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

Regular Meeting
Monday, July 27, 2020, 2:00 p.m.
Gold Coast Health Plan, 711 East Daily Drive, Community Room, Camarillo, CA 93010
Executive Order N-25-20
Conference Call Number: 1-805-324-7279
Conference ID Number: 541 879 491#
Para interpretación al español, por favor llame al 805-322-1542 clave 1234

AGENDA

CALL TO ORDER

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 unless the Chair of the Commission extends time for good cause shown. Comments regarding items not on the agenda must be within the subject matter jurisdiction of the Commission.

Members of the public may call in, using the numbers above, or can submit public comments to the Committee via email by sending an email to ask@goldchp.org. If members of the public want to speak on a particular agenda item, please identify the agenda item number. Public comments submitted by email should be under 300 words.

CONSENT

1. **Approval of Ventura County Medi-Cal Managed Care Regular Minutes of June 22, 2020.**

   Staff: Maddie Gutierrez, MMC – Clerk of the Commission

   RECOMMENDATION: Approve the minutes of June 22, 2020.

2. Approval of Credentials / Peer Review Committee Member

Staff: Nancy Wharfield, M.D., Chief Medical Officer

RECOMMENDATION: Approve Todd Flosi, M.D., as an active member of the Credentials / Peer Review Committee.

3. Extension of Emergency Powers Authorization

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Adopt Resolution No. 2020-004 to extend the duration of authority empowered in the CEO through August 24, 2020.

PRESENTATION

4. Commissioner Fiduciary Duties

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Receive and file the presentation.

FORMAL ACTION

5. Evaluation of Gold Coast Health Plan's Subcommittees and Consideration of Appointments to such Subcommittees.

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Staff recommends that the Commission determine whether the subcommittees should continue to exist, and if so, if any changes in the make-up of such subcommittees should be made.

6. Contract Approval - Manifest MedEx for Health Information Exchange (HIE) Software Solution

Staff: Nancy Wharfield, M.D., Chief Medical Officer
Pauline Preciado, Sr. Director Population Health & Equity

RECOMMENDATION: Plan staff recommends awarding a two-year agreement with Manifest MedEx, for a Health Information Exchange (HIE) software solution.

7. Contract Award Approval – Pacific Interpreters, Inc., HolaDoctor, Inc., and All Languages Interpreting and Translating Inc.

Staff: Nancy Wharfield, M.D., Chief Medical Officer
Lupe Gonzalez, PhD., MPH, Director of Health Education, Cultural and Linguistic Services

RECOMMENDATION: Plan management recommends awarding a three-year agreement to three of the highest scoring vendors, Pacific Interpreters, HolaDoctor, and All Languages Interpreting and Translating for all three sub-categories of language services, based on fair and open competition.

8. Quality Improvement Committee – 2020 Second Quarter Report

Staff: Nancy Wharfield, M.D., Chief Medical Officer
Kim Timmerman, Director of Quality Improvement

RECOMMENDATION: Staff recommends that the Ventura County Medi-Cal Managed Care Commission receive, approve and file the presentation.

9. June 2020 Financials Report

Staff: Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Staff recommends the Commission approve the June 2020 financial package.

REPORTS

10. Chief Executive Officer (CEO) Report

Staff: Margaret Tatar, Interim Chief Executive Officers

RECOMMENDATION: Receive and file the report.

11. Chief Medical Officer (CMO) Report

Staff: Nancy Wharfield, M.D., Chief Medical Officer

RECOMMENDATION: Receive and file the report.

12. Chief Diversity Officer (CDO) Report

Staff: Ted Bagley, Chief Diversity Officer

RECOMMENDATION: Receive and file the report.

CLOSED SESSION

13. PUBLIC EMPLOYMENT
Title: Chief Executive Officer

14. CONFERENCE WITH LABOR NEGOTIATORS
Agency authorized representatives: Gold Coast Health Plan Commissioners, Morgan Consulting and General Counsel
Unrepresented employee: Chief Executive Officer

OPEN SESSION

15. Approval of Amendment No. 3 to Purchase Order to the Agreement ("Agreement") with Health Management Associates ("HMA") for the Continued Service of Margaret Tatar to serve as Chief Executive Officer (CEO) as well as other HMA services.

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Staff recommends the following:

1. To approve Amendment No. 3 extending the duration of HMA services and Margaret Tatar as CEO through January 31, 2022 based upon the Commission's determination that HMA and Margaret Tatar can provide management and CEO services during this period.

ADJOURNMENT

Unless otherwise determined by the Commission, the next regular meeting will be held at 2:00 P.M. on August 24, 2020 at Gold Coast Health Plan at 711 E. Daily Drive, Suite 106, Community Room, 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 Commission.

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

AGENDA ITEM NO. 1

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Maddie Gutierrez, MMC - Clerk to the Commission

DATE: July 27, 2020

SUBJECT: Meeting Minutes of June 22, 2020 Regular Commission Meeting.

RECOMMENDATION:

Approve the minutes.

ATTACHMENTS:

Copy of Minutes for the June 22, 2020 Regular Commission Meeting.

Ventura County Medi-Cal Managed Care Commission
(VCMMCC)
dba Gold Coast Health Plan (GCHP)
June 22, 2020 Regular Meeting Minutes

CALL TO ORDER

Commission Chair Dee Pupa called the meeting to order via teleconference at 2:07 p.m. Clerks were in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Camarillo, California.

ROLL CALL

Present: Commissioners Antonio Alatorre, Fred Ashworth, Shawn Atin, Theresa Cho, M.D., Dr. Sevet Johnson, Gagan Pawar, M.D., Dee Pupa, Jennifer Swenson, Scott Underwood, M.D., and Supervisor John Zaragoza.

Absent: Commissioner Laura Espinosa.

Attending the meeting for GCHP Executive team were: Margaret Tatar, Interim Chief Executive Officer, Patricia Tanquary, Interim Chief Executive Officer, Nancy Wharfield, M.D., Chief Medical Officer, Ted Bagley, Interim Chief Diversity Officer/Exec. Director of Human Resources, Kashina Bishop, Chief Financial Officer, Robert Franco, Interim Chief Compliance Officer, Scott Campbell, General Counsel, Cathy Salenko, General Counsel, Marlen Torres, Executive Director of Strategies and External Affairs, Steve Peiser, Sr. Director of Network Management, and Eileen Moscaritolo, HMA Consultant.

Additional Staff participating on the call: Vicki Wrighster, Dr. Anne Freese, Rachel Lambert, Bob Bushey, Helen Miller, Dr. Lupe Gonzalez, Pauline Preciado, Nicole Kanter, Kim Timmerman, Anna Sproule, Debbie Rieger, Carolyn Harris, Pauline Preciado and Susana Enriquez-Euyoque.

Sonia DeMarta from AmericasHealth Plan (AHP) and Anna Rangel, interpreter.

PUBLIC COMMENT

None.

The Committee went into Closed Session at 2:09 p.m. to discuss Agenda Item 12 only.

CLOSED SESSION

12. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: Number of potential cases: One case.

Commissioner Fred Ashworth left the Closed Session at 2:11 p.m.

Commissioner Fred Ashworth rejoined the meeting in Closed Session at 2:39 p.m.

General Counsel, Scott Campbell stated there was no reportable action from Closed Session Agenda Item 12.

The Closed Session ended at 3:12 p.m.

SECOND CALL TO ORDER

Commission Chair Dee Pupa called the meeting to order via teleconference at 3:16 p.m.

SECOND ROLL CALL

Present: Commissioners Antonio Alatorre, Fred Ashworth, Shawn Atin, Theresa Cho, M.D., Dr. Sevet Johnson, Gagan Pawar, M.D., Dee Pupa, Scott Underwood, M.D., and Supervisor John Zaragoza.

Absent: Commissioner Laura Espinosa and Jennifer Swenson.

CONSENT

1. Approval of Ventura County Medi-Cal Managed Care Commission Regular Minutes of May 18, 2020.

Staff: Maddie Gutierrez, MMC – Clerk of the Commission

RECOMMENDATION: Approve the minutes of May 18, 2020.

Supervisor Zaragoza motioned to approve Consent item 1, Approval of Ventura County Medi-Cal Managed Care Commission Regular Minutes of May 18, 2020. Commissioner Ashworth seconded.

Roll Call Vote:

AYES: Commissioners Antonio Alatorre, Fred Ashworth, Shawn Atin, Theresa Cho, M.D., Dr. Sevet Johnson, Gagan Pawar, M.D., Dee Pupa, Scott Underwood, M.D. and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioner Laura Espinosa and Jennifer Swenson.

Commissioner Pupa declared the motion carried.

Commissioner Laura Espinosa joined the meeting at 3:29 p.m.

Commissioner Jennifer Swenson joined the meeting at 3:30 p.m.

FROMAL ACTION

2. Procurement of CMS Interoperability & Patient Access Final Rule Software Solution and Approval of Program Staffing Plan

Staff: Eileen Moscaritolo, HMA Consultant
Helen Miller, Senior Director of Information Technology (IT)

RECOMMENDATION: Gold Coast Health Plan staff recommends the following:

1. Award and authorize the CEO to execute an agreement with Edifecs, Inc. for an Interoperability FHIR data repository hosted and managed services solution, in an amount not to exceed $1,723,574 over a five-year term. Total includes a ~4.22% contingency of $69,828.

2. Increase by 6.0 the full-time equivalent positions in the Information Technology and the Decision Support Services departments to support Rule implementation and ongoing interoperability, HIE, and data & analytics program technology services.

Helen Miller, Senior Director of IT made a PowerPoint presentation. She reviewed the new regulatory rules which will be effective January 1, 2021 with enforcement deferred to July 1, 2021. The Rule's goal is to enable patient access to personal health information along with the choice on when, who and how the information is shared and utilized. The Rule mandates technical standards that the payers and health information technology vendors must use as a common interoperability framework for information exchange. The CMS Rule also requires GCHP to implement and support new technology and operations that make the members' claims and encounters.

Commissioner Atin motioned to approve agenda items 2, Procurement of CMS Interoperability & Patient Access Final Rule Software Solution and Approval of Program Staffing Plan. Commissioner Johnson seconded.

Even though the enforcement date was extended to July of 2021, the payer data exchange requirement will require a concurrent implementation to begin once CME defines the trusted data exchange security requirements. GCHP is seeking to implement the most cost-effective compliant solution that can be supported in the current GCHP information technology system. GCHP currently uses the Edifecs software to host and manage core operating rules electronics transactions for compliance.

Edifecs has offered preferred interoperability shared solution pricing to 14 local health plans represented by LHPC. Software pricing is tiered based on combined total membership of all plans choosing to participate in the group purchase.

The fiscal impact is an estimated cost $330,750 annual cost and not to exceed a total of $1,723,574.00

Commissioner Espinosa asked if this was in addition to the Enterprise Transformation Program (ETP). Ms. Miller stated it was different from ETP and the Interoperability Program is federally mandated.

General Counsel, Scott Campbell stated he would like to add to the recommendation there was a cost savings by doing a joint bid with other health plans.

Roll Call Vote:

AYES: Commissioners Fred Ashworth, Shawn Atin, Theresa Cho, M.D., Laura Espinosa, Dr. Sevet Johnson, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

Commissioner Pupa declared the motion carried.

3. OptumInsight Inc. Contract Approval

Staff: Helen Miller, Senior Director of Information Technology (IT)

RECOMMENDATION: The Plan recommends the Commission authorize the Interim CEO to award and execute a four-year term license to OptumInsight Inc. with approval to execute up to two, twelve-month renewal options (aligning to the term language in the Conduent SOW). Total approved amount is $2,049,556.00.

Senior Director of IT, Helen Miller, stated the contract is with Optum for software solutions that will be used in the ETP. This new system will allow automated payment of hospital APR-DRGs, and greater flexibility on contacting hospitals and eliminating current manual pricing of their claims. GCHP is moving toward an APR-DRG reimbursement model for hospital contracts. Optum Insight is the only product that is supported within the HSP MediTrac system to provide the automated pricing of these claim and is a sole source agreement. Implementation would complete the HSP MediTrac go-live system.

There is no fiscal impact to the current fiscal year. The license is concurrent with our Conduent agreement which will expire in June 2024. The agreement includes pre-negotiated optional pricing for years five (5) and six (6). The total cost over a six (6) year term is $2,049,556.

Commissioner Espinosa asked if this cost was factored into the ETP budget. Ms. Miller responded yes; we have money in the budget.

General Counsel, Scott Campbell stated he would add to the recommendation that this was the best value.

Commissioner Espinosa motioned to approve Agenda item 3, OptumInsight Inc. Contract approval. Commissioner Swenson seconded.

Roll Call Vote:

AYES: Commissioners Antonio Alatorre, Fred Ashworth, Shawn Atin, Theresa Cho, M.D., Laura Espinosa, Dr. Sevet Johnson, Gagan Pawar, M.D., Dee Pupa, Jennifer Swenson, Scott Underwood, M.D., and Supervisor John Zaragoza.

NOES: None.

Commissioner Pupa declared the motion carried.

4. May 2020 Financials Report

Staff: Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Staff recommends the Commission approve the May 2020 financial package.

CFO Kashina Bishop reviewed her PowerPoint presentation with the Commission. The Plan had a net gain for the month of May in the amount of $2.3 million. CFO Bishop noted the net gain was due to a decline in utilization related to COVID-19.

CFO Bishop continues to monitor information from the State which includes the impacts of a proposed 1.5% reduction to capitation rates retroactive to July 2019. She noted a 10% increase to long term care facility rates through COVID-19. CFO Bishop also anticipated an increase in membership due to COVID.

CFO Bishop noted the current TNE is at 217% of the minimum required. She reviewed financial impacts of COVID-19. Graphs were reviewed. She also reviewed the updated on expense and risk management strategies which include formalizing the Solvency Action Plan, completed rate negotiations with AmericasHealth Plan (AHP) and a policy that was submitted to DHCS that would minimize printing costs as well as a policy that would revise the approach to Non-pharmacy dispensing site in the pharmacy network.

Net premium revenue is over budget by $45.4 million. CFO Bishop noted total membership increased in May. Medical expenses had an 8% unfavorable budget variance. Medical loss ratio is 94.1%. Total Fee-For-Service medical expenses are over budget by 4%, inpatient medical expenses are over budget by 9%, inpatient medical expenses are over budget by 9%, physician special medical expenses are over by 13%. Other impacts to medical expenses include pharmacy which is over budget by $8.9 million and there has been delay in impact of cost savings strategies.

Commissioner Espinosa motioned to approve Agenda item 4, May 2020 Financials report. Commissioner Ashworth seconded.

Roll Call Vote:

AYES: Commissioners Antonio Alatorre, Fred Ashworth, Shawn Atin, Theresa Cho, M.D., Laura Espinosa, Dr. Sevet Johnson, Gagan Pawar, M.D., Dee Pupa, Jennifer Swenson, Scott Underwood, M.D., and Supervisor John Zaragoza.

NOES: None.

Commissioner Pupa declared the motion carried.

PUBLIC COMMENT

1. Committee Chair of the Provider Advisory Committee (PAC), David Fein, stated the Solvency Action Plan was presented at the last PAC meeting. Mr. Fein noted that historically GCHP has absorbed rate cuts, but it is now unrealistic for GCHP to continue to do so. Mr. Fein noted that GCHP has put together a thoughtful plan regarding rate cuts. He noted other counties are having the same discussion. PAC asks for the GCHP to be transparent and fair. He requests the Commission to support the Solvency Action Plan.

Commission Chair Pupa thanked Mr. Fein for his comment. She noted that it is important for management to keep the Commission informed and the Solvency Action Plan will be a standing item in the Commission packets.

5. Solvency Action Plan

Staff: Margaret Tatar, Interim Chief Executive Officer
Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Staff recommends the Commission approve the Solvency Action Plan.

Interim CEO Tatar stated GCHP is committed to be transparent and collaborative. Rates will be reviewed when they come from the State.

Interim CEO Tatar reviewed GCHP TNE versus other state COHS. GCHP has been focused on cost-savings initiatives. Interim CEO Tatar reviewed the Solvency Action Plan with the Commission, she noted the phases being presented, were high level reviews. There have been administrative reductions, positions eliminated, and significant internal reductions made.

Rate adjustments will be in two (2) categories:

- Adult expansion – which will align providers with the revenue from the state.
- Long-term care benefit -GCHP is paying some long-term care in excess of 2.5% over the Medi-Cal specific schedule but lacks detail. GCHP will present detail as we become aware of it. GCHP pledges to work with providers, community and DHCS.

GCHP reserves are hovering around 217%, while other plans are between 625% - 1100% of TNE. We will also move toward value-based purchasing. Cost savings initiatives will be used as a framework and will be done routinely in the monthly packet. As numbers were reviewed, Commissioner Espinosa asked if this was a conceptual plan or were these actual numbers, after consideration. Interim CEO Tatar stated the numbers were forecasts on how to build reserves. There will be regular reporting to the Commission as well as all GCHP committees. The framework still lacks detail, but we are aware of the severity of the lack of reserves. More details will be presented as we proceed.

Commissioner Atin motioned to approve Agenda item 5, Solvency Action Plan. Commissioner Espinosa seconded.

Roll Call Vote:

AYES: Commissioners Antonio Alatorre, Fred Ashworth, Shawn Atin, Theresa Cho, M.D., Laura Espinosa, Dr. Sevet Johnson, Gagan Pawar, M.D., Dee Pupa, Jennifer Swenson, Scott Underwood, M.D., and Supervisor John Zaragoza.

NOES: None.

Commissioner Pupa declared the motion carried.

Commission Chair Pupa noted that it was critical that GCHP collaborate with DHCS. She asked Interim CEO, Tatar to convey to DHCS that the Commission and the community are aligned, support the solvency action plan and will work to ensure critical path. Despite challenges, GCHP has risen to the top in quality of care. This shows determination to succeed as a health plan. Interim CEO Tatar stated she will keep the Commission informed of DHCS discussions.

6. Fiscal Year 2020-21 Gold Coast Health Plan Operating and Capital Budgets.

Staff: Kashina Bishop, Chief Financial Officer.

RECOMMENDATION: Receive, approve and file the 2020-21 Operating and Capital Budgets as presented.

CFO Bishop reviewed her PowerPoint presentation. She noted the budget forecast will continue to change. She noted membership is expected to grow by an estimated twelve (12%). The pharmacy carve-out will become effective January 1, 2021 and GCHP has already entered expanded capitation rates with providers. CFO Bishop also noted the total administrative budget is $5 million less than the State allows. She reviewed the administrative expense reductions chart. CFO Bishop did not there will be no merit pool and no salary increase. There is a net increase of 5 ½ positions. We are a lean staff and need to be aware of regulatory needs when eliminating staff.

CFO Bishop also reviewed the project portfolio, contract with Conduent and keeping administrative expenses level.

Commissioner Pupa asked if the budget will be evolving as we get information from the State. CFO Bishop responded yes. There will likely be a revision once rates are received in July. Commissioner Zaragoza noted the budget is a road map and can be modified.

