknowledge that they forego any right to trial by jury in any judicial reference proceeding. Any counterpart or copy of this Agreement, filed with such Court upon such motion, shall conclusively establish the agreement of the parties to such appointment. The parties agree that the only proper venue for the submission of claims to judicial reference shall be the courts of general jurisdiction of the State of California located in Ventura County. The parties reserve the right to contest the referee's decision and to appeal from any award or order of any court. The
designated non-prevailing party in any dispute shall be required to fully compensate the referee for his or his services hereunder at the referee's then respective prevailing rates of compensation.

8.2 Limitations. CONSULTANT must comply with the claim procedures set forth in the Government Claims Act (Government Code Section 800, et. seq.) prior to filing any legal proceeding, including judicial reference, against PLAN. If no such Government Code claim is submitted, no action against PLAN may be filed. Notwithstanding anything to the contrary contained in this Agreement, any suit, judicial reference or other legal proceeding must be initiated within one (1) year after the date the facts giving rise to a dispute occurred or such dispute shall be deemed waived and forever barred; provided that, if a shorter time period is prescribed under the Government Claims Act, then, the shorter time period (if any) prescribed under the Government Claims Act shall apply.

8.3 Venue. Unless otherwise specified in this Section, all actions and proceedings arising in connection with this Agreement shall be tried and litigated exclusively in the state courts located in the County of Ventura, State of California.

IX. Notices

Any notice or other communication required or permitted in this Agreement shall be in writing and shall be deemed to have been duly given on the day of service if served personally or by facsimile transmission with confirmation, or three (3) days after mailing if mailed by registered or certified mail, or two (2) days after delivery to a nationally recognized overnight courier, to the person and address noted below or to such other person or address as a party may designate in writing from time to time. The addresses for notice shall be changed in the manner provided for in this Section IX.

If served on PLAN, it should be addressed to:

Chief Executive Officer
Gold Coast Health Plan
711 E. Daily Drive, Suite 106
Camarillo, CA 93010

If served on CONSULTANT, it should be addressed to:

Steven Peiser
29758 Quail Run Drive
Agoura Hills, CA 91301

X. General Provisions

10.1 Amendment. All amendments must be agreed to in writing by PLAN and CONSULTANT.

10.2 No Third-Party Beneficiaries. The obligations created by this Agreement shall be enforceable only by the parties hereto, and no provision of this Agreement is intended to, nor shall it be construed to, create any rights for the benefit of or be enforceable by any third party, including but not limited to any Member.

10.3 Waiver. To be effective, the waiver of any provision or the waiver of the breach of any provision of this Agreement must be set forth specifically in writing and signed by the giving party. Any such waiver shall not operate or be deemed to be a waiver of any prior or future breach of such provision or of any other provision. It is understood and agreed that no failure or delay by
PLAN in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

10.4 Severability. Should any provisions of this Agreement be declared or found to be illegal, unenforceable, ineffective, or void (by any federal or state courts in a final order or judgment that has not been appealed, or in a final determination by an appellate court), then each party shall be relieved of any obligation arising in that provision; the balance of this Agreement, if capable of performance, shall remain in full force and effect.

10.5 Entire Agreement. This Agreement and its attachments, and any Business Associate Agreement, constitutes the entire agreement between the parties with respect to its subject matter and constitutes and supersedes all prior agreements, representations and understandings of the parties, written or oral.

10.6 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of California.

I. Special Terms and Conditions

CONSULTANT agrees to comply with the special terms and conditions set forth in Attachment B (Special Terms and Conditions).

IN WITNESS WHEREOF the parties hereto have signed this Agreement as of the date set forth below by their authorized representative.

Ventura County Medi-Cal Managed Care Commission d.b.a. Gold Coast Health Plan

Signature: __________________________
Dale Villani, CEO

Date: 1/28/15

Consultant

Signature: __________________________
Steven Peiser

Date: 04/27/2016
ATTACHMENT A
STATEMENT OF WORK

During the term of the Agreement, CONSULTANT shall furnish the following Services:

1. Consulting services to the Plan on matters related to:
   
   This contract position will operate at the Executive Director level, will report directly to the Chief Operating Officer (COO) and work with the Executive team and Network Operations staff to assist GCHP in the development and implementation of Network Operation's initiatives designed around the "triple aim" concept of optimizing care, health and cost.
   
   These initiatives include but are not limited to:
   
   - Develop enhanced provider engagement strategies
     - Establish and implement the Provider Advisory Committee (PAC) – a sub-committee of GCHP's Commission
     - Develop provider outreach and engagement strategies
   
   - Conduct an analysis of GCHP's existing provider network
     - Identify network gaps and opportunities for additional access and availability
     - Research and recommend opportunities for rate development
     - Assist the COO and GCHP's Executive Team in the development of alternative payment strategies that drive provider engagement and the delivery of quality care, including:
       - Pay for performance programs
       - Value based contracting
       - Bundled payments, etc.

2. Notwithstanding the above designated services, PLAN and CONSULTANT may agree that CONSULTANT will provide additional services other than those set forth above. As required, such additional services will be reflected in an amendment in accordance with the terms of Article 10.1.

Special Payment Terms – A startup deposit will be required in the amount of $22,400 at the beginning of the project for the services listed in this State of Work. If this contract is terminated by the Plan within the first 30 days of the project, then the startup deposit will be calculated into the agreed hourly rate and any payment overages would be payable by Consultant to the Plan.
1. EQUAL OPPORTUNITY REQUIREMENTS

(a) The CONSULTANT will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The CONSULTANT will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following; employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The CONSULTANT agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government California Department of Health Care Services setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 USC 4212). Such notices shall state the CONSULTANT's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.

(b) The CONSULTANT will, in all solicitations or advancements for employees placed by or on behalf of the CONSULTANT, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.

(c) The CONSULTANT will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State of California, advising the labor union or workers' representative of the CONSULTANT's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The CONSULTANT will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 USC 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR 60, 'Office of the Federal

(e) The CONSULTANT will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the CONSULTANT's noncompliance with the requirements of the provisions herein or with any Federal rules, regulations, or orders which are referenced herein, this Agreement may be cancelled, terminated, or suspended in whole or in part and the CONSULTANT may be declared ineligible for further Federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(g) CONSULTANT shall comply with all applicable Federal requirements in Section 504 of the Rehabilitation Act of 1973 (29 USC §794) Nondiscrimination under Federal grants and programs; Title 45 CFR Part 84 Nondiscrimination on the basis of handicap in programs or activities receiving Federal financial assistance; Title 28 CFR Part 36 Nondiscrimination on the basis of disability by public accommodations and in commercial facilities; Title IX of the Education Amendments of 1973 (regarding education programs and activities); Title 45 CFR Part 91 the Age Discrimination Act of 1975; and all other laws regarding privacy and confidentiality.

2. HUMAN SUBJECTS USE REQUIREMENTS

By signing this Agreement, CONSULTANT agrees that if any performance under this Agreement or any subcontract includes any tests or examination of materials derived from the human body for the purpose of providing information, diagnosis, prevention, treatment or assessment of disease, impairment, or health of a human being, all locations at which such examinations are performed shall meet the requirements of 41 USC 263a (CLIA) and the regulations thereto.

3. DEBARMENT AND SUSPENSION CERTIFICATION

(a) By signing this Agreement, the CONSULTANT agrees to comply with applicable Federal suspension and debarment regulations including, but not limited to 7 CFR
3017, 45 CFR 76, 40 CFR 32, or 34 CFR 85.

(b) By signing this Agreement, the CONSULTANT certified to the best of its knowledge and belief, that it and its principals:

i. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

ii. Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

iii. Are not presently indicted for or otherwise criminally or civilly charged by a governmental Entity (Federal, State or local) with commission of any of the offenses enumerated in Sub-provision B.(2) herein;

iv. Have not within a three-year period preceding this Agreement had one or more public transactions (Federal, State or local) terminated for cause or default;

v. Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under Federal regulations (i.e., 48 CFR 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State; and

vi. Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

(c) If the CONSULTANT is unable to certify to any of the statements in this certification, the CONSULTANT shall submit an explanation to PLAN.

(d) The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.

(e) If the CONSULTANT knowingly violates this certification, in addition to other remedies available to the Federal Government, PLAN may immediately terminate this Agreement for cause.

4. SMOKE-FREE WORKPLACE CERTIFICATION

(a) Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to
children under the age of 19, if the services are funded by Federal programs either
directly or through state or local governments, by federal grant, contract, loan, or loan

guarantee. The law also applies to children's services that are provided in indoor
facilities that are constructed, operated, or maintained with such federal funds. The
law does not apply to children's services provided in private residences; portions of
facilities used for inpatient drug or alcohol treatment; service providers whose sole
source of applicable federal funds is Medicare or Medicaid; or facilities where WIC
coupons are redeemed.

(b) Failure to comply with the provisions of the law may result in the imposition of a
civil monetary penalty of up to $1,000 for each violation and/or the imposition of an
administrative compliance order on the responsible party.

(c) By signing this Agreement, CONSULTANT certifies that it will comply with the
requirements of the Act and will not allow smoking within any portion of any indoor
facility used for the provision of services for children as defined by the Act. The
prohibitions herein are effective December 26, 1994.

(d) CONSULTANT further agrees that it will insert this certification into any subcontracts
entered into that provide for children's services as described in the Act.

5. COVENANT AGAINST CONTINGENT FEES

The CONSULTANT warrants that no person or selling agency has been employed or
retained to solicit/secure this Agreement upon an agreement of understanding for a
commission, percentage, brokerage, or contingent fee, except *bona fide* employees or *bona fide*
established commercial or selling agencies retained by the CONSULTANT for the purpose of
securing business. For breach or violation of this warranty, PLAN shall have the right to annul
this Agreement without liability or in its discretion to deduct from the Agreement price or
consideration, or otherwise recover, the full amount of, such commission, percentage, and
brokerage or contingent fee.

6. OFFICIALS NOT TO BENEFIT

No members of or delegate of Congress or the State Legislature shall be admitted to
any share or part of this Agreement, or to any benefit that may arise therefrom. This
Provision shall not be construed to extend to this Agreement if made with a corporation for its
general benefits.

7. PROHIBITED USE OF STATE FUNDS FOR SOFTWARE

CONSULTANT certifies that is has appropriate systems and controls in place to
ensure that PLAN funds will not be used in the performance of this Agreement for the
acquisition, operation or maintenance of computer software in violation of copyright laws.

8. ALIEN INELIGIBILITY CERTIFICATION

By signing this Agreement, the CONSULTANT certifies that he/she is not an alien
that is ineligible for State and local benefits, as defined in Subtitle B of the Personal
Responsibility and Work Opportunity Act. (8 USC 1601, et seq.)

9. **AUDITS AND INSPECTIONS**

   (a) CONSULTANT will maintain such books and records necessary to disclose how Consultant discharged its obligations under this Agreement. These books and records will disclose the quantity of Services provided under this Agreement, the quality of those Services, the manner and amount of payment made for those Services, the entities or individuals receiving the Services, the manner in which CONSULTANT administered in daily business, and the cost thereof. These books and records shall be maintained for a minimum of five (5) years from the end of the year in which the applicable book or record was created or used, unless a longer period is required by law, or in the event CONSULTANT has been notified that PLAN, the State, the federal government, or their authorized agencies or representatives have commenced an audit or investigation of the Agreement, until such time as the matter under audit or investigation has been resolved, whichever is later.

   (b) CONSULTANT shall, through the end of the records retention period specified in subsection 9(a), at any time during normal business hours, allow PLAN, the State, the federal government, or their authorized agencies or representatives, to inspect CONSULTANT'S facilities, books and records with respect to the matters covered by this Agreement.

   (c) For the purpose of this Section 9, books and records include, but are not limited to, all physical records originated or prepared pursuant to the performance of the Services under this Agreement, including working papers, reports, financial records, books of account, medical records, prescription files, subcontracts, information systems and procedures, and any other documentation pertaining to medical and non-medical services rendered to Members.
HIPAA Business Associate Agreement

Agreement Between
Ventura County Medi-Cal Managed Care Commission dba Gold Coast Health Plan
("PLAN")
And
Steven Peiser, ("Consultant")

This HIPAA Business Associate Agreement ("Agreement") is effective as of the day of first day of February, 2014 ("Effective Date"), and is entered by and between Ventura County Medi-Cal Managed Care Commission dba Gold Coast Health Plan ("PLAN") and Steven Peiser, ("Consultant") in conjunction with a consulting services agreement entered between the parties, dated February 1, 2015 (the "Consulting Services Agreement").

PLAN and Consultant mutually agree to the terms of this Agreement to comply with the requirements of the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009, and their implementing regulations, 45 C.F.R Parts 160-64, (collectively, the "HIPAA Rules").

1. **Definitions.**

   (A) **Catch-all Definition.** The terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules, including the terms: Breach, Disclosure, Health Care Operations, Individual, Secretary, Security Incident, Subcontractor, and Use.

   (B) **Specific Definitions.**

   "Protected Health Information" or "PHI" shall have the same meaning as that term in the HIPAA Rules and shall refer to PHI that is created, received, maintained or transmitted on behalf of PLAN.

2. **Applicability.** If Consultant receives any PHI from PLAN, or creates, receives, maintains, or transmits any PHI on behalf of PLAN, Consultant shall comply with the provisions of this Agreement.

3. **Permitted Uses and Disclosures of PHI.**

   (A) Except as otherwise limited in this Agreement, Consultant may use or disclose PHI for the purposes set forth in this Agreement or the Consulting Services Agreement. Consultant may use PHI for the proper management and administration of Consultant or to carry out the legal responsibilities of Consultant. Consultant may disclose PHI for Consultant's proper management and administration or to carry out Consultant's legal responsibilities only if the disclosure is required by law, or Consultant obtains reasonable assurances from the person or organization to whom the information is disclosed that it will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or organization, and the person or organization notifies Consultant of any instances of which it is aware in which the confidentiality of the information has been breached. Consultant shall not further disclose such information without the written approval of PLAN.