Commissioner Ashworth motioned to approve Agenda item 6, Fiscal Year 2020-21 Gold Coast Health Plan Operating and Capital Budgets. Commissioner Swenson seconded.

Roll Call Vote:

AYES: Commissioners Antonio Alatorre, Fred Ashworth, Shawn Atin, Theresa Cho, M.D., Laura Espinosa, Dr. Sevet Johnson, Gagan Pawar, M.D., Dee Pupa, Jennifer Swenson, Scott Underwood, M.D., and Supervisor John Zaragoza.

NOES: None.

Commissioner Pupa declared the motion carried.

REPORTS

7. Chief Executive Officer (CEO) Report

Staff: Margaret Tatar, Interim Chief Executive Officer

RECOMMENDATION: Receive and file the report.

Interim CEO, Margaret Tatar reviewed her presentation with the Commission. She noted a Request for Proposal (RFP) was issued in March for interpreting services. There were fourteen (14) responses. A recommendation will be presented to the Commission on July 27, 2020.

She noted that we are keeping a close eye on long term care benefits (CBAS) and will update the Commission accordingly.

There was a sponsorship given to Clinicas Del Camino Real (CDCR).

She also noted there has been an uptick in virus cases due to re-openings.

The Medical Audit is scheduled to being July 7 through July 17, 2020. A mock audit was done by Patricia Tanquary, and staff is well prepared.

GCHP continues to work with AmericasHealth Plan (AHP) and progress is going well.

Interim CEO Tatar noted COVID-19 outreach is critical and staff is working with Provider Outreach.

8. Chief Medical Officer (CMO) Report

Staff: Nancy Wharfield, M.D., Chief Medical Officer

RECOMMENDATION: Receive and file the report.

CMO Wharfield reviewed graphs and charts with the Commission. She noted inpatient outreach is dropping, as well as outpatient. Telemedicine is big due to the Pandemic. She reviewed the COVID admission graph. There was a downward trend in May, but numbers went up in June due to re-openings.

The Nurse Advice Line continues to be used. There has been a lot of promotion of the Nurse Advice Line in both English and Spanish. Triage care graphs were reviewed.

Dr. Anne Freese reviewed hot topics in pharmacy. She also noted that due to COVID-19 a variety of restrictions were lifted for medication refills.

9. Chief Diversity Officer (CDO) Report

Staff: Ted Bagley, Interim Chief Diversity Officer/ Interim Human Resources Director

RECOMMENDATION: Receive and file the report.

CDO Bagley stated that he, along with some GCHP staff and Commissioners participated in various demonstrations in the community.

Now that employees are working from home, there are consistent communication emails that go out to GCHP staff

CDO Bagley noted there was a complaint letter sent to the commission and the findings were inconsistent with information written in the letter.

CDO Bagley is preparing to do an office walk-thru with Facilities staff in order to determine set up for a return to work plan. He noted Facilities has been preparing the buildings for the return.

CDO Bagley is currently doing work with Human Resources as well and he noted the return to work policies are complete. Staff will have temperature checks done. CDO Bagley did note a Human Resource Director was hired and will begin in July.

Commissioner Cho thanks CDO Bagley for the work he has done. She noted it is good for staff to have someone they can talk to. Supervisor Zaragoza also noted Mr. Bagley's excellent work.

Supervisor Zaragoza motioned to approve Agenda items 7 - CEO Report, 8 – CMO Report, and 9 – CDO Report. Commissioner Johnson seconded.

Roll Call Vote:

AYES: Commissioners Antonio Alatorre, Fred Ashworth, Shawn Atin, Theresa Cho, M.D., Laura Espinosa, Dr. Sevet Johnson, Gagan Pawar, M.D., Dee Pupa, Jennifer Swenson, Scott Underwood, M.D., and Supervisor John Zaragoza.

NOES: None.

Commissioner Pupa declared the motion carried.

The Commission moved to Closed Session at 5:33 p.m. to discuss agenda items 11 and 12.

CLOSED SESSION

11. PUBLIC EMPLOYMENT
Title: Chief Executive Officer

12. CONFERENCE WITH LABOR NEGOTIATORS
Agency authorized representatives: Gold Coast Health Plan Commissioners, Morgan Consulting and General Counsel
Unrepresented employee: Chief Executive Officer

General Counsel, Scott Campbell stated there was no reportable action.

ADJOURNMENT

Commissioner Pupa adjourned the meeting at 6:37 p.m.

Approved:

_____
Maddie Gutierrez, MMC
Clerk to the Commission

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AGENDA ITEM NO. 2

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nancy Wharfield, M.D., Chief Medical Officer

DATE: July 27, 2020

SUBJECT: Approval of Credentials / Peer Review Committee Member

SUMMARY:

As directed in the Gold Coast Health Plan Practitioner Credentialing Policy (QI-025), the Ventura County Medi-Cal Managed Care Commission is required to approve changes to the Credentials / Peer Review Committee membership.

Todd Flosi, MD has been nominated to replace Bryan Wong, M.D., as an active member of the Credentials / Peer Review Committee (C/PRC). Dr. Flosi is a pediatrician at Ventura County Medical Center.

RECOMMENDATION:

Approve Todd Flosi, M.D., as an active member of the Credentials / Peer Review Committee.

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AGENDA ITEM NO. 3

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Scott Campbell, General Counsel

DATE: July 27, 2020

SUBJECT: Adopt a Resolution to Renew Resolution No. 2020-003, to Extend the Duration of Authority Empowered in the CEO to issue Emergency Regulations and Take Action Related to the Outbreak of Coronavirus ("COVID-19")

SUMMARY:

Adopt Resolution No. 2020-004 to:

1. Extend the duration of authority granted to the CEO to issue emergency regulations and take action related to the outbreak of COVID-19.

BACKGROUND/DISCUSSION:

COVID-19, which originated in Wuhan City, Hubei Provence, China in December, 2019, has resulted in an outbreak of respiratory illness causing symptoms of fever, coughing, and shortness of breath. Reported cases of COVID-19 have ranged from very mild to severe, including illness resulting in death. Since that time, confirmed COVID-19 infections have continued to increase in California, the United States, and internationally. To combat the spread of the disease Governor Newsom declared a State of Emergency on March 4, 2020. The State of Emergency adopted pursuant to the California Emergency Services Act, put into place additional resources and made directives meant to supplement local action in dealing with the crisis.

In the short period of time following the Governor's proclamation, COVID-19 has rapidly spread through California necessitating more stringent action. On March 19, 2020, Governor Newsom issued Executive Order N-33-20 (commonly known as "Safer at Home") ordering all residents to stay at home to slow the spread of COVID-19, except as needed to maintain continuity of operation of the federal critical infrastructure sectors.

The following day, the Ventura County Health Officer issued a County-wide "Stay Well at Home", order, requiring all County residents to stay in their places of residence subject to certain exemptions set forth in the order.

Prompted by the increase of reported cases and deaths associated with COVID-19, the Commission adopted Resolution No. 2020-001 declaring a local emergency and empowering the interim CEO with the authority to issue emergency rules and regulations to protect the health of Plan's members, staff and providers. Specifically, section (2) of Resolution No. 2020-001 describes the emergency powers delegated to the CEO which include, but are not limited to: entering into agreements on behalf of the Plan, making and implementing personnel or other decisions, to take all actions necessary to obtain Federal and State emergency

assistance, and implement preventive measures to preserve Plan activities and protect the health of Plan's members, staff and providers.

Normally under Government Code Section 8630, the Commission must review the need for continuing the local emergency once every sixty (60) days until the local governing body terminates the local emergency. However, under Governor Newsom's March 4, 2020, State of Emergency proclamation, that 60 day time period in section 8630 is waived for the duration of the statewide emergency. Pursuant to Resolution No. 2020-001, the Plan's Local Emergency proclamation and emergency authority vested in the CEO expired on April 27, 2020.

On April 27, 2020, the Commission adopted Resolution No. 2020-002 to renew Resolution No. 2020-001 to: (1) reiterate and renew the Plan's declaration of a Local Emergency through the duration of the Governor's State of Emergency proclamation or when the Commission terminates its declaration of Local Emergency, whichever occurs last; and (2) to extend the duration of authority empowered in the CEO to issue emergency regulations and take action. Resolution No. 2020-002 expired on May 18, 2020.

On April 28, 2020, Governor Gavin Newsom alongside State Public Health Officer Dr. Sonia Angell, announced California's Roadmap to Pandemic Resilience, which discussed how the state is planning to modify its state-wide Safer at Home order to "reopen California".

On May 4, 2020, Governor Newsom issued Executive Order N-60-20, declaring that California is prepared to move into the early phase of "Stage 2" to permit the gradual reopening of lower risk businesses and open spaces commencing on Friday, May 8, 2020, with modifications. As the state moves forward with reopening of certain businesses and spaces, Executive Order N-60-20 directs the State Public Health Officer to establish criteria and procedures, as set forth in the order, to determine whether and how local jurisdictions may implement local measures that depart from statewide directives.

Following the Governor's order, the Ventura County Health Officer modified its County-wide Stay Well at Home order on May 7, 2020, to align itself with the State's reopening process announced on May 4, 2020. Under the County Health Officer's May 7th order, certain low risk businesses such as florists, clothing stores, book stores, and sporting goods stores are permitted to re-open with modifications.

On May 18, 2020, the Commission adopted Resolution No. 2020-003 to renew and reiterate the enumerated powers granted to the CEO in Resolution No. 2020-002 above, and to: (1) authorize the CEO, with the advice counsel, to implement a staggered return to work program for Plan personnel; and (2) extend the duration of authority empowered in the CEO to issue emergency regulations and take action. Resolution No. 2020-003 expired on June 22, 2020.

Following the Commission's adoption of Resolution No. 2020-003, the State has permitted new specified businesses and recreation areas to reopen subject to modifications designed to implement social distancing and prevent the further spread of the disease. To help guide businesses and outdoor recreation areas as they reopen, the State Public Health Officer issues individual reopening protocols for each industry that is permitted to reopen. The individual protocols require these spaces to implement industry-specific safety measures to help combat COVID-19.

In line with the State's directives, the County Health Officer updated its May 7, 2020 order again on May 20, May 22, May 29, and June 11, 2020. As with the previous County Health Officer orders, the June 11th order permits specified new industries to re-open in line with the State's directives.

In recent days, the State and County Health Department have reported a sharp increase in new confirmed COVID-19 cases and hospitalizations. Evidence demonstrates that the timing of these increases is in line with the reopening of “high risk” businesses where individuals may congregate with members who are not part of the same household and remove their face coverings to eat and drink. As of the time of writing this report, there are 4,615 confirmed cases and 53 reported COVID-19 deaths in the County. The uptick in cases prompted the County Health Officer to require the temporary closure of County beaches in anticipation of large crowds that were expected and did gather during the Fourth of July weekend.

On July 13, 2020, the State Public Health Officer issued a state-wide order to require the immediate closure of: (1) *indoor and outdoor* operations of bars, pubs, brewpubs and breweries; and (2) *indoor* operation of restaurant dining, movie theaters, zoos, museums, cardrooms, wineries and tasting rooms. The order also imposes more stringent requirements on specified counties, including Ventura County that have appeared on the State’s monitoring list for three consecutive days to order the immediate closure of gyms and fitness centers, places of worship, protests, offices for non-critical infrastructure sectors, personal care services, hair salons, barbershops, and malls.

There is still no vaccine proven to combat the disease and recent evidence demonstrates how rapidly and dangerously the disease can spread through person-to-person contact and by those in close proximity.

This resolution will continue to empower the CEO with the authority to issue orders and regulations necessary to prevent the further spread of the disease and protect the health and safety of Plan members and staff. As mentioned above, pursuant to Resolution No. 2020-002, the Plan’s Local Emergency proclamation shall remain effective through the duration of the Governor’s State of Emergency proclamation or when the Commission terminates its declaration of Local Emergency, whichever occurs last.

FISCAL IMPACT:

None.

RECOMMENDATION:

1. Adopt Resolution No. 2020-004 to extend the duration of authority empowered in the CEO through August 24, 2020.

ATTACHMENT:

1. Resolution No. 2020-004..

RESOLUTION NO. 2020-004

A RESOLUTION OF THE VENTURA COUNTY MEDICAL MANAGED CARE COMMISSION, DOING BUSINESS AS THE GOLD COAST HEALTH PLAN ("PLAN"), TO RENEW AND RESTATE RESOLUTION NO. 2020-003 TO EXTEND THE DURATION OF AUTHORITY EMPOWERED IN THE INTERIM CHIEF EXECUTIVE OFFICER OR CHIEF EXECUTIVE OFFICER ("CEO") RELATED TO THE OUTBREAK OF CORONAVIRUS ("COVID-19")

WHEREAS, all recitals in the Commission's Resolution Nos. 2020-001, 2020-002 and 2020-03 remain in effect are incorporated herein by reference; and

WHEREAS, a severe acute respiratory illness caused by a novel (new) coronavirus, known as COVID-19, has spread globally and rapidly, resulting in severe illness and death around the world. The World Health Organization has described COVID-19 as a global pandemic; and

WHEREAS, on March 19, 2020, the Commission adopted Resolution No. 2020-001, proclaiming a local emergency pursuant to Government Code Sections 8630 and 8634, and empowered the CEO with the authority to issue rules and regulations to preserve Plan activities, protect the health and safety of its members staff and providers and prevent the further spread of COVID-19; and

WHEREAS, on April 27, 2020, the Commission adopted Resolution No. 2020-002 to renew and reiterate the declaration of a local emergency related to the outbreak of COVID-19 declared in Resolution No. 2020-001 to remain effective through the duration of the Governors' State of Emergency proclamation or when the Commission terminates its declaration of Local Emergency, whichever occurs last; and (2) to extend the duration of authority empowered in the CEO through Resolution No. 2020-001 to May 18, 2020; and

WHEREAS, on May 18, 2020, the Commission adopted Resolution No. 2020-03 to renew the authority first granted to the CEO in Resolution No. 2020-001 to June 22, 2020 and to authorize the CEO, with the advice counsel, to implement a staggered return to work program for Plan personnel; and

WHEREAS, in recent days, the State and County Health Department have reported a sharp increase in new confirmed COVID-19 cases and hospitalizations and that evidence demonstrates that the timing of these increases is in line with the reopening of "high risk" businesses where individuals may congregate with members who are not part of the same household and remove their face coverings to eat and drink; and

WHEREAS, on June 30, 2020, the County Health Officer ordered the closure of all beaches and beach parking lots in anticipation of the large crowds that were expected and did gather during the Fourth of July weekend; and

WHEREAS, on July 13 2020, the State Public Health Officer issued a state-wide order to require the immediate closure of: (1) *indoor and outdoor* operations of bars, pubs, brewpubs and breweries; and (2) *indoor* operation of restaurant dining, movie theaters, zoos, museums, cardrooms, wineries and tasting rooms. The order also imposes more stringent requirements on specified counties, including Ventura County that have appeared on the State's monitoring list for three consecutive days to order the immediate closure of gyms and fitness centers, places of worship, protests, offices for non-critical infrastructure sectors, personal care services, hair salons, barbershops, and malls; and

WHEREAS, there is still no vaccine proven to combat the disease, and recent evidence demonstrates how rapidly the disease can spread through person-to-person contact and those in close proximity; and

WHEREAS, the imminent and proximate threat of introduction of COVID-19 in Commission staff workplaces continues to threaten the safety and health of Commission personnel; and

WHEREAS, under Article VIII of the Ventura County Medi-Cal Managed Care Commission aka Gold Coast Health Plan's (the "Plan's") bylaws, the CEO is responsible for coordinating day to day activities of the Ventura County Organized Health System, including implementing and enforcing all policies and procedures and assure compliance with all applicable federal and state laws, rules and regulations; and

WHEREAS, California Welfare and Institutions Code section 14087.53(b) provides that all rights, powers, duties, privileges, and immunities of the County of Ventura are vested in the Plan's Commission; and

WHEREAS, California Government Code section 8630 permits the Plan's Commissioners, acting with the County of Ventura's powers, to declare the existence of a local emergency to protect and preserve the public welfare of Plan's members, staff and providers when they are affected or likely to be affected by a public calamity; and

WHEREAS, the Plan is a public entity pursuant to Welfare and Institutions Code section 14087.54 and as such, the Plan may empower the CEO with the authority under sections 8630 and 8634 to issue rules and regulations to prevent the spread of COVID-19 and preserve Plan activities and protect the health and safety of its members, staff and providers; and

NOW, THEREFORE, BE IT RESOLVED, by the Ventura County Medi-Cal Managed Care Commission as follows:

Section 1. Pursuant to California Government Code sections 8630 and 8634, the Commission adopted Resolution No. 2020-001 finding a local emergency exists caused by conditions or threatened conditions of COVID-19, which constitutes extreme peril to the health and safety of Plan's members, staff and providers.

Section 2. Resolution No. 2020-001 also empowered the CEO with the authority to furnish information, to promulgate orders and regulations necessary to provide for the protection of life and property pursuant to California Government Code sections 8630 and 8634, to enter into agreements, make and implement personnel or other decisions and to take all actions necessary to obtain Federal and State emergency assistance and to implement preventive measures and other actions necessary to preserve Plan activities and protect the health of Plan's members, staff and providers, including but not limited to the following:

A. Arrange alternate "telework" accommodations to allow Plan staff to work from home or remotely, as deemed necessary by the CEO, to limit the transfer of the disease.

B. Help alleviate hardship suffered by Plan staff related to emergency conditions associated with the continued spread of the disease such as acting on near-term policies relating to sick leave for Plan staff most vulnerable to a severe case of COVID-19.

C. Address and implement expectations issued by the California Department of Health Care Services ("DHCS") and the Centers for Medicare & Medicaid Services ("CMS") regarding new obligations to combat the pandemic.

D. Coordinate with Plan staff to realign job duties, priorities, and new or revised obligations issued by DHCS and CMS.

E. Take such action as reasonable and necessary under the circumstances to ensure the continued provision of services to members while prioritizing the Plan's obligations pursuant to the agreement between DHCS and the Plan ("Medi-Cal Agreement").

F. Enter in to such agreements on behalf of the Plan as necessary or desirable, with advice of legal counsel, to carry out all actions authorized by the Commission in the Resolution.

G. Authorize the CEO to implement and take such action on behalf of the Plan as the CEO may determine to be necessary or desirable, with advice of legal counsel, to carry out all actions authorized by the Commission in this Resolution.

Section 3. In Resolution 2020-001, the Commission further ordered that:

A. The Commission approves and ratifies the actions of the CEO and the Plan’s staff heretofore taken which are in conformity with the intent and purposes of these resolutions.

Section 4. On April 27, 2020, the Commission adopted Resolution No. 2020-002 to:

A. Renew and reiterate the declaration of a local emergency related to the outbreak of COVID-19 to remain effective through the duration of the Governors' State of Emergency proclamation or when the Commission terminates its declaration of Local Emergency, whichever occurs last; and

B. To extend the duration of authority empowered in the CEO to issue emergency regulations related to the COVID-19 outbreak to May 18, 2020.