   (B) Consultant shall obtain from each member of its workforce to whom it discloses PHI a written undertaking to maintain the confidentiality of such information, and shall take appropriate disciplinary action against any member of its workforce who uses or discloses PHI in contravention of this Agreement.
(C) Nothing in this Agreement shall be construed to require or permit any use or disclosure that PLAN is not permitted to make under 45 CFR Part 164.

4. **Prohibited or Unauthorized Use or Disclosure.** Consultant shall not use or disclose PHI except as permitted or required by this Agreement, the Consulting Services Agreement, or as required by law.

5. **Information Safeguards.** Consultant shall comply with 45 C.F.R. Part 164, Subpart C (the “Security Rule”) and develop, implement, maintain, and use appropriate administrative, technical, and physical safeguards to prevent use or disclosure of electronic PHI other than as provided for by this Agreement.

6. **Breach and Security Incident Reporting.**

(A) Breach. Consultant will report to Plan any use or disclosure of PHI not permitted by this Agreement. Consultant will make the report to PLAN without unreasonable delay and not more than seven (7) days after Consultant learns of such non-permitted or violating use or disclosure. Consultant’s report will at least:

   (i) Provide a brief description of the breach, including the date of the breach and the date of the discovery of the breach;

   (ii) Identify the PHI used or disclosed;

   (iii) Identify what corrective action Consultant took or will take to prevent further non-permitted or violating uses or disclosures;

   (iv) Identify what Consultant did or will do to mitigate any deleterious effect of the non-permitted or violating use or disclosure; and

   (v) Provide such other information, including a written report, as PLAN may reasonably request.

(B) Security Incidents. Consultant will notify PLAN any of security incident relating to electronic PHI, not more than seven (7) business days after Consultant learns of such security incident, including any attempted or successful incidents of unauthorized access, use, disclosure, modification, or destruction of PLAN's electronic PHI, or interference with Consultant's system operations in Consultant's information systems, of which Consultant becomes aware that extend beyond routine, unsuccessful attempts. Routine, unsuccessful attempts include but are not limited to pings and other broadcast attacks on Consultant's firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of PHI. Examples of reportable security incidents include, but are not limited to:

   (i) The exposure of Consultant's information systems to malicious code, such as a virus or worm, that places electronic PHI at risk;

   (ii) Unauthorized access granted to or obtained by servers or workstations that contain electronic PHI;

   (iii) Consultant becomes aware that electronic PHI is being used, copied, or destroyed inappropriately; and
(iv) Consultant experiences a “denial of service” attack or the compromise of a server or workstation containing electronic PHI that requires the server or workstation to be taken offline.

7. **Subcontractors or Agents.** Consultant shall ensure that its agents, including any subcontractors, that create, receive, maintain, or transmits any PHI on behalf of PLAN or Consultant, agree in writing to the restrictions and conditions that apply to Consultant with respect to such information.

8. **Disclosure Accounting.** Consultant shall maintain the following information concerning all disclosures of PHI by Consultant or any subcontractors or agents and make it available to PLAN within ten (10) business days of written request:

   i) The date of the disclosure;

   ii) The name of the entity or person who received the PHI and, if known, the address of such entity or person;

   iii) A brief description of the PHI disclosed;

   iv) A brief statement of the purpose of the disclosure that reasonably informs the individual of the basis for the disclosure or, in lieu of such statement, a copy of the written request for the disclosure, if any; and

   v) Such other information as PLAN may request in order to fulfill its legal obligations to account for disclosures to the individual.

Consultant shall maintain the information necessary to enable it to provide such information for the six years preceding the request or the date of this Agreement, whichever is later.

Consultant shall not, however, be required to maintain such information for disclosures of PHI:

   i) To carry out treatment, payment and health care operations on behalf of PLAN, or that are incident to such disclosures;

   ii) To individuals of protected health information about them; or

   iii) Pursuant to a written authorization given by or on behalf of the individual.

9. **Inspection of Books and Records.** Consultant shall make its internal practices, books, and records relating to the use and disclosure of PHI available to PLAN and to the Secretary of the United States Department of Health and Human Services, for purposes of determining PLAN’s compliance with its legal obligations.

10. **Termination of Agreement.** Upon termination of this Agreement of the Consulting Services Agreement, Consultant shall return or destroy all PHI that it maintains in any form consistent with GCHP’s policies, and shall retain no copies of such information or, if the parties agree that return or destruction is not feasible, extend the protections of this Agreement to such information, and limit further use and disclosure of the information to those purposes that make the return or destruction of the information infeasible. Consultant’s obligation to protect the privacy and safeguard the security of PHI will be continuous and survive termination, cancellation, expiration or other conclusion of the Consulting Services Agreement and this Agreement.
11. **Access to PHI.** Consultant agrees to provide to PLAN, or at PLAN's direction to the individual or his or her representative, in the time and manner designated by PLAN, any PHI about the individual that is in Consultant's custody or control, so that PLAN may meet its access obligations under 45 Code of Federal Regulations § 164.524.

12. **Amendment of PHI.** Consultant will, upon receipt of notice from PLAN, promptly amend or permit PLAN to access to amend any portion of the PHI in Consultant's custody or control, so that the PLAN may meet its amendment obligations under 45 Code of Federal Regulations § 164.526.

13. **Other Privacy Obligations.** To the extent Consultant is required by this Agreement or the Consulting Services Agreement to carry out an obligation of PLAN under 45 C.F.R. Part 164, Subpart E, Consultant will comply with the requirements of that subpart that apply to PLAN in the performance of such obligation.

14. **Amendment.** Upon the enactment of any law or regulation affecting the use or disclosure of PHI, or the publication of any decision of a court of the United States or of the state of California relating to any such law, or the publication of any interpretive policy or opinion of any governmental agency charged with the enforcement of any such law or regulation, PLAN may, by written notice to Consultant, amend this Agreement in such manner as PLAN reasonably determines necessary to comply with such law or regulation. If Consultant disagrees with any such amendment, it shall so notify PLAN in writing within thirty (30) business days of PLAN's notice. If the parties are unable to agree on an amendment within thirty (30) business days thereafter, either of them may terminate this Agreement on written notice to the other.

15. **Conflicts.** The terms and conditions of this Agreement will override and control over any conflicting term or condition of the Consulting Services Agreement. All non-conflicting terms and conditions of the Consulting Services Agreement remain in full force and effect.

16. **Breach of Agreement.** If PLAN determines that Consultant has violated a material term of this Agreement, PLAN may immediately terminate this Agreement, and without waiving its right to terminate, PLAN may, at its option:

   (A) Exercise any of its rights of access and inspection under paragraph 9 of this Agreement; and

   (B) Require Consultant to submit to a plan of monitoring and reporting, as PLAN may reasonably determine necessary to maintain compliance with this Agreement; and such plan shall be a part of this Agreement.