Section 5 On May 18, 2020, the Commission adopted Resolution No. 2020-003 to renew and reiterate the authority granted to the CEO approved in Resolution No. 2020-002 and to adopt the following additional emergency measures:

A. In addition to the authority granted to the CEO in Section 2, to authorize the CEO, with the advice counsel, to implement a staggered return to work program for Plan personnel; and

Section 6. The Commission now seeks to renew and reiterate the authority granted to the CEO approved in Resolution No. 2020-003 through August 24, 2020.

PASSED, APPROVED AND ADOPTED by the Ventura County Medi-Cal Managed Care Commission at a regular meeting on the 27th day of July 2020, by the following vote:

AYE:

NAY:

ABSTAIN:

ABSENT:

_____
Chair:

Attest:

_____
Clerk of the Commission

AGENDA ITEM NO. 4

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Scott Campbell, General Counsel

DATE: July 27, 2020

SUBJECT: Commissioner Fiduciary Duties

VERBAL PRESENTATION

RECOMMENDATION:

Receive and file the presentation.

AGENDA ITEM NO. 5

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Scott Campbell, General Counsel

DATE: July 27, 2020

SUBJECT: Evaluation of Gold Coast Health Plan's Subcommittees and Consideration of Appointments to such Subcommittees.

SUMMARY:

Over the past two years, the Ventura County Medi-Cal Managed Care Commission ("Commission") has appointed Commissioners to several subcommittees. Some of the subcommittees have not met, and others have met only sporadically. This item seeks the Commission's decision on whether such subcommittees should continue to exist, and if so, if any changes in the make-up of the subcommittees should be made.

BACKGROUND/DISCUSSION:

Pursuant to Article V of the Commission's Bylaws, the Commission is authorized to establish a subcommittees or advisory boards for any purpose that will be beneficial in accomplishing the work of the Commission.

Below is a brief description of the Commission's current subcommittees and its members:

1. Personnel Subcommittee

    - This subcommittee was created and its members appointed on November 18, 2019.
    - The purpose of this subcommittee is to propose guidelines, considerations, and factors that the Ventura County Medi-Cal Managed Care Commission may use related to hiring and retention of agency employees and contractors, and to provide overall guidance and direction on personnel issues.
    - Its current members are: Antonio Alatorre, Dee Pupa and Shawn Atin.
    - This subcommittee has met several times.

2. Bylaws and Delineation of Authority Subcommittee

    - This subcommittee was created and its members appointed on August 26, 2019.
    - The purpose of this subcommittee is to review and recommend changes to the bylaws and "Delegation Policy" regarding the responsibilities delegated to the Commission's Chief Executive Officer ("CEO").

- Its current members are: Antonio Alataorre, Dee Pupa, Jennifer Swenson, Laura Espinosa and Shawn Atin.
- This subcommittee has not yet met.

3. Credentialing AdHoc Subcommittee

- This subcommittee was created and its members appointed in August 26, 2019.
- The purpose of this subcommittee is to propose guidelines, considerations and other factors that the Commission may use to assess members that are recommended for appointment to the Community Advisory Committee ("CAC") and Credentialing and Peer Review Committee ("CPR Committee").
- Its current members are: Dr. Theresa Cho, Dr. Gagan Pawar, and Laura Espinosa.
- This subcommittee has not yet met.

4. Strategic Planning Subcommittee

- This subcommittee was created and its members appointed on August 26, 2019.
- The purpose of this subcommittee is to work in conjunction with Commission staff to review, revise, provide guidance and input for strategic plan updates and the development of supporting goals and objectives.
- Its current members are: Antonio Alatrorre, Dee Pupa, Fred Ashworth, Jennifer Swenson, and Laura Espinosa.
- This subcommittee has met several times, but not recently.

In light of the information provided above with respect to the purpose, make-up and the amount of times each subcommittee has met within the past two years, staff recommends that the Commission determine whether the subcommittees should continue to exist, and if so, if any changes in the make-up of such subcommittees should be made.

RECOMMENDATION:

Staff recommends that the Commission determine whether the subcommittees should continue to exist, and if so, if any changes in the make-up of such subcommittees should be made.

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AGENDA ITEM NO. 6

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nancy Wharfield, MD, Chief Medical Officer
Pauline Preciado, Sr. Director Population Health & Equity

DATE: July 27, 2020

SUBJECT: Contract Approval- Manifest MedEx for Health Information Exchange ("HIE") Software Solution

SUMMARY:

Gold Coast Health Plan ("GCHP") management seeks approval to execute a two-year contract with Manifest MedEx, a nonprofit health network serving all of California, for a Health Information Exchange ("HIE") software solution. This would enable GCHP and local participating provider systems to share secured health history information across provider systems, improve coordination of care, and deliver information quickly to efficiently improve member outcomes and member experience.

BACKGROUND/DISCUSSION:

Department of Health Care Services ("DHCS") recognizes the role of HIE technology to improve the quality, safety, and effectiveness of care for Medi-Cal beneficiaries. To align with this effort, GCHP management seeks to contract with Manifest MedEx to provide an HIE platform with population health dashboards, risk prediction tools, and real-time admission and discharge event notifications. By contracting with Manifest MedEx, GCHP would be able to establish a secure exchange of real-time information and deliver data quickly to efficiently improve member care.

Additionally, a HIE system aligns with NCQA standards, population health management requirements proposed within the DHCS CalAim initiative, and the 2021 CMS interoperability mandate. An HIE offers a suite of tools that transform data into insights for GCHP and our providers. First, real time Admit, Discharge, Transfer ("ADT") information alerts appear when members are admitted to or discharged from the hospital or emergency department. This enables timely follow-up on high utilizers and better coordination of discharge teams which can reduce readmissions. Next, longitudinal health records containing claims and clinical data are available at the point of care and help providers make more informed clinical decisions, lower the risk of adverse events, and avoid duplication of tests which may have already been performed. Last, population health dashboards and risk prediction help with identification of patients for care management programs, can help manage cost and quality of care for selected groups of patients, and can help gain insights into referral patterns and leakage.

GCHP and other local healthcare system leaders have partnered under the Ventura County Community Health Improvement Collaborative (VC CHIC) to address the challenges associated to data silos through this HIE initiative by pursuing a single platform under Manifest Medex. By participating in this countywide effort, the Plan would sole source the Manifest Medex purchase to establish a common Ventura County HIE technology platform. Purchasing the same platform as our community healthcare partners delivers the best value for GCHP with less implementation and ongoing administrative burden and complexity for both the Plan and providers. The shared Manifest MedEx solution will enable GCHP and the provider community to:

- Identify and resolve care gaps
- Deliver informed care coordination to high risk patients
- Improve and support enhanced case management linkages from
    - emergency room or department visits
    - care management activities
    - social determinants of health efforts such as linking to housing or food insecurity

FISCAL IMPACT:

The total two-year estimated cost for the Manifest Medex HIE solution is $300,000 or $150,000 per year based upon a 200,000-membership equivalent to a per member annual cost of $0.75. Manifest Medex has agreed to waive the customary $50,000 one-time implementation fee. Adding a 10% contingency of $30,000, for potential membership growth and unanticipated project costs, results in a cumulative estimated not to exceed total of $330,000. Year 1 costs are included in the FY 20/21 budget.

RECOMMENDATION:

Award and authorize the CEO to execute a purchase agreement with Manifest MedEx, for an HIE software solution, in an amount not to exceed $330,000 over a two-year term. Total includes a 10% contingency of $30,000.

Gold Coast Health Plan℠
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AGENDA ITEM NO. 7

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nancy Wharfield, M.D., Chief Medical Officer
Lupe Gonzalez, PhD., MPH, Director of Health Education, Cultural and Linguistic Services

DATE: July 27, 2020

SUBJECT: Contract Award Approval – All Languages Interpreting and Translating, Inc., HolaDoctor, Inc., and Pacific Interpreters, Inc.

SUMMARY:

Gold Coast Health Plan ("GCHP") management seeks approval to contract with All Languages Interpreting and Translating, HolaDoctor, and Pacific Interpreters for interpretation, translation and sign language services.

BACKGROUND/DISCUSSION:

The Department of Health Care Services ("DHCS") regulatory requirements ensure GCHP members and providers have access to language assistance services 24 hours per day, 7 days per week. In an effort to improve processes and promote financial efficiencies, GCHP issued a Request for Proposal (RFP) that included three interpretation sub-categories; 1) Telephonic and In-person Interpreting & Translation Services, 2) Video Remote Interpreting Services, and 3) Sign Language Services. Vendors were not required to bid on every sub-category but could bid on any or all of the sub-categories.

The Plan received 14 proposals by the RFP due date of April 27, 2020.

Using predetermined weighted evaluation criteria, a cross functional team scored each of the responsive proposals against the RFP's qualitative and quantitative requirements for each of the sub-categories. The results are as follows:

Vendor	Sub-Category 1: Interpreting & Translations Overall Score
Hanna Interpreting Services LLC	60.48
Pacific Interpreters	60.32
All Languages Interpreting & Translating Inc.	59.28
HolaDoctor	59.26
Green Translations, LLC	56.68
MAGNUS International Trade Services Corp.	52.66
Excel Interpreting and Translating	51.40
MARTTI	47.82
Language Translation Services	41.65
Ortiz Schneider Interpreting & Translation	41.44
Certified Languages International	Disqualified
Karasch & Associates	No Bid
LIFESIGNS	No Bid
Telelanguages, Inc.	No Bid

Vendor	Sub-Category 2: Video Remote Interpreting Overall Score
HolaDoctor	59.26
Telelanguages, Inc.	58.51
Pacific Interpreters	55.75
All Languages Interpreting & Translating Inc.	55.69
Green Translations, LLC	53.06
Excel Interpreting and Translating	46.93
Hanna Interpreting Services LLC	45.96
MARTTI	41.75
Language Translation Services	40.04
Certified Languages International	38.35
Ortiz Schneider Interpreting & Translation	37.57
Karasch & Associates	29.88
MAGNUS International Trade Services Corp.	No Bid
LIFESIGNS	No Bid

Vendor	Sub-Category 3: Sign Language Overall Score
Pacific Interpreters	59.68
HolaDoctor	59.26
All Languages Interpreting & Translating Inc.	57.93
Hanna Interpreting Services LLC	57.90
Green Translations, LLC	56.80
MAGNUS International Trade Services Corp.	52.30
Excel Interpreting and Translating	51.76
MARTTI	44.99
LIFESIGNS	43.72
Language Translation Services	43.67
Karasch & Associates	37.67
Certified Languages International	Disqualified
Ortiz Schneider Interpreting & Translation	No Bid
Telelanguages, Inc.	No Bid

The top 3 vendors, All Languages Interpreting and Translating, HolaDoctor, and Pacific Interpreters will be awarded contracts to provide services in all three subcategories. All Languages Interpreting and Translating is GCHP's current vendor.

FISCAL IMPACT:

Accounting for possible fluctuations in demand, the three-year cost projection is $1,025,000. The cost of the first-year contracts was included in the FY 2020-2021 budget. The Plan projects the annual spend for interpreting and translation services to be approximately $325,000.

RECOMMENDATION:

GCHP management recommends awarding three-year contract agreements to the top three scoring vendors to provide services in all three sub-categories of interpretation services, based on fair and open competition.

If the Commission desires to review the contracts, they are available at Gold Coast Health Plan's Finance Department.

Attachment A

Overall Qualitative Scoring	Section:	3.1	3.2	3.3	3.4	3.5	
	Decision Factor:	Availability & Fulfillment	Regulatory Compliance & Quality	Languages	Sign Language	Technology & Reporting	Totals:
Identified	Weight	26.00%	22.00%	15.00%	5.00%	13.00%	81.00%
All Languages Interpreting & Translation	Score	5.60	5.26	5.73	4.54	4.91	
	Value	14.56	11.58	8.59	2.27	6.38	**43.39**
Certified Languages International	Score	3.02	3.99	1.86	4.00	4.32	
	Value	7.86	8.78	2.78	2.00	5.61	**27.04**
Excel Interpreting & Translating	Score	5.27	5.28	4.97	4.69	5.30	
	Value	13.71	11.61	7.45	2.34	6.89	**42.01**
Green Translations Inc.	Score	4.61	5.34	4.58	4.69	4.89	
	Value	12.00	11.75	6.88	2.35	6.36	**39.33**
Hanna Interpreting	Score	5.58	5.73	5.61	5.74	5.80	
	Value	14.51	12.62	8.42	2.87	7.54	**45.96**
HolaDoctor	Score	5.31	5.32	5.42	5.52	5.14	
	Value	13.82	11.71	8.14	2.76	6.69	**43.11**
Karasch & Assoc.	Score	4.07	3.34	1.00	3.45	4.13	
	Value	10.58	7.35	1.50	1.73	5.36	**26.52**
Language Translation Services	Score	3.91	4.24	4.62	3.62	3.77	
	Value	10.17	9.33	6.92	1.81	4.90	**33.14**
LifeSigns	Score	4.81	3.05	0.80	4.93	5.18	
	Value	12.51	6.71	1.20	2.47	6.73	**29.62**
Magnus	Score	5.50	4.78	5.23	3.91	3.50	
	Value	14.30	10.53	7.85	1.95	4.55	**39.18**
MARTTI	Score	4.63	4.57	4.14	3.50	4.75	
	Value	12.03	10.04	6.22	1.75	6.18	**36.22**
Ortiz Schneider Interpreting & Translation	Score	5.03	4.54	4.73	1.00	5.32	
	Value	13.07	9.98	7.10	0.50	6.92	**37.57**
Pacific Interpreters	Score	5.46	5.58	5.31	5.09	5.68	
	Value	14.19	12.27	7.97	2.54	7.38	**44.35**
Telelanguages, Inc.	Score	5.73	5.55	6.01	4.58	5.00	
	Value	14.89	12.21	9.02	2.29	6.50	**44.90**

Sub-Category 1: Interpreting & Translation Services	Section	3.1.	3.2	3.3	3.4	3.5	3.6	
	Decision Factor	Availability & Fulfillment	Regulatory Compliance & Quality	Languages	Sign Language	Technology & Reporting	Pricing & T&C's	Totals:
Identified	Weight	26.00%	22.00%	15.00%	5.00%	13.00%	19.00%	100.00%
All Languages Interpreting & Translation	Score	5.60	5.26	5.73	4.54	4.91	8.37	
	Value	14.56	11.58	8.59	2.27	6.38	15.90	**59.28**
Certified Languages International	Score	3.02	3.99	1.86	4.00	4.32		**Non-Responsive**
	Value	7.86	8.78	2.78	2.00	5.61	0.00	
Excel Interpreting & Translating	Score	5.27	5.28	4.97	4.69	5.30	4.95	
	Value	13.71	11.61	7.45	2.34	6.89	9.40	**51.40**
Green Translations Inc.	Score	4.61	5.34	4.58	4.69	4.89	9.13	
	Value	12.00	11.75	6.88	2.35	6.36	17.35	**56.68**
Hanna Interpreting	Score	5.58	5.73	5.61	5.74	5.80	7.65	
	Value	14.51	12.62	8.42	2.87	7.54	14.53	**60.48**
HolaDoctor	Score	5.31	5.32	5.42	5.52	5.14	8.50	
	Value	13.82	11.71	8.14	2.76	6.69	16.15	**59.26**
Karasch & Assoc.	Score	4.07	3.34	1.00	3.45	4.13		**No Bid**
	Value	10.58	7.35	1.50	1.73	5.36	0.00	
Language Translation Services	Score	3.91	4.24	4.62	3.62	3.77	4.48	
	Value	10.17	9.33	6.92	1.81	4.90	8.51	**41.65**
LifeSigns	Score	4.81	3.05	0.80	4.93	5.18		**No Bid**
	Value	12.51	6.71	1.20	2.47	6.73	0.00	
Magnus	Score	5.50	4.78	5.23	3.91	3.50	7.10	
	Value	14.30	10.53	7.85	1.95	4.55	13.48	**52.66**
MARTTI	Score	4.63	4.57	4.14	3.50	4.75	6.11	
	Value	12.03	10.04	6.22	1.75	6.18	11.60	**47.82**
Ortiz Schneider Interpreting & Translation	Score	5.03	4.54	4.73	1.00	5.32	2.04	
	Value	13.07	9.98	7.10	0.50	6.92	3.87	**41.44**
Pacific Interpreters	Score	5.46	5.58	5.31	5.09	5.68	8.40	
	Value	14.19	12.27	7.97	2.54	7.38	15.97	**60.32**
Telelanguages, Inc.	Score	5.73	5.55	6.01	4.58	5.00		**No Bid**
	Value	14.89	12.21	9.02	2.29	6.50	0.00	

Sub-Category 2: Video Remote	Section	3.1.	3.2	3.3	3.4	3.5	3.6	
	Decision Factor	Availability & Fulfillment	Regulatory Compliance & Quality	Languages	Sign Language	Technology & Reporting	Pricing & T&C's	Totals:
Identified	Weight	26.00%	22.00%	15.00%	5.00%	13.00%	19.00%	100.00%
All Languages Interpreting & Translation	Score	5.60	5.26	5.73	4.54	4.91	6.48	
	Value	14.56	11.58	8.59	2.27	6.38	12.30	**55.69**
Certified Languages International	Score	3.02	3.99	1.86	4.00	4.32	5.95	
	Value	7.86	8.78	2.78	2.00	5.61	11.31	**38.35**
Excel Interpreting & Translating	Score	5.27	5.28	4.97	4.69	5.30	2.59	
	Value	13.71	11.61	7.45	2.34	6.89	4.93	**46.93**
Green Translations Inc.	Score	4.61	5.34	4.58	4.69	4.89	7.23	
	Value	12.00	11.75	6.88	2.35	6.36	13.73	**53.06**
Hanna Interpreting	Score	5.58	5.73	5.61	5.74	5.80	0.00	
	Value	14.51	12.62	8.42	2.87	7.54	0.00	**45.96**
HolaDoctor	Score	5.31	5.32	5.42	5.52	5.14	8.50	
	Value	13.82	11.71	8.14	2.76	6.69	16.15	**59.26**
Karasch & Assoc.	Score	4.07	3.34	1.00	3.45	4.13	1.77	
	Value	10.58	7.35	1.50	1.73	5.36	3.36	**29.88**
Language Translation Services	Score	3.91	4.24	4.62	3.62	3.77	3.64	
	Value	10.17	9.33	6.92	1.81	4.90	6.91	**40.04**
LifeSigns	Score	4.81	3.05	0.80	4.93	5.18		**No Bid**
	Value	12.51	6.71	1.20	2.47	6.73	0.00	
Magnus	Score	5.50	4.78	5.23	3.91	3.50		**No Bid**
	Value	14.30	10.53	7.85	1.95	4.55	0.00	
MARTTI	Score	4.63	4.57	4.14	3.50	4.75	2.91	
	Value	12.03	10.04	6.22	1.75	6.18	5.53	**41.75**
Ortiz Schneider Interpreting & Translation	Score	5.03	4.54	4.73	1.00	5.32	0.00	
	Value	13.07	9.98	7.10	0.50	6.92	0.00	**37.57**
Pacific Interpreters	Score	5.46	5.58	5.31	5.09	5.68	6.00	
	Value	14.19	12.27	7.97	2.54	7.38	11.40	**55.75**
Telelanguages, Inc.	Score	5.73	5.55	6.01	4.58	5.00	7.16	
	Value	14.89	12.21	9.02	2.29	6.50	13.61	**58.51**