IN WITNESS WHEREOF the parties hereto have signed this Agreement as of the date set forth below by their authorized representative.

Ventura County Medi-Cal Managed Care Commission d.b.a. Gold Coast Health Plan

Signature: Dale Villani, CEO

Date: 1/28/15

Consultant

Signature: Steven Peiser

Date: 01/27/2016
TO: Gold Coast Health Plan Commission
FROM: Scott Campbell, General Counsel
DATE: July 25, 2016
SUBJECT: Consideration of Starting Regular Meeting Dates for the Remainder of the 2016 Calendar Year at 2:00 p.m.

SUMMARY:

Article VI, section (b) of Gold Coast Health Plan’s bylaws require that the Commission establish by resolution the date, time and location of the regular monthly meetings. The meetings have traditionally started at 3:00 p.m. The Commissioners have expressed a desire to start the meetings at 2:00 p.m. Additionally, the new Board Room is ready for meetings. The proposed resolution establishes the dates, time, and location of the regular monthly meetings for the remainder of the 2016 calendar year.

BACKGROUND/DISCUSSION:

Under Article VI, section (b), of the bylaws, the Commission must establish, by resolution, the date, time and location of the regular monthly meetings. If adopted, the attached resolution will establish the regular meeting date as the fourth Monday of each month for the remainder of 2016, with each meeting starting at 2:00 p.m. The corresponding dates are as follows:

- August 22
- September 26
- October 24
- November 28

The Commission is not planning to hold a meeting in December. The regular meetings shall each be held at 711 E. Daily Drive, Suite 106, Community Room, Camarillo, CA 93010.

FISCAL IMPACT:

None.
RECOMMENDATION:

Approve Resolution No. 2016-__ - Establishing the Date, Time, and Address of the Regular Monthly Meetings for the 2016 Calendar Year Pursuant to Article VI, Section (b) of the Bylaws.

ATTACHMENTS:

Resolution No. 2016-__.
RESOLUTION NO. 2016-__

A RESOLUTION OF THE VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION, DOING BUSINESS AS THE GOLD COAST HEALTH PLAN, ESTABLISHING THE DATE, TIME AND ADDRESS OF THE REGULAR MONTHLY MEETINGS FOR THE 2016 CALENDAR YEAR PURSUANT TO ARTICLE VI, SECTION (b) OF THE BYLAWS

WHEREAS, the Commission’s bylaws require the Commission to schedule regular meetings by resolution;

WHEREAS, the Commission now desires to schedule its regular meeting dates.

NOW THEREFORE BE IT RESOLVED, that the regular meetings of the Commission shall be held on the fourth Monday of each month for the remainder of 2016. The corresponding dates are as follows: August 22, September 26, October 24 and November 28. The meetings shall be held at 711 E. Daily Drive, Suite 106, Community Room, Camarillo, CA 93010 and commence at 2:00 p.m.

PASSED, APPROVED AND ADOPTED by the Ventura County Medi-Cal Managed Care Commission doing business as the Gold Coast Health Plan at a regular meeting on the 25th day of July, 2016, by the following vote:

AYE:

NAY:

ABSTAIN:

ABSENT:

____________________________
Chair

Attest:

____________________________
Clerk of the Board
AGENDA ITEM NO. 6

TO: Gold Coast Health Plan Commission

FROM: Dale Villani, Chief Executive Officer (CEO)

DATE: July 25, 2016

SUBJECT: Chief Executive Officer Update

KAISER HEALTH PLAN ENCOUNTER SUBMISSION ISSUES

Kaiser Health Plan has a legacy claims system that is scheduled to be replaced in December 2016. The direct impact to Plan Partners such as Gold Coast Health Plan (GCHP) is the encounter data provided is on the Department of Health Care Services (DHCS) proprietary file layout. Kaiser is unable to produce the encounter data for outside medical claims in the new required format. GCHP and other plans are working with local trade organizations (i.e. California Association of Health Plans, Local Health Plans of California) as well as DHCS to assess the potential impact on rates for the plans. DHCS has contacted GCHP as well as other Health Plans and will continue to work with Kaiser and the Health Plans on resolving the issue.

ARCH COMMUNITY DEVELOPMENT RESOURCE

GCHP has retained the services of a Consultant to assist in the development of the community health investment component of the Alternative Resources for Community Health (ARCH) program. The initial engagement will consist of a scan of nonprofit and philanthropic organizations in Ventura County dedicated to improving the health and wellness of residents by addressing social determinants of health. A summary report will be presented to executive leadership to aid in the selection and prioritization of programs to be funded through ARCH. The Consultant also met with Dr. Nancy Wharfield and Ralph Oyaga to review three sponsorships recently awarded in order to start developing a framework for progress reports of the various programs and begin putting together an ongoing grant management strategy.

FIVE YEAR ANNIVERSARY EVENT

This year’s summer Employee Appreciation event coincides with our 5th anniversary as a Plan. In addition to food, fun and festivities, we will have special guests join us, including Supervisor Kathy Long, and field staff representing other elected officials. This will be an informal event with a western BBQ theme where employees can participate in games and activities while celebrating 5 years of providing high quality care to our community.
COMPLIANCE UPDATE

Gold Coast Health Plan (GCHP) successfully closed out the DHCS Medical Audit Corrective Action Plan (CAP) on March 16, 2016. GCHP was notified on February 25, 2016 by Audits & Investigations (A&I) the annual medical audit for 2016 will take place, April 25, 2016 through May 6, 2016. GCHP had to submit pre-audit documentation material to A&I by March 18, 2016. The review period for the medical audit is April 1, 2015 through March 31, 2016. GCHP anticipates the final report and or CAP being issued in July/August 2016.

The DHCS corrective action plan, Financial (Addendum A) remains open and the plan continues to submit items on a monthly basis as required and defined by the CAP.

GCHP continues to meet all regulatory contract submission requirements. In addition to routine deliverables GCHP provides weekly and monthly reports to DHCS as a part of ongoing monitoring activities. All regulatory agency inquiries and requests are handled timely and requested information is provided within the specified required timeframe(s). Compliance staff is actively engaged in sustaining contract compliance. With the transition of ABA services on February 1, 2016 additional weekly and daily reporting has been required.

GCHP compliance staff conducted a six month claims follow up audit on GCHP vision service provider and mental health behavioral organization (MBHO). The onsite audits occurred during the second and third week of May 2016. Both audits identified deficiencies and corrective action plans were issued.

Commissioners will receive an email from GCHP compliance department with login training information for HIPAA and Fraud, Waste and Abuse (FWA). Many Commissioners may have a requirement from their employer to take HIPAA and FWA training, however the training required from GCHP is tailored to managed care. Commissioners will also receive GCHP code of conduct with a request for attestation via signature. Compliance staff is available for any questions commissioners may have on the trainings.

The compliance dashboard is attached for reference and includes information on but is not limited to: staff trainings, fraud referrals, HIPAA breaches, delegate audits.
## Hotline
A confidential telephone and web-based process to collect information on compliance, ethics, and FWA.

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## Delegation Oversight
The committee’s function is to ensure that delegated activities of subcontracted entities are in compliance with standards set forth from GCHP contract with DHCS and all applicable regulations.

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## Audits
External regulatory entities evaluate GCHP compliance with contractual obligations.

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## Fraud, Waste & Abuse
The Fraud Waste and Abuse Prevention process is intended to prevent, detect, investigate, report and resolve suspected and/or actual FWA in GCHP daily operations and interactions, whether internal or external.

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<tr>
<td>Member Notification</td>
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<tr>
<td>HIPAA Internal Audits Conducted</td>
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<td>0</td>
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<td>0</td>
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</tr>
<tr>
<td>Training</td>
<td>Training Sessions</td>
<td>20</td>
<td>15</td>
<td>27</td>
<td>13</td>
<td>50</td>
<td>54</td>
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<tr>
<td>Fraud, Waste &amp; Abuse Prevention (Individual Training)</td>
<td>6</td>
<td>3</td>
<td>7</td>
<td>2</td>
<td>21</td>
<td>22</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Fraud, Waste &amp; Abuse Prevention (Member Orientations)</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Code of Conduct</td>
<td>2</td>
<td>3</td>
<td>7</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>HIPAA (Individual Training)</td>
<td>6</td>
<td>3</td>
<td>7</td>
<td>2</td>
<td>21</td>
<td>22</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>HIPAA (Department Training)</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** Reporting Requirements are defined by functions delegated and contract terms. Revised contracts, amendments or new requirements form DHCS may require additional requirements from subcontractors as a result the number is fluid.

** Audits- Please note multiple audits have been conducted on the Plan, however many occurred in 2012 and 2013 and will be visible on the annual comparison dashboard.

** This report is intended to provide a high level overview of certain components of the compliance department and does not include/reflect functions the department is responsible for on a daily basis.
AGENDA ITEM NO. 7

TO: Gold Coast Health Plan Commission
FROM: Ruth Watson, Chief Operating Officer
DATE: July 25, 2016
SUBJECT: COO Update

OPERATIONS UPDATE

Membership Update – July 2016
Gold Coast Health Plan (GCHP) had a minimal increase of 99 members this month which may indicate membership growth is beginning to stabilize. GCHP’s membership as of July 1, 2016 is 207,019 and has increased by 88,507 (74.68%) since the beginning of Medi-Cal Expansion in January 2014. The cumulative new membership since January 1, 2014 is summarized as follows:

<table>
<thead>
<tr>
<th>Aid Code</th>
<th># of New Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>L1 – Low Income Health Plan (LIHP)</td>
<td>1,261</td>
</tr>
<tr>
<td>M1 – Adult Expansion</td>
<td>53,767</td>
</tr>
<tr>
<td>7U – CalFresh Adults</td>
<td>1,593</td>
</tr>
<tr>
<td>7W – CalFresh Children</td>
<td>346</td>
</tr>
<tr>
<td>7S – Parents of 7Ws</td>
<td>397</td>
</tr>
<tr>
<td>Traditional Medi-Cal</td>
<td>31,044</td>
</tr>
<tr>
<td>Total New Membership 1/1/14 – 7/1/16</td>
<td>88,507</td>
</tr>
</tbody>
</table>

Adult Expansion membership (aid code M1) decreased slightly in July for the first time since the start of Medi-Cal Expansion. M1 members represent 60.7% of GCHP’s new membership since January 1, 2014.

<table>
<thead>
<tr>
<th></th>
<th>L1</th>
<th>M1</th>
<th>7U</th>
<th>7W</th>
<th>7S</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul 16</td>
<td>1,261</td>
<td>53,767</td>
<td>1,593</td>
<td>346</td>
<td>397</td>
</tr>
<tr>
<td>Jun 16</td>
<td>1,349</td>
<td>53,864</td>
<td>1,703</td>
<td>386</td>
<td>424</td>
</tr>
<tr>
<td>May 16</td>
<td>1,407</td>
<td>52,898</td>
<td>1,820</td>
<td>433</td>
<td>478</td>
</tr>
<tr>
<td>Apr 16</td>
<td>1,596</td>
<td>51,769</td>
<td>1,910</td>
<td>462</td>
<td>549</td>
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<tr>
<td>Mar 16</td>
<td>1,800</td>
<td>50,648</td>
<td>2,015</td>
<td>510</td>
<td>620</td>
</tr>
<tr>
<td>Feb 16</td>
<td>1,873</td>
<td>50,185</td>
<td>2,110</td>
<td>549</td>
<td>579</td>
</tr>
<tr>
<td>Jan 16</td>
<td>1,953</td>
<td>49,653</td>
<td>2,205</td>
<td>608</td>
<td>736</td>
</tr>
</tbody>
</table>
AB 85 Capacity Tracking – 31,605 Adult Expansion members have been assigned to VCMC as of July 2016. VCMC’s target enrollment is 65,765 and is currently at 48% of the enrollment target.

May 2016 Operations Summary
The Claims Inventory at the end of May was 19,499; this equates to a Days Receipt on Hand (DROH) of 2.6 days compared to a DROH maximum goal of 5 days. GCHP received approximately 7,500 claims per day in May. Monthly claim receipts from June 2015 through May 2016 are as follows:
The Claims Turnaround Time (TAT) for May was 99.2% vs the regulatory requirement of processing 90% of clean claims within 30 calendar days. The Financial Claims Processing Accuracy for May was 99.7% vs a goal of ≥ 98% and the Procedural Claims Processing Accuracy was 99.9% vs a goal of ≥ 97%.

The Call Volume for May remained below the 10,000 call threshold during the month. The number of calls received in May was 9,731. The 12-month average ending May 31st was 9,563 calls per month. The combined (Member, Provider and Spanish lines) Average Speed to Answer (ASA) for May was 4.2 seconds vs the SLA goal of ≤ 30 seconds. The combined Abandonment Rate was 0.32% vs the SLA goal of ≤ 5%. The combined Average Call Length increased slightly to 7.91 minutes from the prior month. This Call Center Phone Quality for May was 91% versus a goal of 95% or higher and remains a concern. GCHP is working with the Xerox call center management team to identify training opportunities to improve these results.

The Grievance and Appeals team received 14 member grievances and 105 provider claim payment grievances during May. The 14 member grievances equate to 0.07 grievances per 1,000 members.