Sub-Category 3: Sign Language	Section	3.1.	3.2	3.3	3.4	3.5	3.6	
	Decision Factor	Availability & Fulfillment	Regulatory Compliance & Quality	Languages	Sign Language	Technology & Reporting	Pricing & T&C's	Totals:
Identified	Weight	26.00%	22.00%	15.00%	5.00%	13.00%	19.00%	100.00%
All Languages Interpreting & Translation	Score	5.60	5.26	5.73	4.54	4.91	7.66	
	Value	14.56	11.58	8.59	2.27	6.38	14.55	**57.93**
Certified Languages International	Score	3.02	3.99	1.86	4.00	4.32		**Non-Responsive**
	Value	7.86	8.78	2.78	2.00	5.61	0.00	
Excel Interpreting & Translating	Score	5.27	5.28	4.97	4.69	5.30	5.13	
	Value	13.71	11.61	7.45	2.34	6.89	9.75	**51.76**
Green Translations Inc.	Score	4.61	5.34	4.58	4.69	4.89	9.19	
	Value	12.00	11.75	6.88	2.35	6.36	17.47	**56.80**
Hanna Interpreting	Score	5.58	5.73	5.61	5.74	5.80	6.29	
	Value	14.51	12.62	8.42	2.87	7.54	11.95	**57.90**
HolaDoctor	Score	5.31	5.32	5.42	5.52	5.14	8.50	
	Value	13.82	11.71	8.14	2.76	6.69	16.15	**59.26**
Karasch & Assoc.	Score	4.07	3.34	1.00	3.45	4.13	5.87	
	Value	10.58	7.35	1.50	1.73	5.36	11.15	**37.67**
Language Translation Services	Score	3.91	4.24	4.62	3.62	3.77	5.54	
	Value	10.17	9.33	6.92	1.81	4.90	10.53	**43.67**
LifeSigns	Score	4.81	3.05	0.80	4.93	5.18	7.43	
	Value	12.51	6.71	1.20	2.47	6.73	14.11	**43.72**
Magnus	Score	5.50	4.78	5.23	3.91	3.50	6.91	
	Value	14.30	10.53	7.85	1.95	4.55	13.12	**52.30**
MARTTI	Score	4.63	4.57	4.14	3.50	4.75	4.61	
	Value	12.03	10.04	6.22	1.75	6.18	8.77	**44.99**
Ortiz Schneider Interpreting & Translation	Score	5.03	4.54	4.73	1.00	5.32		
	Value	13.07	9.98	7.10	0.50	6.92	0.00	**No Bid**
Pacific Interpreters	Score	5.46	5.58	5.31	5.09	5.68	8.07	
	Value	14.19	12.27	7.97	2.54	7.38	15.33	**59.68**
Telelanguages, Inc.	Score	5.73	5.55	6.01	4.58	5.00		**No Bid**
	Value	14.89	12.21	9.02	2.29	6.50	0.00	

AGENDA ITEM NO. 8

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nancy Wharfield, M.D., Chief Medical Officer
Kim Timmerman, Director of Quality Improvement

DATE: July 27, 2020

SUBJECT: Quality Improvement Committee – 2020 Second Quarter Report

SUMMARY:

The Department of Health Care Services ("DHCS") requires Gold Coast Health Plan ("GCHP") to implement an effective quality improvement system and to ensure that the governing body routinely receives written progress reports from the Quality Improvement Committee ("QIC").

The attached PPT report contains a summary of activities of the QIC and its subcommittees.

FISCAL IMPACT:

None

RECOMMENDATION:

Staff recommends that the Ventura County Medi-Cal Managed Care Commission receive and file the presentation.

ATTACHMENTS:

1) Timmerman, K., (2020). Quality Improvement, Ventura County Medi-Cal Managed Care Commission, Quality Improvement Committee Report – Q2 2020, Presentation Slides.

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Integrity
Accountability
Collaboration
Trust
Respect

Quality Improvement Committee Report – Q2 2020

Kimberly Timmerman, MHA, CPHQ
Director, Quality Improvement
July 27, 2020

711 East Daily Drive, Suite 106, Camarillo, CA 93010 www.goldcoasthealthplan.org

Quality Improvement Update

- Updated Guidance: COVID-19 Impacts on Quality Improvement Activities
- MY 2019 MCAS Performance
- DHCS Improvement Projects
- Member Outreach Campaigns

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COVID-19 Impacts on QI Activities: FSR

- **APL 20-011:** DHCS temporarily changed policies regarding site reviews to mitigate the effects of the COVID-19 pandemic.
  - ➢ Temporarily suspended:
    - ❑ In-person site reviews, medical audits of plan subcontractors and network providers, and similar monitoring activities that would require in-person reviews.
    - ❑ In addition, all requirements outlined in APL 20-006 are temporarily suspended through the duration of the COVID-19 public health emergency and for an additional six months following the end of the public health emergency.
  - ➢ Encouraged:
    - ❑ Explore virtual site reviews. DHCS may require MCPs to complete follow-up onsite site reviews as allowable under future guidance.
    - ❑ Explore virtual verifications for provider Corrective Action Plans (CAPs). Otherwise, may extend CAP deadlines.
  - ➢ Date moved:
    - ❑ New FSR/MRR tools will be implemented on 1/1/2021

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COVID-19 Impacts on QI Activities - IHA

- **Revised APL 20-004:** DHCS suspended the requirement to complete Initial Health Assessments (which includes IHEBA/SHAs) within the time frame outlined in the contract until the public health crisis is over.

  - For newly enrolled MCP members between 12/1/2019 and the end of the public health emergency, DHCS is temporarily suspending the requirement to complete an IHA, as described in the DHCS/MCP contract, within the timeframes outlined (120 days for most members).

  - MCPs are permitted to defer the completion of the IHA for these members until the COVID-19 emergency declaration is rescinded; however, DHCS will require the completion of the IHAs once the public health emergency is over.

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COVID-19 Impacts on QI Activities : MCAS/HEDIS Reporting

- **Supplement to APL 19-017:** Described adjustments to quality and performance improvement requirements due to COVID-19.
- To ensure Managed Care Plans (MCPs) and providers were able to focus on caring for members during this health emergency and to reduce risk to MCP staff who would normally travel to provider offices for data collection, DHCS made the following adjustments consistent with National Committee for Quality Assurance (NCQA) allowances:

- For hybrid measures
  - DHCS is waiving the requirement to meet the minimum performance level (MPL) for hybrid measures for Reporting Year 2020 (RY 2020)
  - For existing hybrid measures, MCPs may chose to report from MY 2019 or MY 2018 hybrid data or administrative data only for MY 2019
  - For new hybrid measures, MCPs may elect to report from MY 2019 hybrid data or administrative data only for MY 2019

- For administrative measures
  - MCPs will report on administrative measures as they normally would

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Final MCAS Performance Measures Measurement Year 2019

- In total, there are **43** Managed Care Accountability Set (MCAS) performance measures (including submeasures) that GCHP was required to monitor and report to the California Department of Healthcare Services (DHCS).
  - **18** held to the 50th percentile MPL
  - **25** not held to MPL, but will be monitored for performance by DHCS
- Of the **43** MCAS measures, **27 (63%)** are new for GCHP

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HEDIS/MCAS MY 2019 Performance Highlights

Of the 18 MCAS Measures **held to MPL**:

- Data collection methodology: 13 hybrid, 5 administrative
- 8 (44%) are first-time NCQA measures for GCHP
- 14 (78%) measures performed at or above the DHCS MPL (50th Percentile)
- 6 measures improved compared to MY 2018
- 3 measures moved to a higher percentile; 1 of those moved two positions - from 50th to 90th
- 3 hybrid measure rates declined, however, based on DHCS COVID-19 allowance, measures will be rotated (allowing reporting of prior year's rates)
- With measure rotation:
  - 1 measure performed lower than prior year (AMR)
  - 3 measures performed below 50th percentile (AMR, CHL, W15)

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MCAS Rates: Measurement Year 2019

Measures Held to Minimum Performance Level (MPL)

MCAS Measure/Data Element	MY2018 Rate	MY2019 Rate	MY2018-MY2019 Rate Difference	Percentile Difference
Hybrid				
Adolescent Well-Care Visits		58.15		
Adult BMI Assessment		93.19		
Cervical Cancer Screening	56.08	64.23	↑8.15	↑1
Childhood Immunization Status - Combo 10		42.09		
Comprehensive Diabetes Care				
Hemoglobin A1c (HbA1c) Testing	89.29	87.10	↓2.19	Rotated
HbA1c Poor Control (>9.0%)*	32.85	34.31	↑1.46	Rotated
Controlling High Blood Pressure	63.26	61.56	↓1.70	Rotated
Immunizations for Adolescents - Combo 2	34.06	37.96	↑3.90	=
Prenatal and Postpartum Care				
Timeliness of Prenatal Care	86.17	97.32	↑11.15	↑2
Postpartum Care	77.39	86.86	↑9.47	=
Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents BMI Assessment		94.89		
Well-Child Visits in the First 15 Months of Life		54.99		
Well-Child Visits in the Third, Fourth, Fifth and Sixth Years of Life	74.73	78.59	↑3.86	↑1
Administrative				
Antidepressant Medication Management				
Acute Phase Treatment		63.18		
Continuation Phase Treatment		46.78		
Asthma Medication Ratio	57.73	50.09	↓7.64	↓2
Breast Cancer Screening	60.78	61.84	↑1.06	=
Chlamydia Screening in Women		56.02		

>10th Percentile	50th Percentile
10th Percentile	75th Percentile
25th Percentile	90th Percentile

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MY 2019 Measure Changes - Impact on Performance

Measure	Specification Changes	Impact on Performance
Asthma Medication Ratio	• Updated eligible population (EP) criteria • Updated asthma controller medication list	• Potential increase and decrease in denominator • Potential increase in > 50% ratio of controller to rescue asthma medications rate.
Prenatal and Postpartum Care	• Expanded continuous enrollment criteria • For prenatal visits, added pre-enrollment look back for women who had prenatal visits before their enrollment started. • Expanded postpartum exam period from 21 – 56 days after delivery to 7 – 84 days after delivery.	• Potential decrease in denominator if member does not meet the expanded continuous enrollment criteria • Potential increase in both prenatal and postpartum rates
Cervical Cancer Screening	• Expanded acceptable PAP test by adding primary high-risk human papillomavirus testing.	• Potential increase in CCS rate

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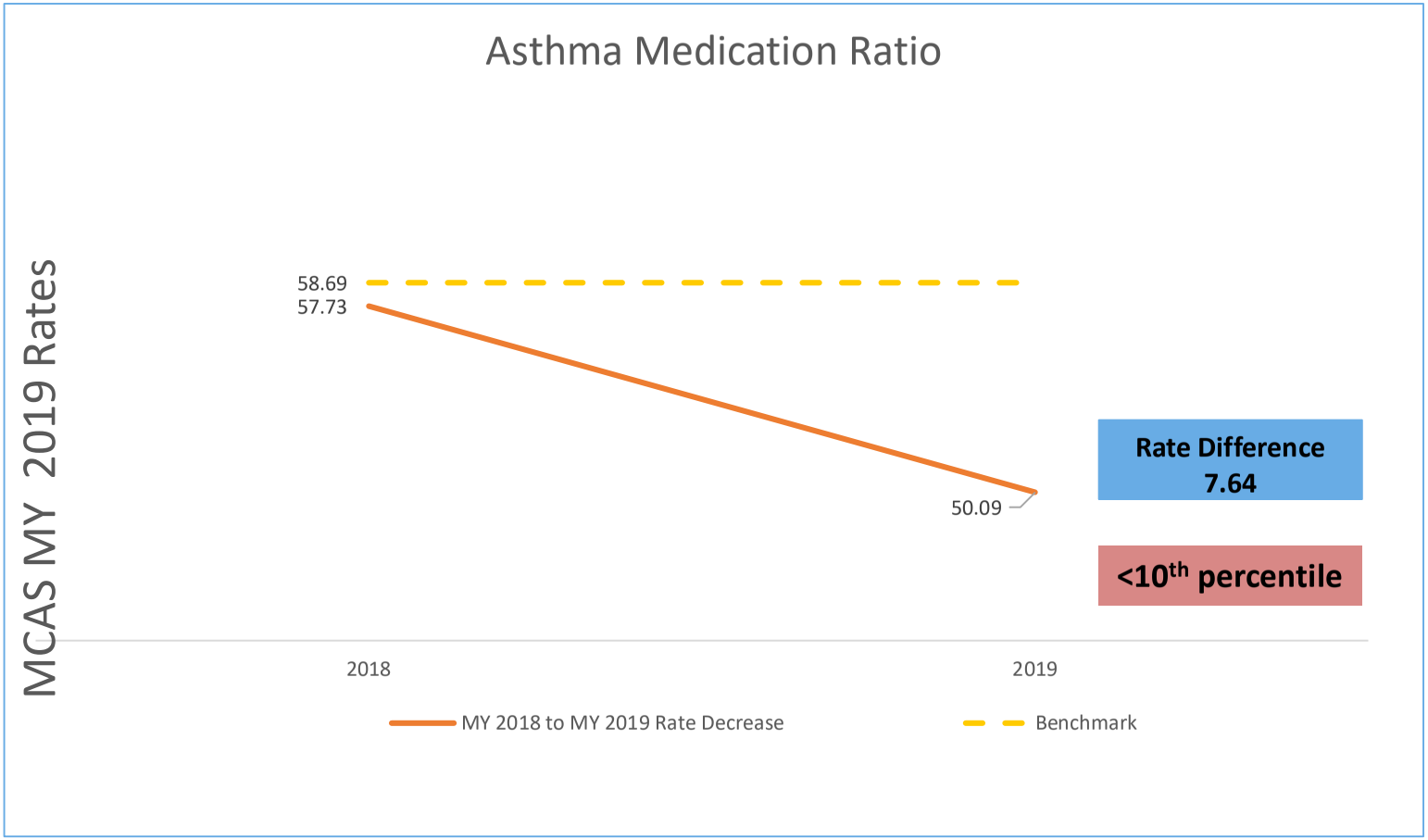
Notable MCAS Changes



The percentage of members 5 to 64 years of age who were identified as having persistent asthma and had a greater than 50% ratio of controller medications to total asthma medication

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MY 2019 AMR Performance: Deep Dive Analysis

Enrollment Impact:

- GCHP experienced a decrease in full scope membership of 11%

Denominator Impact:

- Changes in code set and membership contributed to an 11% decrease in denominator

Claims Impact:

- As a result of decrease in enrollment, there were fewer claims received in 2019 when comparing the claims detail for the AMR measure
  - 2018 claims = 4,800
  - 2019 claims = 4,292
- This represents an 11% decrease in claims

Summary:

- Fewer claims translates into less opportunities for numerator hits
- The 11% decrease in claims aligns with the percentage change decline in numerator compliance of 13%.

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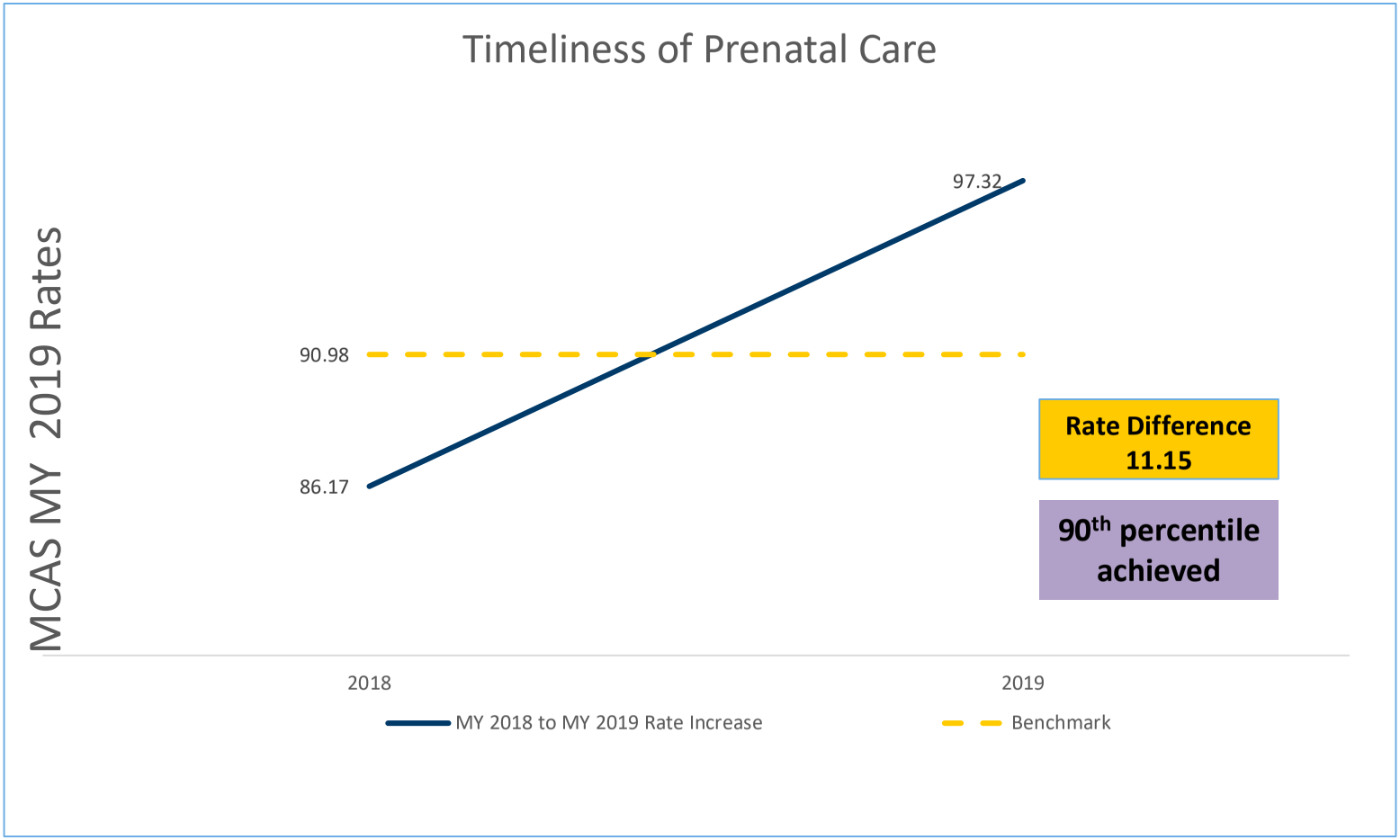
Notable MCAS Improvements



The percentage of women who received a prenatal care visit during the first trimester, on or before the enrollment start date, or within the first 42 days of enrollment in the Plan.