<table>
<thead>
<tr>
<th>Month</th>
<th>Total Claims Received</th>
<th>Receipts per Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2016</td>
<td>157,434</td>
<td>7,497</td>
</tr>
<tr>
<td>April 2016</td>
<td>162,287</td>
<td>7,728</td>
</tr>
<tr>
<td>March 2016</td>
<td>193,881</td>
<td>8,429</td>
</tr>
<tr>
<td>February 2016</td>
<td>176,656</td>
<td>8,833</td>
</tr>
<tr>
<td>January 2016</td>
<td>154,770</td>
<td>8,146</td>
</tr>
<tr>
<td>December 2015</td>
<td>170,897</td>
<td>7,768</td>
</tr>
<tr>
<td>November 2015</td>
<td>142,247</td>
<td>7,902</td>
</tr>
<tr>
<td>October 2015</td>
<td>156,109</td>
<td>7,095</td>
</tr>
<tr>
<td>September 2015</td>
<td>164,510</td>
<td>7,834</td>
</tr>
<tr>
<td>August 2015</td>
<td>152,840</td>
<td>7,278</td>
</tr>
<tr>
<td>July 2015</td>
<td>162,237</td>
<td>7,374</td>
</tr>
<tr>
<td>June 2015</td>
<td>171,806</td>
<td>7,809</td>
</tr>
</tbody>
</table>

There was 3 clinical appeal in May and all 3 were overturned. There were no State Fair Hearing cases in May.
SB 75 – Full Scope Medi-Cal for All Children
DHCS previously informed GCHP that Ventura County had a total of 2,917 children who were in restricted scope that would be eligible for full scope Medi-Cal as of May 1, 2016 and would transition to GCHP as of June 1, 2016.

GCHP received 2,149 of these children on the June 1, 2016 834 eligibility file or approximately 74%. DHCS indicated that another group of children would be transitioned to health plans on July 1, 2016. Upon receipt of the July 834 eligibility file, GCHP compared the file to the list of children that did not transition to GCHP on June 1, 2016. An additional 405 children became eligible with GCHP on July 1, 2016. The following is a breakdown of the analysis:

New members as of 6/1/16 - 2,149
New members as of 7/1/16 - 405
No Status/Not in File - 333 (included in the 834 file but had no status so unable to load them into Ika or not included in the 834 file at all)
On-going - 28 (already GCHP members)
On-going w/SOC - 2 (not eligible with GCHP until Share of Cost is satisfied)

The original projection of 2,917 is what DHCS refers to as a “ceiling” count which means this was the total potential number of children who could transition to GCHP. We have received 88% of the ceiling count at this point. DHCS continues to advise all health plans that approximately 80% of the children in restricted scope have been transitioned as of July 1, 2016 so we are running higher than the statewide average.

Member Orientation Meetings
A total of 71 members (56 English, 15 Spanish) have attended Member Orientation meetings from January through June 2016. Of the 71 members, 35 indicated they learned about the meeting as a result of the informational flyer included in each new member packet.

Xerox Contract Extension/New Contract Negotiation
The existing contract with Xerox expired on June 30, 2016. GCHP has extended the contract through October 31, 2016 under the existing terms. GCHP is also in the process of negotiating a new contract with Xerox that focuses on separating the various administrative services provided by Xerox into “service towers.” The goal would be to eliminate having all services bundled into one PMPM rate and instead have separate PMPM pricing for services such as mailroom, EDI, claims processing, call center, fulfillment, etc. Structuring the contract into service towers gives GCHP the flexibility to uncouple services and re-vend them or bring in-house should the decision be made to do so.
Total Membership as of July 1, 2016 – 207,019
*New Members Added Since January 2014 – 88,507

GCHP Membership Trend Aug 2015 - July 2016

Change from Prior Month
Membership Growth

GCHP New Membership Breakdown

- L1 - Low Income Health Plan - 1.42%
- M1 - Medi-Cal Expansion - 60.75%
- 7U - CalFresh Adults - 1.80%
- 7W - CalFresh Children - 0.39%
- 7S - Parents of 7Ws - 0.45%
- Traditional Medi-Cal - 35.19%
# GCHP Membership Churn Summary

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership from Prior Month</td>
<td>189,321</td>
<td>191,783</td>
<td>193,185</td>
<td>196,857</td>
<td>198,863</td>
<td>202,362</td>
<td>202,037</td>
<td>202,019</td>
<td>203,075</td>
<td>203,969</td>
<td>204,619</td>
<td>206,920</td>
</tr>
<tr>
<td>Prior Month Members Inactive in Current Month</td>
<td>4,448</td>
<td>5,280</td>
<td>3,371</td>
<td>4,141</td>
<td>3,236</td>
<td>6,906</td>
<td>6,139</td>
<td>6,078</td>
<td>5,723</td>
<td>5,642</td>
<td>5,584</td>
<td>5,881</td>
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<tr>
<td><strong>Sub-total</strong></td>
<td>184,873</td>
<td>186,503</td>
<td>189,814</td>
<td>192,716</td>
<td>195,627</td>
<td>195,456</td>
<td>195,898</td>
<td>195,941</td>
<td>197,352</td>
<td>198,327</td>
<td>199,035</td>
<td>201,039</td>
</tr>
<tr>
<td>Percentage of Inactive Members from Prior Month</td>
<td>2.35%</td>
<td>2.75%</td>
<td>1.74%</td>
<td>2.10%</td>
<td>1.63%</td>
<td>3.41%</td>
<td>3.04%</td>
<td>3.01%</td>
<td>2.82%</td>
<td>2.77%</td>
<td>2.73%</td>
<td>2.84%</td>
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<tr>
<td>Current Month New Members</td>
<td>5,241</td>
<td>5,383</td>
<td>5,503</td>
<td>5,015</td>
<td>5,454</td>
<td>5,794</td>
<td>4,215</td>
<td>5,059</td>
<td>4,742</td>
<td>4,368</td>
<td>6,316</td>
<td>4,378</td>
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<tr>
<td><strong>Sub-total</strong></td>
<td>190,114</td>
<td>191,886</td>
<td>195,317</td>
<td>197,731</td>
<td>201,081</td>
<td>201,250</td>
<td>200,113</td>
<td>201,000</td>
<td>202,094</td>
<td>202,695</td>
<td>205,351</td>
<td>205,417</td>
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<tr>
<td>Percentage of New Members Reflected in Current Membership</td>
<td>2.73%</td>
<td>2.79%</td>
<td>2.80%</td>
<td>2.52%</td>
<td>2.70%</td>
<td>2.87%</td>
<td>2.09%</td>
<td>2.49%</td>
<td>2.32%</td>
<td>2.13%</td>
<td>3.05%</td>
<td>2.11%</td>
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<tr>
<td>Retroactive Member Additions</td>
<td>1,669</td>
<td>1,299</td>
<td>1,540</td>
<td>1,132</td>
<td>1,281</td>
<td>787</td>
<td>1,906</td>
<td>2,075</td>
<td>1,875</td>
<td>1,924</td>
<td>1,569</td>
<td>1,602</td>
</tr>
<tr>
<td>Active Current Month Membership</td>
<td>191,783</td>
<td>193,185</td>
<td>196,857</td>
<td>198,863</td>
<td>202,362</td>
<td>202,037</td>
<td>202,019</td>
<td>203,075</td>
<td>203,969</td>
<td>204,619</td>
<td>206,920</td>
<td>207,019</td>
</tr>
<tr>
<td>Percentage of Retroactive Members Reflected in Current Membership</td>
<td>0.87%</td>
<td>0.67%</td>
<td>0.78%</td>
<td>0.57%</td>
<td>0.63%</td>
<td>0.39%</td>
<td>0.94%</td>
<td>1.02%</td>
<td>0.92%</td>
<td>0.94%</td>
<td>0.76%</td>
<td>0.77%</td>
</tr>
</tbody>
</table>
### GCHP Auto Assignment by PCP/Clinic as of July 1, 2016