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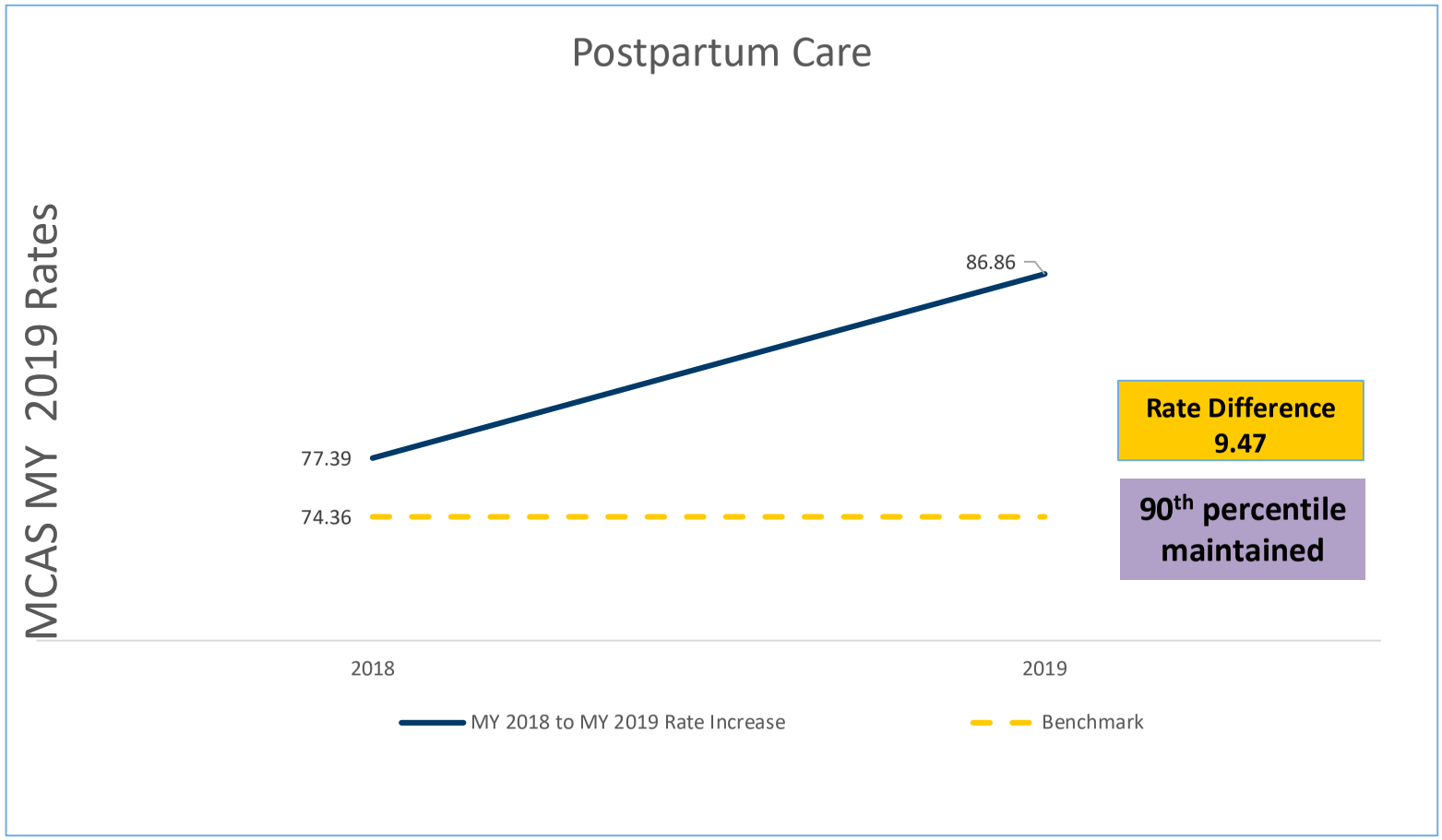
Notable MCAS Improvements



The percentage of women who had a postpartum visit between 7 to 84 days after delivery.

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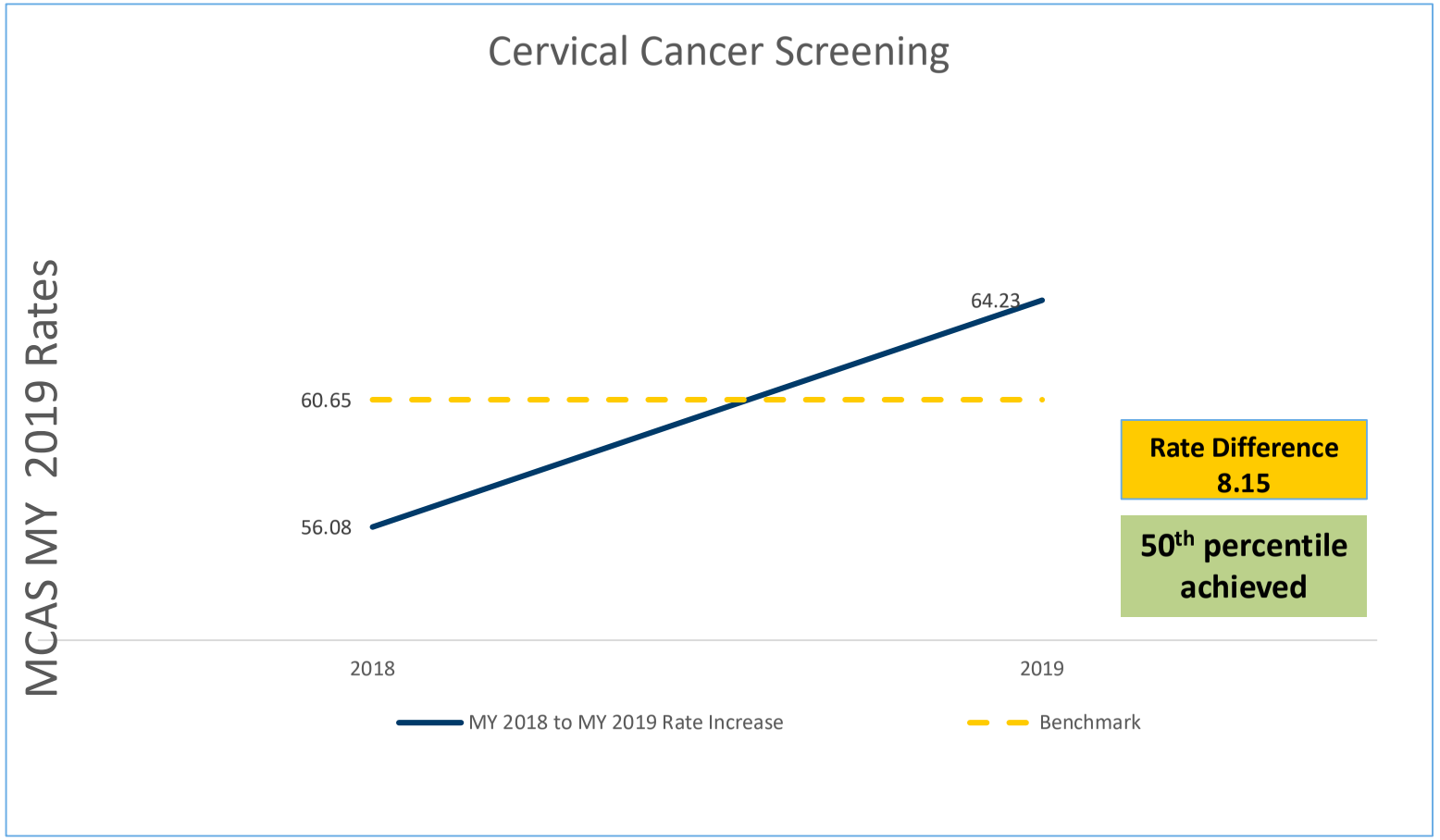
Notable MCAS Improvements



Percentage of women ages 21 to 64 during the measurement year who were screened for cervical cancer using cervical cytology screening, cervical high-risk human papillomavirus (hrHPV) test, or cervical cytology/high-risk human papillomavirus (hrHPV) co-testing

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Low Performing Measures in 2019 (New)

Well-Child Visits in First 15 Months of Life (W15)

The percentage of infants who turned 15 months in 2019 and had six or more well-child visits with a PCP during the first 15 months of life.

Measure	MY 2019 Rate	National Medicaid Ranking
W15	54.99	10th Percentile

Chlamydia Screening in Women (CHL)

The percentage of women, 16 to 24 years of age, who were identified as sexually active and had at least one chlamydia screening in 2019.

Measure	MY 2019 Rate	National Medicaid Ranking
CHL	56.02	25th percentile

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HEDIS/MCAS MY 2019: Next Steps

- Debrief internally with QI Team, Inovalon, and HSAG auditor on improvement strategies for 2021
- Produce Clinic-Level MY 2019 HEDIS®/MCAS Report Cards and disseminate to leadership/clinic systems
- Assess Clinic-Level outcomes to identify high/low performance and opportunities for improvement and best practice sharing
- Conduct barrier/root cause analysis on low-performing measures (AMR*, CHL*, W15) to identify opportunities and implement interventions
- Continue data improvement strategies with particular focus on EMR feeds, Quest Lab member-centric data capture, and Beacon behavioral health encounter data completeness
- Launch INDICES platform for real-time data visualization and performance feedback insight for leadership/clinic systems

*DHCS-mandated Improvement Project anticipated due to MPL not achieved

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Performance Improvement Projects: PIPs/IPs

Improvement Projects (IPs)

- For MY 2019, DHCS will require MCPs to complete one-year improvement projects for administrative measures with rates below MPL
  - GCHP did not meet MPL for the following administrative measures:
    - Asthma Medication Ratio (AMR)
    - Chlamydia Screening in Women (CHL)
- Next Steps:
  - DHCS will provide guidance for reporting the IPs in 2020-2021.

Performance Improvement Projects (PIPs)

- For 2019-2021, GCHP planned the following two-year PIPs:
  - Adolescent Well Care – partnership with CMH CFH Airport Marina Clinic
  - Health Disparity PIP: Cervical Cancer Screening – partnership with Magnolia Family Medical Center
- Effective June 30, 2020, PIPs are on hold per DHCS/EQRO directive based on feedback from Medi-Cal Managed Care Plans regarding challenges with implementing and studying improvement projects during the COVID-19 pandemic.
- PIPs are expected to restart in mid-to-late summer, with a new 2020-2022 PIP cycle.

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HMS Eliza Member Outreach

Status Updates/Next Steps:

- On 6/1/2020 GCHP received DHCS approval for the texting initiative/scripts. DHCS clarification pending regarding opt in vs. opt out approach.
- Launch Care Gap Outreach campaign (IVR + live agent) in August/Sept 2020.
  - Align with DHCS Preventive Care Outreach mandate (immunizations + lead screening in 0-6 years of age)
- Plan to launch Education Campaigns (IVR + text) in January 2021
  - Prevents overlap with care gap campaigns
  - Timing aligns with program design/frequency of outreach attempts

Questions?

Recommendation:

Accept, Approve and File the Q2 2020 Quality Improvement Committee Report

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AGENDA ITEM NO. 9

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Kashina Bishop, Chief Financial Officer

DATE: July 27, 2020

SUBJECT: June 2020 Fiscal Year to Date Financials

SUMMARY:

Staff is presenting the attached June 2020 fiscal year-to-date ("FYTD") financial statements of Gold Coast Health Plan ("Plan") for the Commission to review and approve.

BACKGROUND/DISCUSSION:

The staff has prepared the unaudited June 2020 FYTD financial package, including statements of financial position, statement of revenues and expenses, changes in net assets, and statement of cash flows.

Financial Overview:

The Plan experienced a net gain in the month of June of $3.8 million attributable to a decline in utilization related to COVID-19 and additional revenue with a 3% rise in membership. While we recorded a gain for the month improving the fiscal year to date performance, these are prior to incorporating revenue reductions from the State. Staff will be presenting revised June statements at the August Executive Finance and Commission meetings.

Solvency Action Plan Update:

While the staff at GCHP remains committed to process improvement, strong internal controls, and fair and transparent contract negotiations with providers, we now also maintain a keen focus on the Solvency Action Plan driven by our highly limited reserves and the adverse impact of the economic downturn on the Medi-Cal program. In the month of June, GCHP management has made the following progress in connection with the Commission-approved Solvency Action Plan:

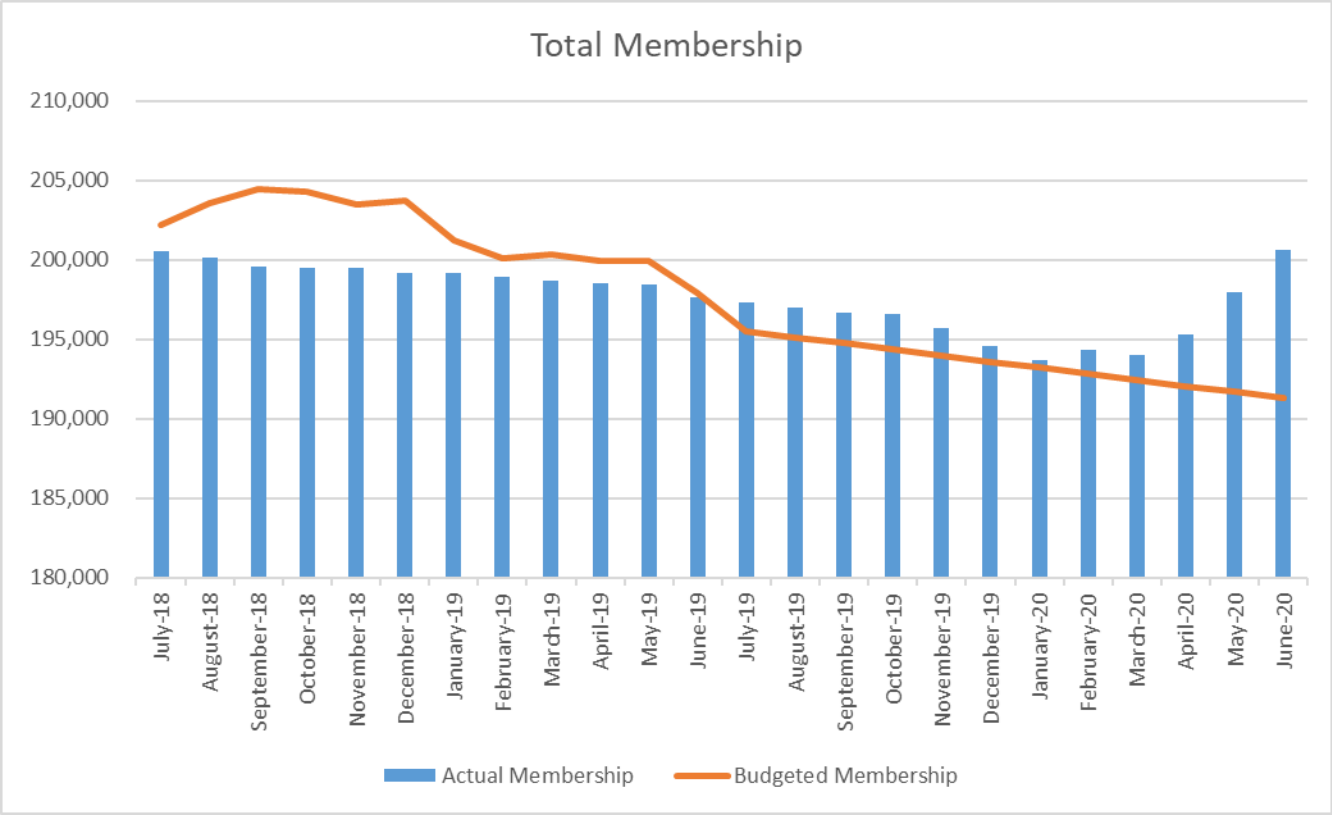
Actions	Annualized impact in savings
Continued focus on interest expense reduction	$500,000
Reduction of LTC facility rates to 100% of Medi-Cal rate	$1.8 million
Sent notification to providers regarding reduction of Adult Expansion PCP rates	$4.5 million

Financial Report:

For the month of June 2020, the Plan is reporting a net gain of $3.8 million.

June 2020 FYTD Highlights:

1. The Plan has realized a net gain of $4.1 million, a $2.6 million favorable year-to-date budget variance.
2. FYTD net revenue is $829 million, $52.5 million higher than budget.
3. FYTD Cost of health care is $776.1 million, $57.8 million higher than budget.
4. The medical loss ratio is 93.6% of revenue, which is 1.1% higher than the budget.
5. FYTD administrative expenses are $50.8 million, $6.9 million lower than the budget.
6. The administrative cost ratio is 6.1%, 1.3% lower than budget.
7. Current membership for June is 200,651. Member months for the year are at 2,352,143 which is 1% greater than budget.
8. Tangible Net Equity is $79.7 million which represents approximately 35 days of operating expenses in reserve and 230% of the required amount by the State.


Total Membership
210,000
205,000
200,000
195,000
190,000
185,000
180,000
July-18
August-18
September-18
October-18
November-18
December-18
January-19
February-19
March-19
April-19
May-19
June-19
July-19
August-19
September-19
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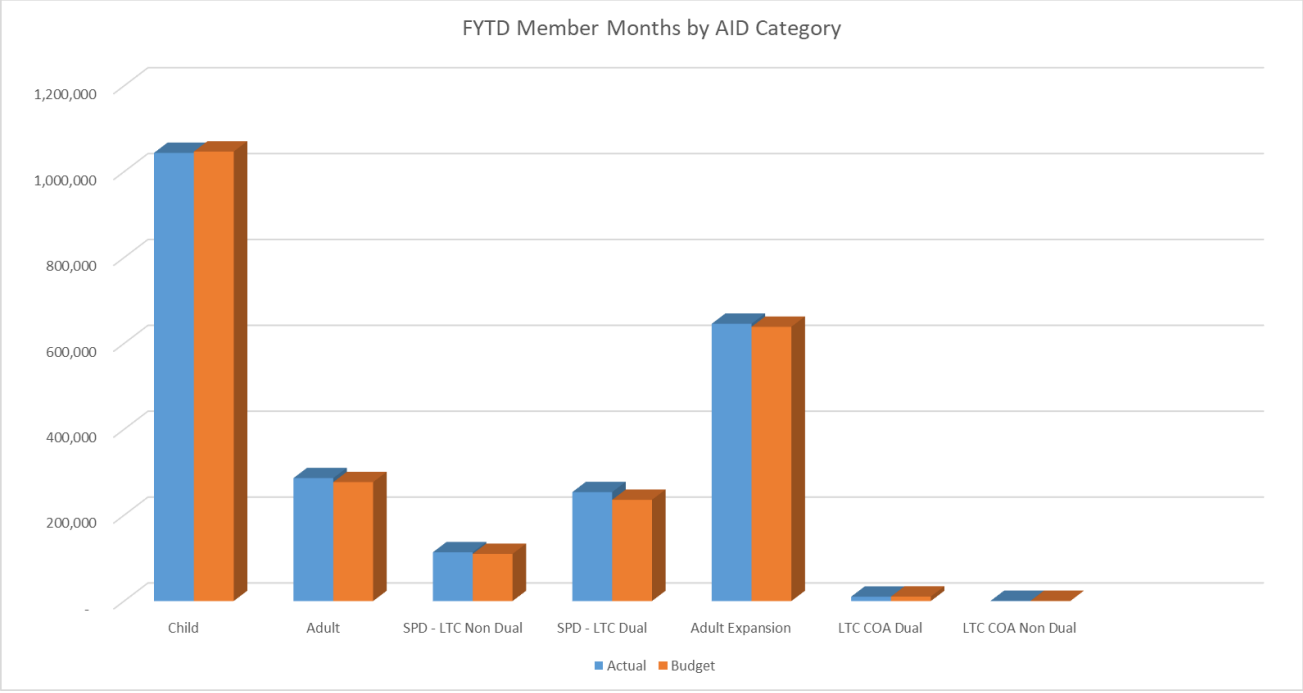
January-20
February-20
March-20
April-20
May-20
June-20
Actual Membership
Budgeted Membership


FYTD Member Months by AID Category
1,200,000
1,000,000
800,000
600,000
400,000
200,000
-
Child
Adult
SPD - LTC Non Dual
SPD - LTC Dual
Adult Expansion
LTC COA Dual
LTC COA Non Dual
Actual
Budget

Revenue

Net Premium revenue is over budget by $52.5 million and 7%. The budget variance is being driven by the following:

1. The aggregate membership is over budget by 1%, Due to the widespread economic impact of COVID-19 there is a resulting rise in unemployment and the Plan is projecting a growth in membership and will continue to monitor changes in unemployment. Medi-Cal redeterminations have been suspended through the emergency. Since February, membership has increased over 3%. For reference, below is historical data that reflects changes in Medi-Cal enrollment following a recession.