<table>
<thead>
<tr>
<th></th>
<th>Jul-16</th>
<th>Jun-16</th>
<th>May-16</th>
<th>Apr-16</th>
<th>Mar-16</th>
<th>Feb-16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>%</td>
<td>Count</td>
<td>%</td>
<td>Count</td>
<td>%</td>
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<tr>
<td>AB85 Eligible</td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>1,039</td>
<td>74.98%</td>
<td>1,075</td>
<td>74.98%</td>
<td>1,329</td>
<td>74.94%</td>
</tr>
<tr>
<td>VCMC</td>
<td>779</td>
<td>74.98%</td>
<td>806</td>
<td>74.98%</td>
<td>996</td>
<td>74.94%</td>
</tr>
<tr>
<td>Balance</td>
<td>260</td>
<td>25.02%</td>
<td>269</td>
<td>25.02%</td>
<td>333</td>
<td>25.06%</td>
</tr>
<tr>
<td>Regular Eligible</td>
<td></td>
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<tr>
<td></td>
<td>1,577</td>
<td></td>
<td>815</td>
<td></td>
<td>1,317</td>
<td></td>
</tr>
<tr>
<td>Regular + AB85 Balance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,837</td>
<td></td>
<td>1,084</td>
<td></td>
<td>1,650</td>
<td></td>
</tr>
<tr>
<td>Total Assigned</td>
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<td></td>
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</tr>
<tr>
<td></td>
<td>2,616</td>
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<td>1,890</td>
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<td>2,646</td>
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<tr>
<td>VCMC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clinicas</td>
<td>391</td>
<td>21.28%</td>
<td>237</td>
<td>21.86%</td>
<td>396</td>
<td>24.00%</td>
</tr>
<tr>
<td>CMH</td>
<td>210</td>
<td>11.43%</td>
<td>128</td>
<td>11.81%</td>
<td>171</td>
<td>10.36%</td>
</tr>
<tr>
<td>Independent</td>
<td>42</td>
<td>2.29%</td>
<td>38</td>
<td>3.51%</td>
<td>52</td>
<td>3.15%</td>
</tr>
<tr>
<td>VCMC</td>
<td>1,194</td>
<td>65.00%</td>
<td>681</td>
<td>62.82%</td>
<td>1,031</td>
<td>62.48%</td>
</tr>
<tr>
<td>Clinical</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clinicas</td>
<td>391</td>
<td>14.95%</td>
<td>237</td>
<td>12.54%</td>
<td>396</td>
<td>14.97%</td>
</tr>
<tr>
<td>CMH</td>
<td>210</td>
<td>8.03%</td>
<td>128</td>
<td>6.77%</td>
<td>171</td>
<td>6.46%</td>
</tr>
<tr>
<td>Independent</td>
<td>42</td>
<td>1.61%</td>
<td>38</td>
<td>2.01%</td>
<td>52</td>
<td>1.97%</td>
</tr>
<tr>
<td>VCMC</td>
<td>1,973</td>
<td>75.42%</td>
<td>1,487</td>
<td>78.68%</td>
<td>2,027</td>
<td>76.61%</td>
</tr>
</tbody>
</table>

**Auto Assignment Process**

- 75% of eligible Adult Expansion (AE) members (M1 & 7U) are assigned to the County as required by AB 85.
- The remaining 25% are combined with the regular eligible members and assigned using the standard auto assignment process, i.e., 3:1 for safety net providers and 1:1 for all others.
- The County’s overall auto assignment results will be higher than 75% since they receive 75% of the AE members plus a 3:1 ratio of all other unassigned members.
- VCMC’s target enrollment is 65,765.
  - VCMC has 31,605 assigned Adult Expansion members as of July 1, 2016 and is currently at 48% of capacity.
GCHP Call Center Metrics – May 2016

- Call volume remained below 10,000 during the month; GCHP received 9,731 calls during May
- Service Level Agreements (SLA) for ASA (4.2 seconds vs the goal of ≤ 30 seconds) and Abandonment Rate (0.32% vs the goal of ≤ 5%) were both met for May
GCHP Claims Metrics – May 2016

- The 30 Day Turnaround Time (TAT) remained in compliance at 99.2%
- Ending Inventory was 19,499 which equates to a Days Receipt on Hand (DROH) of ~3 days vs a DROH ≤ 5 days
- Service Level Agreements (SLAs) for Financial Accuracy (99.72%) and Procedural Accuracy (99.98%) were both met in May

Claims Processing Turnaround Time
SLA = 90% of clean claims processed w/i 30 calendar days

Financial and Procedural Accuracy
SLA = 98% Financial, 97% Procedural
GCHP Grievance & Appeals Metrics – May 2016

- GCHP received 14 member grievances (0.07 grievances per 1,000 members) and 105 provider grievances during May 2016.
- GCHP’s 12-month average for total grievances is 101; this number should decrease once the grievances involving balance billing issues drop off beginning with July 2016 stats.

Note: Balance billing removed as a grievance type as of July 2015.
GCHP Grievance & Appeals Metrics – May 2016

- GCHP had 3 clinical appeals in May; all 3 were overturned
- TAT for grievance acknowledgement was non-compliant at 45% due to late receipt of grievances from Xerox
  - GCHP and Xerox are implementing procedural changes to improve results
- TAT for appeal acknowledgement and resolution was non-compliant during May
  - Acknowledgement – 60%
  - Resolution – 80%

Note: A “blank” denotes no grievances or appeals were received during the month
AGENDA ITEM NO. 8

TO: Gold Coast Health Plan Commission
FROM: C. Albert Reeves, Chief Medical Officer (CMO)
DATE: July 25, 2016
SUBJECT: Chief Medical Officer Update

HEALTH SERVICES UPDATE

Utilization data in the Health Services monthly update to the Commission is based on paid claims compiled by date of service and is lagged by 3 months to allow for partial run out of claims data. Claims data is complete at approximately 6 months. While incomplete, a 3 month lagged snapshot allows us to see an estimate of utilization without waiting for a more complete 6 month report. Administrative days are included in these calculations. Dual eligible members, Skilled Nursing Facility (SNF), and Long Term Care (LTC) data is not included in this presentation.

Utilization Summary

Inpatient utilization metrics for YTD 2016 are similar to slightly improved compared with CY 2015. SPD and Adult Expansion aid code groups each account for about 40% of bed days in CY 2016 followed by the Family aide code group at about 20%.

Since plan inception in 2011, inpatient bed days/1000 members have declined by approximately 43%.

ED utilization for YTD 2016 through March is similar and slightly increased compared with CY 2015. ED utilization peaks in January-February each year. Each year, the family aid code group accounts for a little over half of all ED utilization. Currently, the family aid code group represents 58% of GCHP membership.

Benchmark: The September 17, 2015 DHCS Medi-Cal Managed Care Performance Dashboard reported 36 ER visits/1000 member months statewide for all managed care plans for October 2013 – September 2014. GCHP ER utilization/1000 member months for the same period were 38.
### Top Admitting Diagnoses

Pregnancy related diagnoses continue to overshadow all other admitting diagnoses for CY 2015 and YTD 2016. Pneumonia, appendicitis, and sepsis were also top diagnoses for CY 2014 – YTD 2016. When pregnancy is excluded, sepsis, alcohol-related disorders, pneumonia, and pancreatitis are the leading diagnoses for CY 2014 through YTD 2016.

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### Utilization Per 1000

<table>
<thead>
<tr>
<th></th>
<th>2015 CY</th>
<th>2016 YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inpatient</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bed days/1000</td>
<td>217</td>
<td>207</td>
</tr>
<tr>
<td>Admits/1000</td>
<td>51</td>
<td>49</td>
</tr>
<tr>
<td>Average LOS</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td><strong>ED Utilization</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ED Cases / 1000</td>
<td>456</td>
<td>482</td>
</tr>
</tbody>
</table>

* Data from MedInsight 6/10/16. Data excludes Duals, LTC and SNF.

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### Total Volume

<table>
<thead>
<tr>
<th></th>
<th>2015 CY</th>
<th>2016 YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inpatient</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bed days</td>
<td>36,889</td>
<td>9,469</td>
</tr>
<tr>
<td>Admissions</td>
<td>8,660</td>
<td>2,223</td>
</tr>
<tr>
<td><strong>ED Utilization</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ED Cases</td>
<td>77,717</td>
<td>22,102</td>
</tr>
</tbody>
</table>

* Data from MedInsight 6/10/16. Data excludes Duals, LTC and SNF.

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### Monthly Averages

<table>
<thead>
<tr>
<th></th>
<th>2015 CY</th>
<th>2016 YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Inpatient</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bed days</td>
<td>3,074</td>
<td>3,156</td>
</tr>
<tr>
<td>Admissions</td>
<td>722</td>
<td>741</td>
</tr>
<tr>
<td><strong>ED Utilization</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ED Cases</td>
<td>6,476</td>
<td>7,367</td>
</tr>
</tbody>
</table>

* Data from MedInsight 6/10/16. Data excludes Duals, LTC and SNF.
Authorization Requests
Requests for outpatient service continue to outnumber requests for inpatient service. Outpatient service requests for CY 2015 were 214/1000 members compared to 224/1000 members for YTD 2016. Requests for inpatient service for CY 2015 were 62/1000 members compared to 58/1000 members for YTD 2016. For YTD 2016, about 75% of service requests come from AE and Family aid code groups.
COMMUNITY OUTREACH SUMMARY REPORT

Summary
Gold Coast Health Plan (GCHP) continues to participate in community education and outreach activities throughout the county. The health education and outreach team maintains a positive presence in the community by working with various county public health departments, community based organizations, schools, senior centers, faith-based centers and social service agencies.

Below is a summary of activities during the month of June.

Outreach Activities – June 2016
GCHP participated in 14 community health education and outreach events. The majority of individuals contacted were from events that focused on reaching the general population and low-income families. A total of 974 participants were reached and 3219 health information materials were distributed. Below are charts that highlight the total number of events, participants, and materials distributed during the month of June.
Total Participants
June 2016
N= 974

Total Materials Distributed
June 2016
N= 3219
# Outreach Events - June

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/3/2016</td>
<td>Sharing the Harvest, Santa Paula</td>
</tr>
<tr>
<td>6/7/2016</td>
<td>Consulate of Mexico, Oxnard</td>
</tr>
<tr>
<td>6/10/2016</td>
<td>La Hermandad Food Distribution</td>
</tr>
<tr>
<td>6/11/2016</td>
<td>American Diabetes Association, Ventura</td>
</tr>
<tr>
<td>6/14/2016</td>
<td>Baby steps Program, VCMC</td>
</tr>
<tr>
<td>6/15/2016</td>
<td>Westpark Food Distribution, Ventura</td>
</tr>
<tr>
<td>6/18/2016</td>
<td>2nd Annual Community Resource Fair, Oxnard</td>
</tr>
<tr>
<td>6/21/2016</td>
<td>Baby Steps Program, Santa Paula Hospital</td>
</tr>
<tr>
<td>6/23/2016</td>
<td>Monthly Food Distribution &amp; Health Services, Moorpark</td>
</tr>
<tr>
<td>6/23/2016</td>
<td>Monthly Food Distribution &amp; Health Services, Simi Valley</td>
</tr>
<tr>
<td>6/24/2016</td>
<td>Consulate of Mexico, Oxnard</td>
</tr>
<tr>
<td>6/24/2016</td>
<td>Health and Safety Expo, Moorpark</td>
</tr>
<tr>
<td>6/25/2016</td>
<td>Men’s Health Fair, Ventura College</td>
</tr>
<tr>
<td>6/26/2016</td>
<td>Santa Clara Chapel Health Fair, Oxnard</td>
</tr>
</tbody>
</table>

Below is the Save-the-Date flyer for the East County Community Resource Fair. We will be partnering with First 5 in Moorpark and the Moorpark Unified School District.
Community Health Education Classes
GCHP Health Education Department conducts various community health education workshops and/or classes throughout the community. During the reporting period, a total of 3 community health education classes were conducted and a total of 20 individuals were reached. The chart below outlines the community health education classes/workshops and the city in which they were held.

<table>
<thead>
<tr>
<th>Health Education Class</th>
<th>Moorpark</th>
<th>Thousand Oaks</th>
<th>Simi Valley</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthy Living/Diabetes</td>
<td>1</td>
<td>3</td>
<td>16</td>
</tr>
<tr>
<td>Meal Planning</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sponsorship Award Update
The Gold Coast Health Plan (GCHP) Sponsorship Committee reviewed a request from the Ventura County Health Care Agency (VCHCA) to provide a Letter of Participation to the California Department of Health Care Services to approve funding for the following pilot project:

- **VENTURA COUNTY WHOLE PERSON CARE PILOT PROJECT**: GCHP has committed to participating in this locally designed Pilot Project. Specifically, GCHP will work with VCHCA to plan and develop appropriate interventions to support change and integration, develop and/or adopt data sharing protocols and technology, participate in project decision making, attend collaborative ad-hoc and Steering Committee meetings, and create an integrated delivery system that provides patient-centered coordination of health, behavioral health, and social services to improve the health and wellbeing of each client served.
• **VENTURA COUNTY MEDICAL RESOURCE FOUNDATION**: GCHP has sponsored the 23rd Annual Fainer/Tauber MD Awards celebration at the Gold Sponsor level of $2000. These awards recognize outstanding community contributions by those directly involved in the delivery of health care in Ventura County. VCMRF’s mission is to improve, in partnership with others, access to needed health care for the most vulnerable and underserved residents in Ventura County.