Years Spanned (Total # of Months During Economic Recession)[1]	Start Date of Economic Recession	End Date of Economic Recession	Year-over-year change in Medi-Cal Enrollment[2]
1970 (11)	January 1970	November 1970	22.6%
1973-1975 (16)	December 1973	March 1975	-2.2% 3.9% 9.1%
1980 (6)	February 1980	July 1980	4.8%
1981-1982 (16)	August 1981	November 1982	3.9% -1.4%
1990-1991 (8)	August 1990	March 1991	13.1% 16.6%
2001 (8)	April 2001	November 2001	8.2%
2008-2009 (18)	January 2008	June 2009	2.5% 5.3%

[1] Source: Department of Health Care Services (DHCS), Research and Analytic Studies Division (RASD), *Medi-Cal Statistical Brief, August 2015*

[2] This increase could also include changes in eligibility so this may not reflect a direct link to the recessionary growth only.

2. Case mix is contributing to both higher revenue and expenses. For example, the number of members in the Child AID category is under budget while the membership in the Seniors and Persons with Disability (SPD) AID categories are over budget. Due to disparities in cost for members in the various AID categories, that Plan is paid a higher capitation rate for those members in the SPD AID category.

3. Due to the increasing risk of the current population in FY19-20, GCHP received revised draft capitation rates from the State which were 1.7% higher than budgeted.

4. Due to increased utilization, supplemental payments for Behavioral Health services are $7.5 million higher than budgeted.

5. Capitation revenue attributable to Proposition 56 and Ground Emergency Transportation Payment (GEMT) are over budget by $9.5 million due to updated rates for the additional programs explained below:
   a. In 2016, California voters approved Proposition 56 to increase the excise tax rate on cigarettes and tobacco products. A portion of this revenue is allocated to DHCS for use as the nonfederal share of health care expenditures. The initial Proposition 56 directed payment was implemented for dates of service in FY 2017-18 with additional amounts being paid to providers with encounter data related to certain CPT codes.
   b. The program was expanded for dates of service beginning July 1, 2019, to include supplemental payments for specified family planning codes and a value-based payment program which requires additional payments for qualifying services related to prenatal/postpartum care, early childhood visits, chronic disease management, and behavioral health integration. The program was further expanded for dates of service beginning January 1, 2020 for developmental screening services and adverse childhood event screening services.
   c. The Plan has continued to make payments under Proposition 56 related to the continued physician services and we will process payments for the new programs once the final All Plan Letters are issued and the Plan receives the appropriate funding from DHCS.
   d. GEMT is a Quality Assurance Fee program which provides for an enhanced reimbursement rate for emergency medical transports by non-contracted providers.

Health Care Costs

FYTD Health care costs are $776.1 million; this equates to a $57.8 million and 8% unfavorable budget variance.

Notable variances from the budget are as follows:

1. Membership is over budget by 1% which will impact the anticipated medical expenses. This is offset by increased capitation revenue from the State.

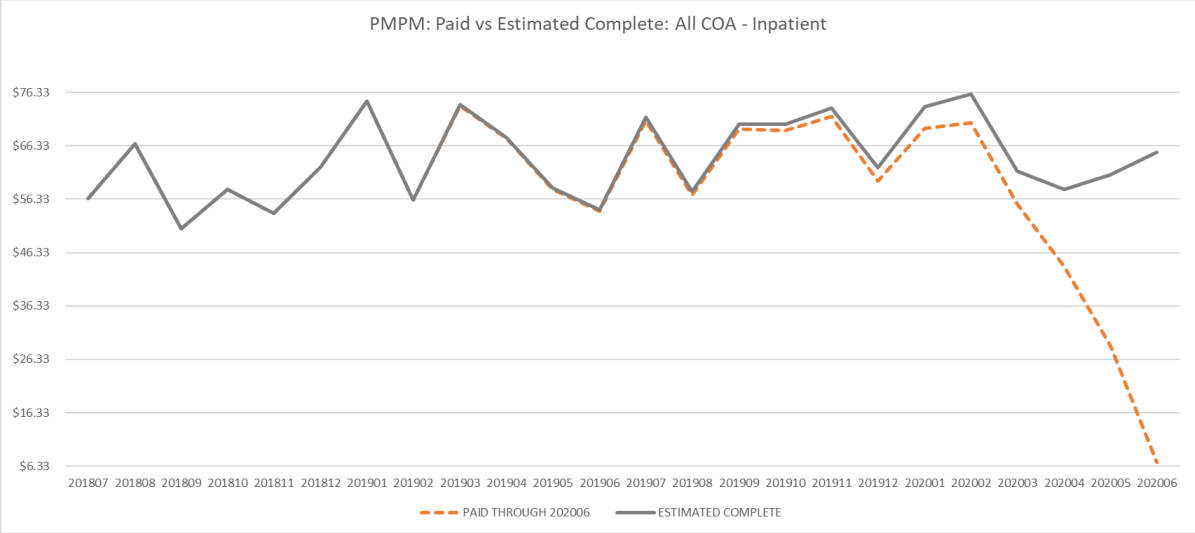
2. Case mix is contributing to both higher revenue and expense, as noted in the Revenue section.

3. The State validated the assertion that as the membership has declined for the current fiscal year, it is the healthier population that is disenrolling which is increasing the overall per member per month costs of the remaining membership. The State gave us an additional 1.7% in the capitation rates to offset this increased expense.

4. Directed payments (for Proposition 56) are over budget by $12.8 million. GCHP is accruing a directed payment expense equal to 100% of the current year revenue attributable to Proposition 56. Approximately $9.5 million of the variance is due to

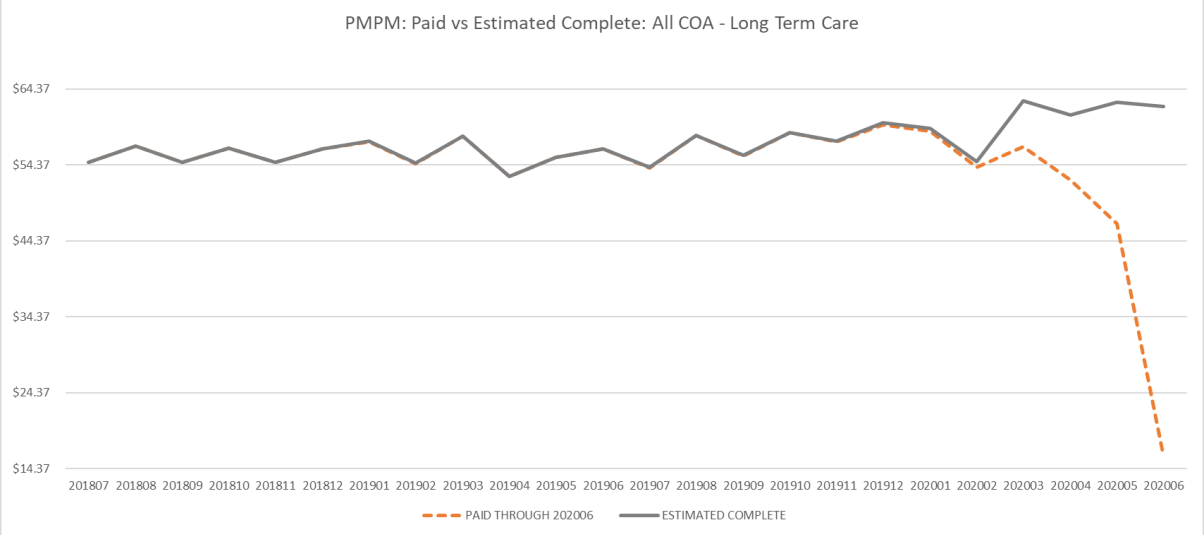
updated rates from the State. The additional variance is driven by prior year changes in estimate.

5. Inpatient hospital costs are over budget by $10.4 million. Overall, there has been more volatility with high dollar claims. The AID categories with the most significant increases from budget are Adult and Adult Expansion. Acute inpatient admissions per 1,000 members has increased from 54.87 in FY 18-19 to 56.81 in FY 19-20, a 3.5% increase, and the average cost per admit has increased approximately 2.9%. Due to COVID-19, inpatient costs are estimated to be lower March through June. Staff was conservative in the estimates until the full extent of the impact is validated through claims data.



Top 10 Diagnosis - Total Paid	May 2018 - April 2019	May 2019 - April 2020	$ Change	% Change
Bacterial infection	$ 20,198,932	$ 17,901,391	$ (2,297,542)	-11%
Diseases of the heart	$ 7,687,464	$ 8,311,800	$ 624,336	8%
Complications mainly related to pregnancy	$ 7,283,692	$ 6,262,969	$ (1,020,723)	-14%
Complications	$ 7,394,801	$ 5,857,403	$ (1,537,397)	-21%
Cerebrovascular disease	$ 6,863,700	$ 5,240,669	$ (1,623,031)	-24%
Alcohol-related disorders	$ 4,767,755	$ 5,725,958	$ 958,203	20%
Hypertension	$ 4,112,513	$ 4,601,318	$ 488,805	12%
Indications for care in pregnancy; labor; and delivery	$ 4,548,979	$ 4,113,627	$ (435,352)	-10%
Cancer of lymphatic and hematopoietic tissue	$ 5,382,214	$ 1,890,420	$ (3,491,794)	-65%
Fractures	$ 3,700,318	$ 2,922,242	$ (778,076)	-21%
Grand Total	**$ 71,940,369**	**$ 62,827,797**	**$ (9,112,571)**	**-13%**

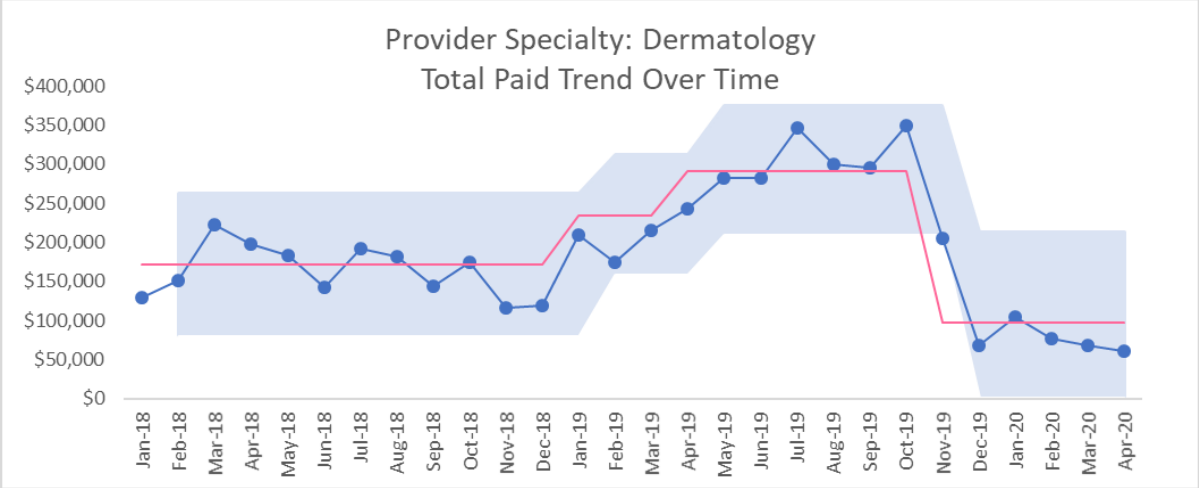
6. Long term care (LTC) expenses are over budget by $6.1 million. The State increased facility rates by 10% effective March 1, 2020 through the emergency. The full impact was mitigated through the Solvency Action Plan and the reduction of LTC contractual rates to 100% of the Medi-Cal fee schedule.



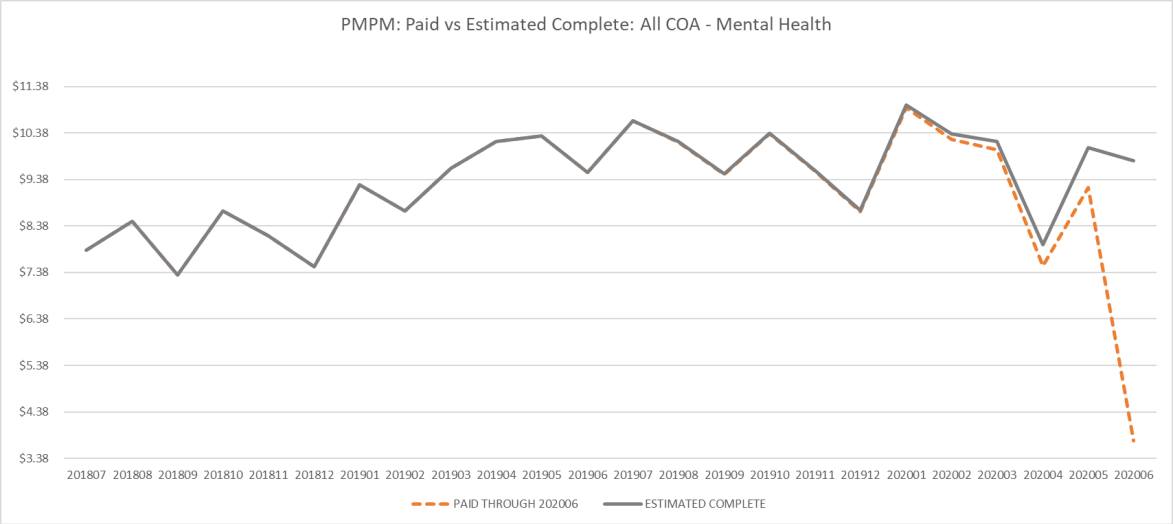
7. Physician Specialty is over budget by $5.8 million. The primary drivers continue to be dermatology, physical therapy, medical oncology and orthopedic surgery. The increase in physical therapy is primarily related to services being provided to children with developmental disabilities. These children were previously cared for by the Tri-Counties Regional Center but under revisions in Medi-Cal rules these services were transitioned to the Plan. The increase in orthopedic surgery is the result of the Plan's effort to increase access as there had previously been a shortage of orthopedic providers.

Service Provider Speciality	May 2018 - April 2019	May 2019 - April 2020	$ Change	% Change
Medical oncology	$ 420,305	$ 1,007,407	$ 587,102	140%
Physical therapist (independently practicing)	$ 2,631,469	$ 3,186,263	$ 554,794	21%
Dermatology	$ 1,848,904	$ 2,178,253	$ 329,349	18%
Ophthalmology	$ 2,134,705	$ 2,362,736	$ 228,031	11%
Physician assistant	$ 196,460	$ 416,966	$ 220,506	112%
Hematology/oncology	$ 748,283	$ 952,167	$ 203,884	27%
Orthopedic surgery	$ 1,150,125	$ 1,338,996	$ 188,871	16%
Pulmonary disease	$ 451,394	$ 601,391	$ 149,997	33%
Neurosurgery	$ 609,624	$ 731,530	$ 121,906	20%
Hand surgery	$ 62,693	$ 178,082	$ 115,389	184%
Grand Total	**$ 10,253,963**	**$ 12,953,791**	**$ 2,699,828**	**26%**

Dermatology expenses have decreased since a provider termination in November 2019, as demonstrated in the below graph.



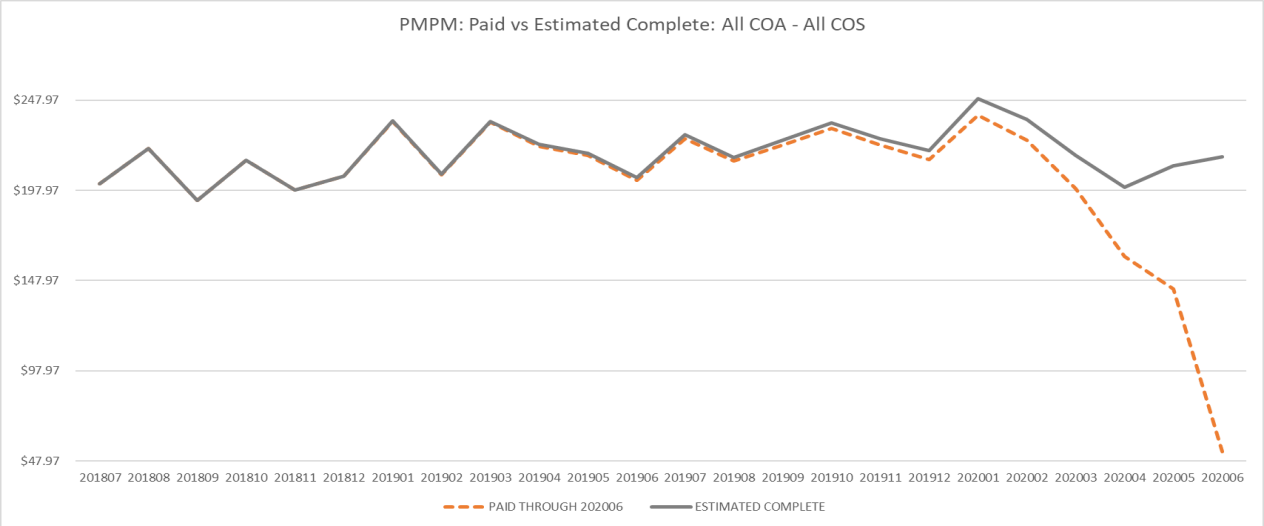
8. Behavioral and mental health is over budget by $5.4 million. Utilization increased significantly in 2019 with behavioral health benefits for being extended to members that do not have an autism diagnosis. The budget is $8.16 per member per month and the average expense in FY 19-20 $10.34 per member per month, an annualized increase of approximately $5.1 million. The increased cost is offset by supplemental payments from the State for Behavioral Health treatment which is over budget by $7.5 million.



9. Primary Care Physician is over budget by $3.4 million (25%). This is due to a classification issue with the non-PBM pharmacy expenses within the budget. Non-PBM pharmacy expense was budgeted under pharmacy but the expense is being reflected in the Primary Care Physician line item. If properly classified, the budget variance would be $880,000 (6%). This will be corrected in the coming year's budget process.

10. Pharmacy expense is over budget by $11.2 million and 8% due to increases in both utilization and unit costs (9% excluding the non-pbm pharmacy portion). Pharmacy expense increased in June due to COVID-19 and the allowance of a 100-day supply of medications to be dispensed without a treatment authorization request. The peak was in April, but there is some delay in the financial statement recognition due to the timing of invoices from Optum. In addition, dermatology costs were significantly elevated from March through June. The Plan is awaiting approval of a policy submitted to DHCS that will minimize future costs.

11. Total fee for service health care costs excluding capitation and pharmacy, and considering date of service, are over budget by $6.61 PMPM (3%).



Note: Medical expenses are calculated through a predictive model which examines the timing of claims receipt and claims payments. It is referred to as "Incurred But Not Paid" (IBNP) and is a liability on the balance sheet. On the balance sheet, this calculation is a combination of the Incurred But Not Reported and Claims Payable. The total liability is the difference between the estimated costs (the orange line above) and the paid amounts (in grey above).

Administrative Expenses

The administrative expenses are currently running within amounts allocated to administration in the capitation revenue from the State. In addition, the ratio is comparable to other local initiative health plans.

For the fiscal year to date through June, administrative costs were $50.8 million and $6.9 million below budget. As a percentage of revenue, the administrative cost ratio (or ACR) was 6.1% versus 7.5% for budget.

Cash and Short-Term Investment Portfolio

At June 30th, the Plan had $132.6 million in cash and short-term investments. The investment portfolio included Ventura County Investment Pool $42.8 million; LAIF CA State $205,000; the portfolio yielded a rate of 2.5%.

Medi-Cal Receivable

At June 30th, the Plan had $175.7 million in Medi-Cal Receivables due from the DHCS.

RECOMMENDATION:

Staff recommends that the Commission approve the June 2020 financial package.

ATTACHMENT:

June 2020 Financial Package

Gold Coast Health Plan℠
A Public Entity

FINANCIAL PACKAGE
For the month ended June 30, 2020

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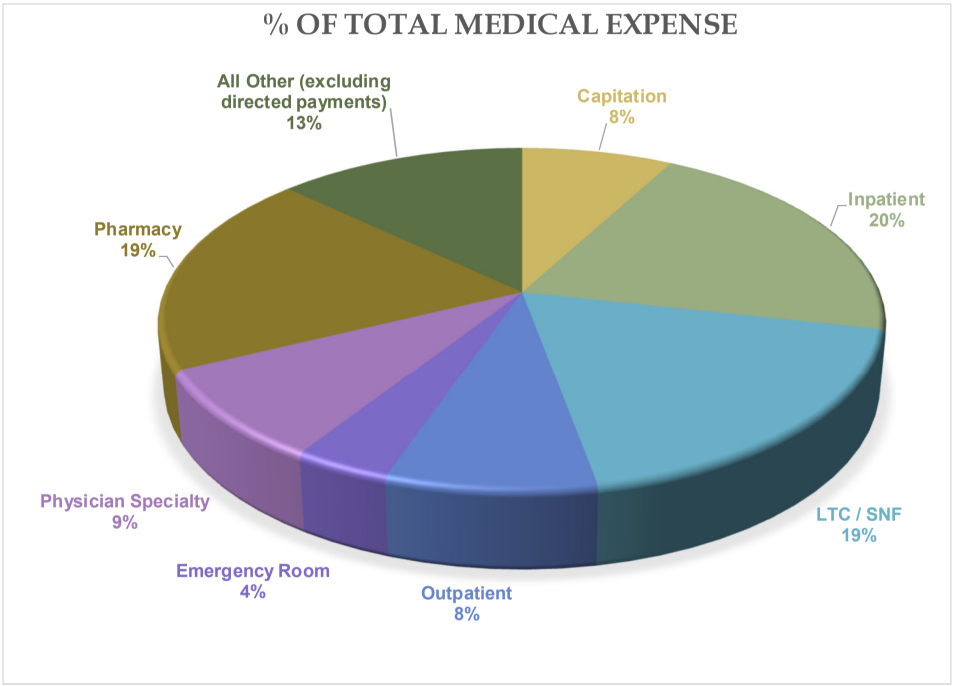
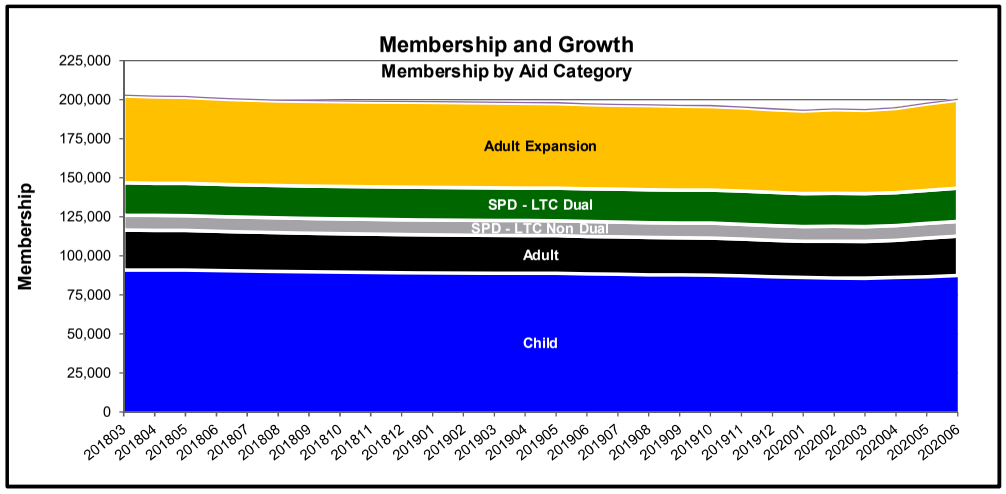
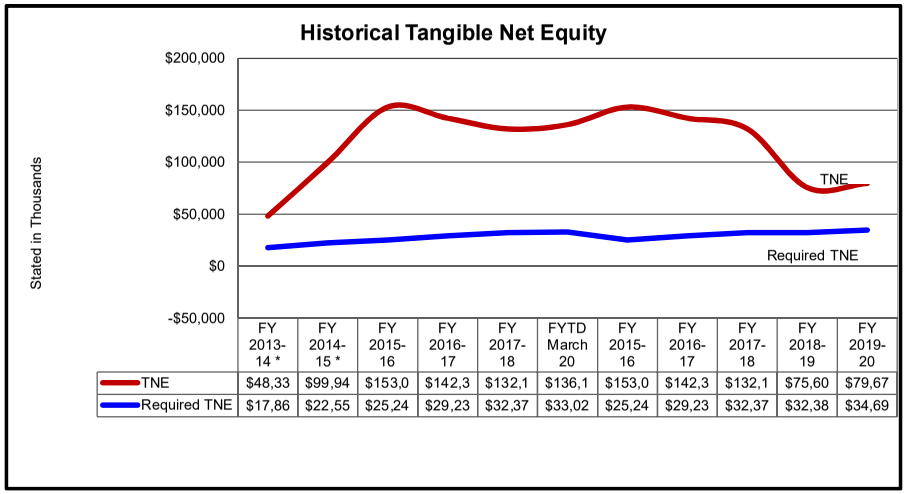
Gold Coast Health Plan

Executive Dashboard as of June 30, 2020

	FYTD 19/20 Budget	FYTD 19/20 Actual	FY 18/19 Actual	FY 17/18 Actual
Average Enrollment	193,409	196,012	198,140	202,748
PMPM Revenue	$ 334.54	$ 352.43	$ 299.23	$ 284.60
Medical Expenses				
Capitation	$ 26.52	$ 24.93	$ 23.90	$ 13.90
Inpatient	$ 61.60	$ 65.19	$ 62.09	$ 58.98
LTC / SNF	$ 57.35	$ 59.20	$ 56.06	$ 51.30
Outpatient	$ 25.68	$ 25.81	$ 25.88	$ 25.74
Emergency Room	$ 11.91	$ 11.97	$ 12.14	$ 12.77
Physician Specialty	$ 25.49	$ 27.63	$ 26.71	$ 23.82
Pharmacy	$ 57.07	$ 61.05	$ 56.60	$ 49.76
All Other *(excluding directed payments)*	$ 36.13	$ 41.07	$ 38.20	$ 32.93
Total Per Member Per Month	$ 301.74	$ 316.86	$ 301.58	$ 269.21
Medical Loss Ratio	92.5%	93.6%	102.0%	95.1%
Total Administrative Expenses	$ 57,701,709	$ 50,821,685	$ 46,655,880	$ 49,015,352
% of Revenue	7.4%	6.1%	6.6%	7.1%
TNE	$ 93,700,000	$ 79,674,224	$ 75,604,948	$ 132,115,371
Required TNE	$ 33,464,286	$ 34,697,402	$ 32,382,791	$ 32,373,536
% of Required	280%	230%	233%	408%







	FY 2013-14 *	FY 2014-15 *	FY 2015-16	FY 2016-17	FY 2017-18	FYTD March 20	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
TNE	$48,33	$99,94	$153,0	$142,3	$132,1	$136,1	$153,0	$142,3	$132,1	$75,60	$79,67
Required TNE	$17,86	$22,55	$25,24	$29,23	$32,37	$33,02	$25,24	$29,23	$32,37	$32,38	$34,69

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STATEMENT OF FINANCIAL POSITION

	06/30/20	05/31/20	04/30/20
ASSETS			
Current Assets:			
Total Cash and Cash Equivalents	**89,586,429**	**90,620,525**	**85,204,213**
Total Short-Term Investments	**43,040,224**	**43,040,206**	**42,940,731**
Medi-Cal Receivable	175,668,086	164,310,015	154,909,413
Interest Receivable	309,342	282,269	282,269
Provider Receivable	727,334	450,647	377,897
Other Receivables	6,832,616	7,829,253	8,857,684
Total Accounts Receivable	**183,537,378**	**172,872,185**	**164,427,262**
Total Prepaid Accounts	1,751,774	1,640,927	2,063,741
Total Other Current Assets	153,789	153,789	153,789
Total Current Assets	**318,069,594**	**308,327,631**	**294,789,736**
Total Fixed Assets	**1,610,328**	**1,654,171**	**1,698,281**
Total Assets	**$ 319,679,921**	**$ 309,981,802**	**$ 296,488,017**
LIABILITIES & NET ASSETS			
Current Liabilities:			
Incurred But Not Reported	$ 65,539,064	$ 60,711,893	$ 59,972,047
Claims Payable	5,597,372	9,598,303	8,175,554
Capitation Payable	17,035,206	19,619,530	19,712,855
Physician Payable	17,766,773	18,349,967	16,861,083
DHCS - Reserve for Capitation Recoup	5,257,358	5,257,358	5,257,358
Accounts Payable	2,363,635	2,401,503	706,718
Accrued ACS	1,692,422	1,676,786	3,346,682
Accrued Provider Reserve	1,182,056	1,022,221	1,209,266
Accrued Pharmacy	20,041,432	20,729,069	21,208,438
Accrued Expenses	782,470	821,526	1,030,181
Accrued Premium Tax	99,473,417	90,904,394	82,467,273
Accrued Payroll Expense	2,187,982	1,952,841	1,896,771
Total Current Liabilities	**238,919,186**	**233,045,392**	**221,844,226**
Long-Term Liabilities:			
Other Long-term Liability-Deferred Rent	1,086,511	1,089,398	1,092,284
Total Long-Term Liabilities	**1,086,511**	**1,089,398**	**1,092,284**
Total Liabilities	**240,005,697**	**234,134,789**	**222,936,510**
Net Assets:			
Beginning Net Assets	75,604,948	75,604,948	75,604,948
Total Increase / (Decrease in Unrestricted Net Assets)	4,069,277	242,066	(2,053,441)
Total Net Assets	**79,674,224**	**75,847,014**	**73,551,507**
Total Liabilities & Net Assets	**$ 319,679,921**	**$ 309,981,802**	**$ 296,488,017**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR MONTH ENDED June 30, 2020

	June 2020	June 2020 Year-To-Date		Variance	Variance	June 2020 Year-To-Date		Variance
	Actual	Actual	Budget	Fav / (Unfav)	%	Actual	Budget	Fav / (Unfav)
Membership (includes retro members)	200,651	2,352,143	2,320,908	31,235	1%		PMPM - FYTD	
Revenue								
Premium	$ 79,964,958	$ 927,906,210	$ 776,443,373	$ 151,462,837	20%	$394.49	$334.54	$ 59.95
Reserve for Cap Requirements	-	539,983	-	539,983	0%	0.23	-	0.23
MCO Premium Tax	(8,569,023)	(99,473,417)	-	(99,473,417)	0%	(42.29)	-	(42.29)
Total Net Premium	**71,395,935**	**828,972,776**	**776,443,373**	**52,529,403**	**7%**	**352.43**	**334.54**	**17.89**
Other Revenue:								
Miscellaneous Income	613	189,952	-	189,952	0%	0.08	-	0.08
Total Other Revenue	613	189,952	-	189,952	0%	0.08	-	0.08
Total Revenue	**71,396,548**	**829,162,728**	**776,443,373**	**52,719,355**	**7%**	**352.43**	**334.54**	**17.97**
Medical Expenses:								
Capitation (PCP, Specialty, Kaiser, NEMT & Vision)	5,949,023	58,647,943	61,553,973	2,906,030	5%	24.93	26.52	1.59
FFS Claims Expenses:								
Inpatient	9,945,409	153,347,782	142,961,687	(10,386,095)	-7%	65.19	61.60	(3.60)
LTC / SNF	15,036,590	139,247,324	133,103,111	(6,144,213)	-5%	59.20	57.35	(1.85)
Outpatient	4,477,665	60,720,217	59,595,780	(1,124,437)	-2%	25.81	25.68	(0.14)
Laboratory and Radiology	314,988	5,576,117	3,960,487	(1,615,630)	-41%	2.37	1.71	(0.66)
Directed Payments - Provider	2,782,362	30,771,993	17,964,014	(12,807,979)	-71%	13.08	7.74	(5.34)
Emergency Room	1,958,845	28,143,717	27,634,235	(509,483)	-2%	11.97	11.91	(0.06)
Physician Specialty	3,407,179	64,984,904	59,161,691	(5,823,213)	-10%	27.63	25.49	(2.14)
Primary Care Physician	1,133,875	16,937,339	13,567,643	(3,369,697)	-25%	7.20	5.85	(1.35)
Home & Community Based Services	2,045,504	18,654,637	18,742,123	87,486	0%	7.93	8.08	0.14
Applied Behavioral Analysis/Mental Health Service	1,721,795	24,330,372	18,938,042	(5,392,329)	-28%	10.34	8.16	(2.18)
Pharmacy	13,214,083	143,601,339	132,446,524	(11,154,815)	-8%	61.05	57.07	(3.98)
Provider Reserve	159,835	886,375	1,797,236	910,860	51%	0.38	0.77	0.40
Other Medical Professional	225,664	3,958,385	3,790,614	(167,771)	-4%	1.68	1.63	(0.05)
Other Medical Care	69,579	107,400	-	(107,400)	0%	0.05	-	(0.05)
Other Fee For Service	577,325	10,363,702	9,295,340	(1,068,362)	-11%	4.41	4.01	(0.40)
Transportation	137,713	2,188,927	1,684,686	(504,242)	-30%	0.93	0.73	(0.20)
Total Claims	57,208,410	703,820,531	644,643,212	(59,177,320)	-9%	299.23	277.75	(21.47)
Medical & Care Management Expense	1,174,600	14,499,096	16,129,192	1,630,097	10%	6.16	6.95	0.79
Reinsurance	(436,257)	2,005,799	949,564	(1,056,236)	-111%	0.85	0.41	(0.44)
Claims Recoveries/Budget Reduction	(472,899)	(2,901,090)	(5,000,000)	(2,098,910)	42%	(1.23)	(2.15)	(0.92)
Sub-total	265,444	13,603,805	12,078,756	(1,525,049)	-13%	5.78	5.20	(0.58)
Total Cost of Health Care	**63,422,877**	**776,072,279**	**718,275,941**	**(57,796,339)**	**-8%**	**329.94**	**309.48**	**(20.46)**
Contribution Margin	**7,973,671**	**53,090,449**	**58,167,433**	**(5,076,984)**	**-9%**	**22.49**	**25.06**	**(2.57)**
General & Administrative Expenses:								
Salaries, Wages & Employee Benefits	1,957,312	25,326,810	27,060,798	1,733,988	6%	10.77	11.66	0.89
Training, Conference & Travel	9,289	187,701	614,926	427,225	69%	0.08	0.26	0.19
Outside Services	2,194,776	25,372,171	26,738,175	1,366,004	5%	10.79	11.52	0.73
Professional Services	359,818	4,540,399	3,242,845	(1,297,554)	-40%	1.93	1.40	(0.53)
Occupancy, Supplies, Insurance & Others	689,283	8,137,335	9,095,929	958,594	11%	3.46	3.92	0.46
Care Management Reclass to Medical	(1,174,600)	(14,499,096)	(16,129,192)	(1,630,097)	10%	(6.16)	(6.95)	(0.79)
G&A Expenses	4,035,878	49,065,321	50,623,480	1,558,159	3%	20.86	21.81	0.95
Project Portfolio	191,094	1,756,364	7,078,229	5,321,865	75%	0.75	3.05	2.30
Total G&A Expenses	**4,226,972**	**50,821,685**	**57,701,709**	**6,880,024**	**12%**	**21.61**	**24.86**	**3.26**
Total Operating Gain / (Loss)	**3,746,699**	**2,268,764**	**465,724**	**1,803,040**	**387%**	**0.88**	**0.20**	**0.68**
Non Operating								
Revenues - Interest	80,512	1,800,513	1,035,258	765,255	74%	0.77	0.45	0.32
Total Non-Operating	80,512	1,800,513	1,035,258	765,255	74%	0.77	0.45	0.32
Total Increase / (Decrease) in Unrestricted Net Assets	**$ 3,827,211**	**$ 4,069,277**	**$ 1,500,982**	**$ 2,568,295**	**171%**	**$ 1.65**	**$ 0.65**	**$ 1.00**

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FYTD PMPM BUDGET TO ACTUAL ANALYSIS - FEE FOR SERVICE BY AID CATEGORY

	Adult				Child				Adult Expansion			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Inpatient	$ 117.34	$ 127.13	$ 9.79	8%	$ 7.60	$ 6.27	$ (1.33)	-18%	$ 97.75	$ 115.31	$ 17.56	18%
Outpatient	42.23	46.59	4.36	10%	4.69	4.05	(0.64)	-14%	40.44	38.85	(1.59)	-4%
ER	16.73	16.32	(0.41)	-2%	9.46	9.61	0.15	2%	15.48	15.38	(0.10)	-1%
LTC	4.36	13.50	9.14	210%	0.33	0.30	(0.03)	-9%	20.99	23.13	2.14	10%
PCP	9.70	9.67	(0.03)	0%	5.95	5.00	(0.95)	-16%	6.91	7.00	0.09	1%
Specialty	47.33	50.89	3.56	8%	6.07	6.08	0.01	0%	40.60	43.40	2.80	7%
Pharmacy	79.23	97.95	18.72	24%	12.94	11.71	(1.23)	-10%	99.26	111.86	12.60	13%
Mental Health/ABA	5.06	5.80	0.74	15%	7.19	8.79	1.60	22%	4.97	5.71	0.74	15%
All Other	11.16	12.29	1.13	10%	1.94	2.08	0.14	7%	13.38	13.40	0.02	0%
Total	$ 333.14	$ 380.14	$ 47.00	14%	$ 56.17	$ 53.89	$ (2.28)	-4%	$ 339.78	$ 374.04	$ 34.26	10%
FYTD Member Months	276,980	286,318	9,338	3%	1,046,849	1,043,833	(3,016)	0%	638,776	645,754	6,978	1%

	Seniors and Persons with Disabilities (SPD)				SPD - Dual				Long Term Care (LTC)			
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Actual	Variance	%
Inpatient	$ 316.42	$ 294.09	$ (22.33)	-7%	$ 18.37	$ 22.40	$ 4.03	22%	$ 627.90	$ 1,726.44	$ 1,098.54	175%
Outpatient	105.41	98.41	(7.00)	-7%	19.78	20.87	1.09	6%	274.05	179.45	(94.60)	-35%
ER	25.15	26.57	1.42	6%	1.74	1.69	(0.05)	-3%	10.46	11.06	0.60	6%
LTC	162.64	143.18	(19.46)	-12%	91.96	88.34	(3.62)	-4%	7,432.23	8,887.21	1,454.98	20%
PCP	16.39	19.86	3.47	21%	4.58	4.35	(0.23)	-5%	9.22	4.50	(4.72)	-51%
Specialty	83.04	87.21	4.17	5%	17.24	19.35	2.11	12%	172.15	240.09	67.94	39%
Pharmacy	267.46	305.59	38.13	14%	6.06	7.00	0.94	16%	224.42	287.55	63.13	28%
Mental Health/ABA	59.90	72.71	12.81	21%	1.00	1.30	0.30	30%	0.68	2.35	1.67	246%
All Other	82.63	81.70	(0.93)	-1%	56.16	60.28	4.12	7%	135.92	56.36	(79.56)	-59%
Total	$ 1,119.04	$ 1,129.32	$ 10.28	1%	$ 216.89	$ 225.58	$ 8.69	4%	$ 8,887.03	$ 11,395.01	$ 2,507.98	28%
FYTD Member Months	109,816	113,604	3,788	3%	235,708	253,732	18,024	8%	300	419	119	40%

	LTC - Dual			
	Budget	Actual	Variance	%
Inpatient	$ 46.38	$ 46.65	$ 0.27	1%
Outpatient	14.36	9.87	(4.49)	-31%
ER	1.83	0.30	(1.53)	-84%
LTC	7,314.95	7,368.77	53.82	1%
PCP	0.96	0.21	(0.75)	-78%
Specialty	13.52	11.78	(1.74)	-13%
Pharmacy	1.30	0.53	(0.77)	-59%
Mental Health/ABA	0.25	0.63	0.38	152%
All Other	132.42	152.99	20.57	16%
Total	$ 7,525.97	$ 7,591.73	$ 65.76	1%
FYTD Member Months	10,440	9,386	(1,054)	-10%

FFS expenses budgeted based on CY 2018 PMPM data, with the following trend assumptions:

Inpatient - 1% annual trend and known contractual changes.
ER - 1.5% annual trend and known contractual changes.
LTC - 3% estimated fee schedule change
Specialty Physician - 1% estimated fee schedule change
Mental Health/ABA - 6% annual increase due to utilization.
Pharmacy - 3% overall annual increase.
Home and Community Based Services - 2% annualized increase due to utilization.

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STATEMENT OF CASH FLOWS	June 2020	FYTD 19-20
Cash Flows Provided By Operating Activities		
Net Income (Loss)	$ 3,827,211	$ 4,069,277
Adjustments to reconciled net income to net cash provided by operating activities		
Depreciation on fixed assets	43,843	467,456
Amortization of discounts and premium	-	-
Changes in Operating Assets and Liabilites		-
Accounts Receivable	(10,665,193)	(103,778,175)
Prepaid Expenses	(110,847)	292,297
Accrued Expense and Accounts Payable	(356,837)	(7,974,577)
Claims Payable	(7,168,449)	(5,593,847)
MCO Tax liablity	8,569,023	75,847,171
IBNR	4,827,171	13,781,152
Net Cash Provided by (Used in) Operating Activities	(1,034,078)	(22,889,247)
Cash Flow Provided By Investing Activities		
Proceeds from Restricted Cash & Other Assets		
Proceeds from Investments	(18)	4,870,767
Purchase of Investments plus Interest reinvested	-	(949,391)
Purchase of Property and Equipment	-	(410,014)
Net Cash (Used In) Provided by Investing Activities	(18)	3,511,363
Increase/(Decrease) in Cash and Cash Equivalents	(1,034,096)	(19,377,884)
Cash and Cash Equivalents, Beginning of Period	90,620,524	108,964,313
Cash and Cash Equivalents, End of Period	89,586,428.71	89,586,429

Gold Coast Health Plan℠
A Public Entity

Gold Coast Health Plan

Integrity

Accountability

Collaboration

Trust

Respect

FYTD Unaudited Financial Statements
June 2020

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Financial Overview:

	JUNE NET INCOME	$ 3.8 M
	FYTD NET GAIN	$4.1 M
	TNE is $79.7 M and 230% of the minimum required	
	MEDICAL LOSS RATIO	93.6%
	ADMINISTRATIVE RATIO	6.1%

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Upcoming updates to FY 19-20 statements:

- Incorporating revised bridge period capitation rates from the State which reflect the 1.5% reduction. Approximate impact is $8.5 million reduction to revenue.
- Final determination of risk corridor calculation and internal analysis.
- Potential adjustment to medical expense and IBNP, with another month of data. Kept open due to audit.

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Financial Impacts of Covid-19:

- Increase in membership – redeterminations pended "through the emergency".
- Unfunded 10% increase to LTC facility rates.
- Decrease in authorizations and claims volume – estimated in the IBNP but beginning to materialize in lower claims payments.

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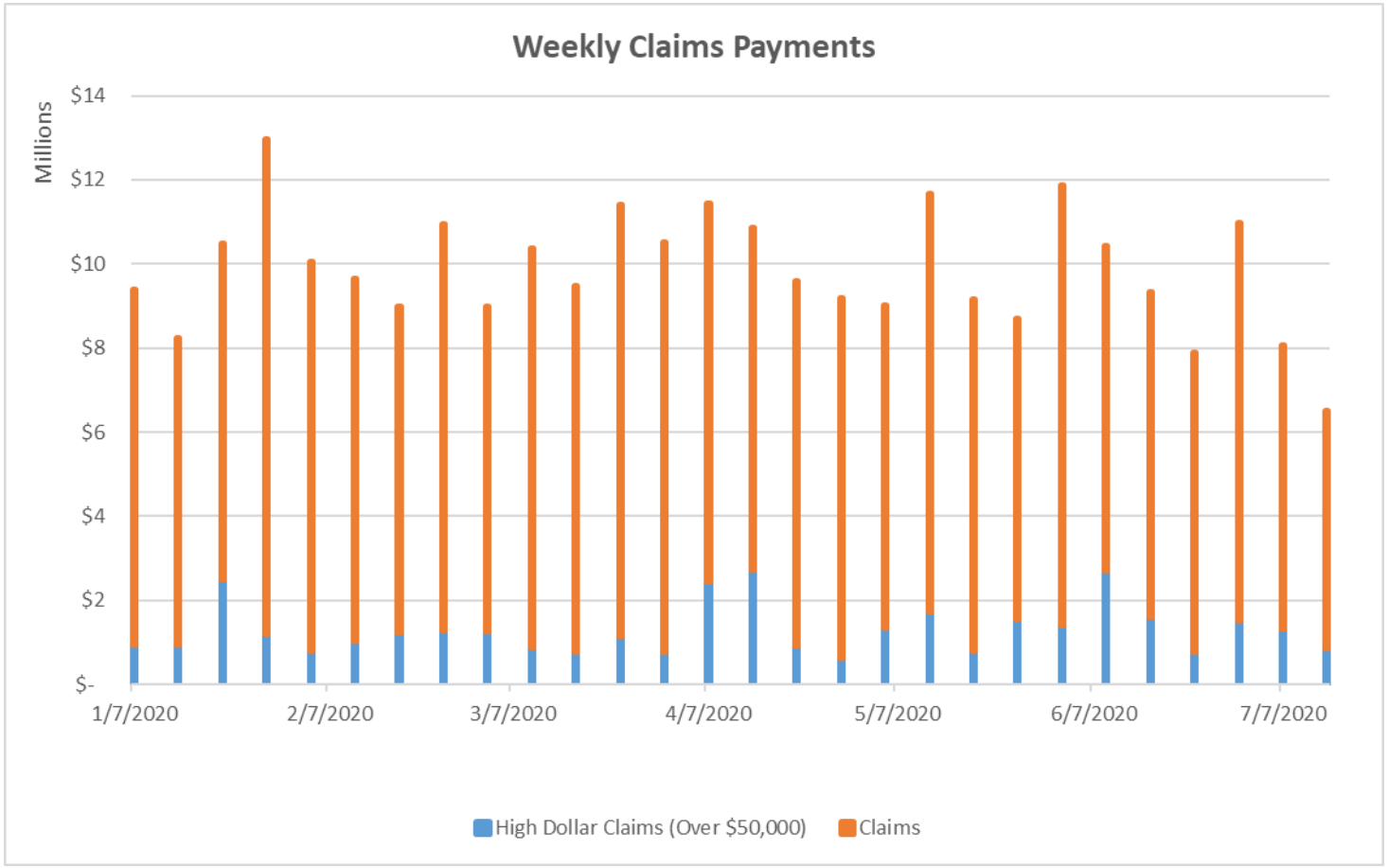
Financial Impacts of Covid-19:



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Update on the Solvency Action Plan:

Actions	Annualized impact in savings
Continued focus on interest expense reduction	$500,000
Reduction of LTC facility rates to 100% of Medi-Cal rate	$1.8 million
Sent notification to providers regarding reduction of Adult Expansion PCP rates	$4.5 million

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Revenue

Net Premium revenue is over budget by $52.5 million and 7%.

Significant changes impacting positive variance:

- Membership/Case Mix
- Revised draft capitation rates
- Supplemental payments
- Directed Payments

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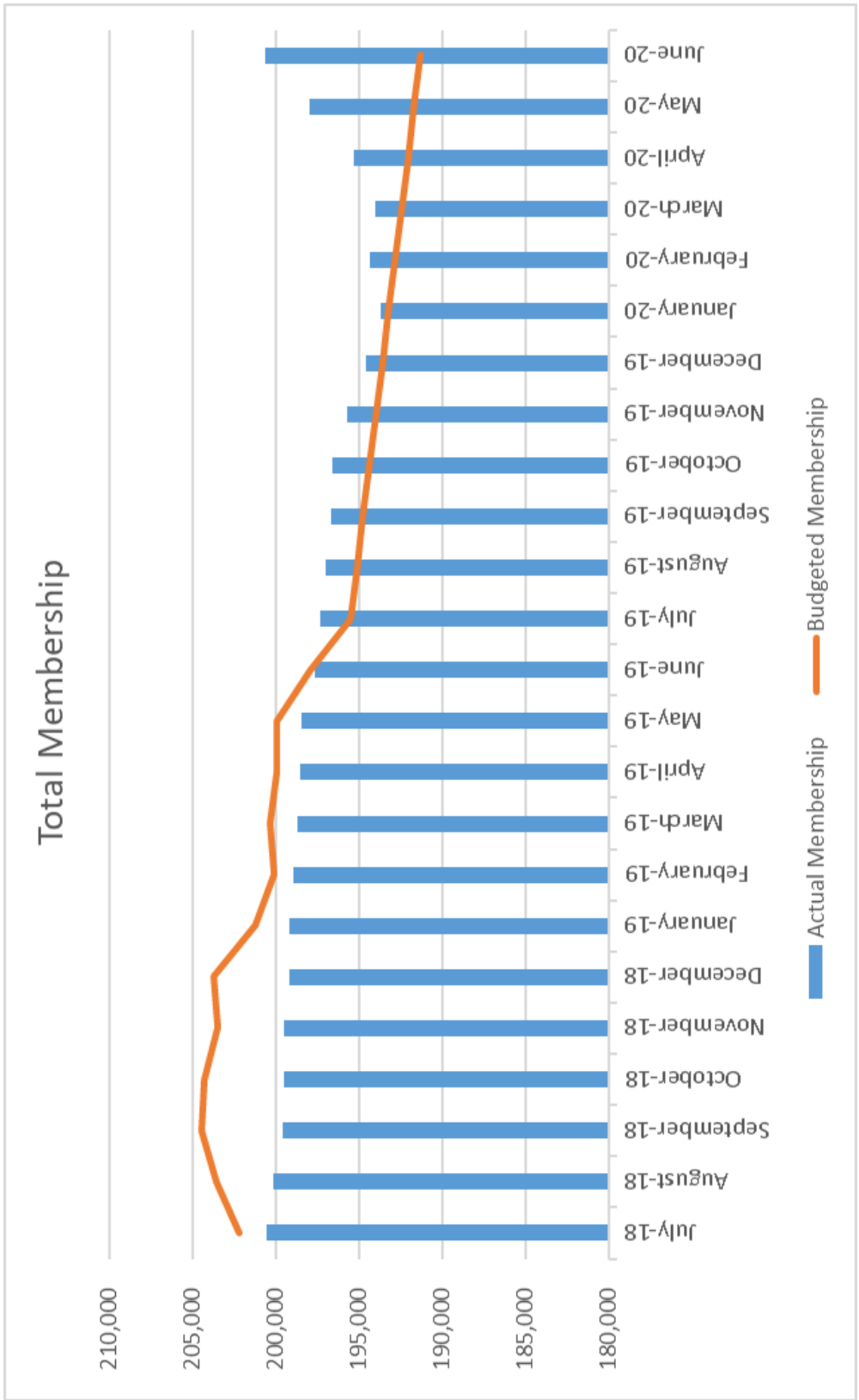

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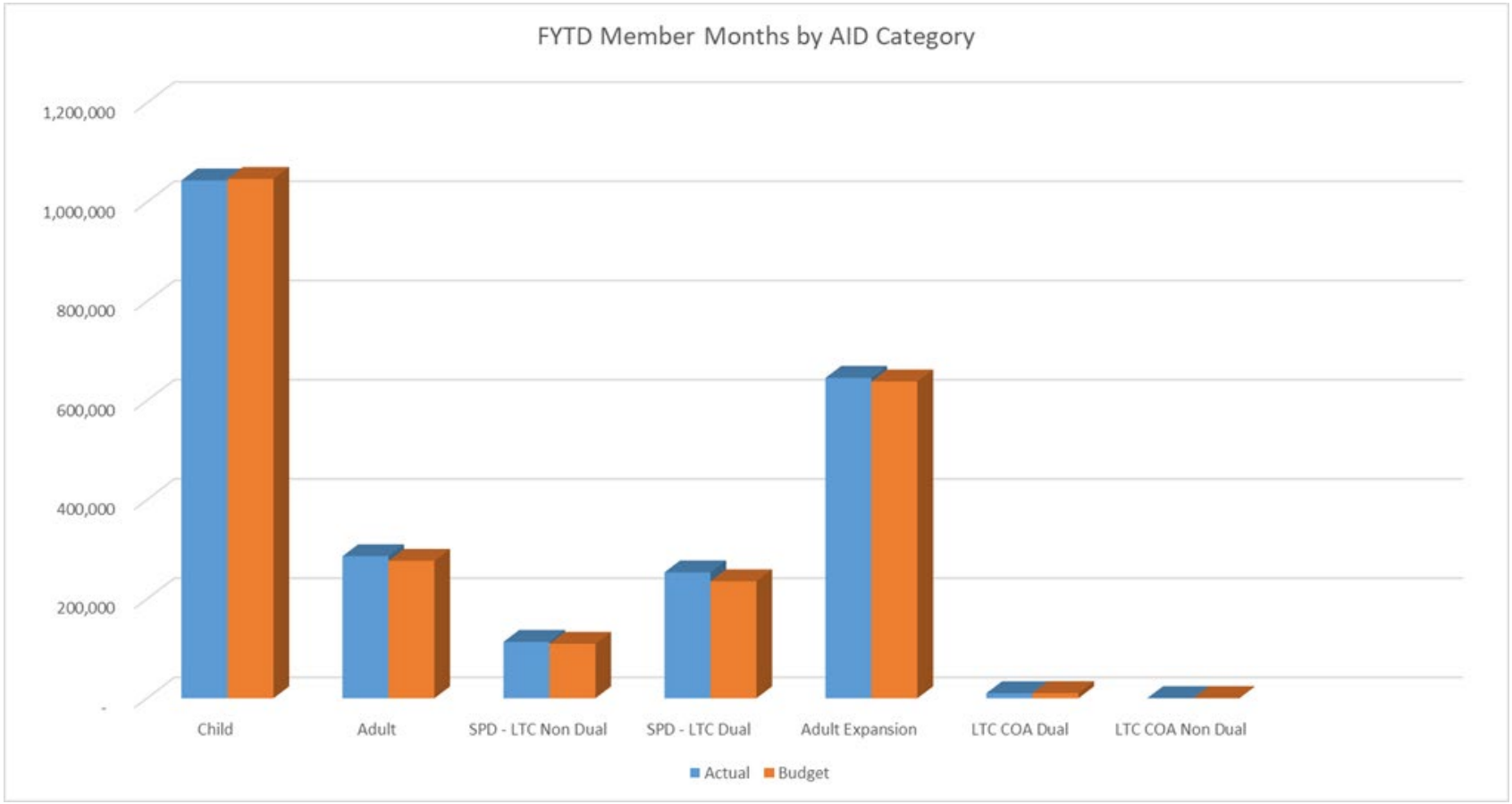

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Medical Expense

FYTD Health care costs are $776.1 million; this equates to a $57.8 million and 8% unfavorable budget variance. Medical loss ratio is 93.6%, a 1.1% budget variance.

Significant changes impacting variance:

- Membership/Case Mix
- Overall acuity of members with declining population
- Behavioral health – offset with supplemental payments
- Directed Payments

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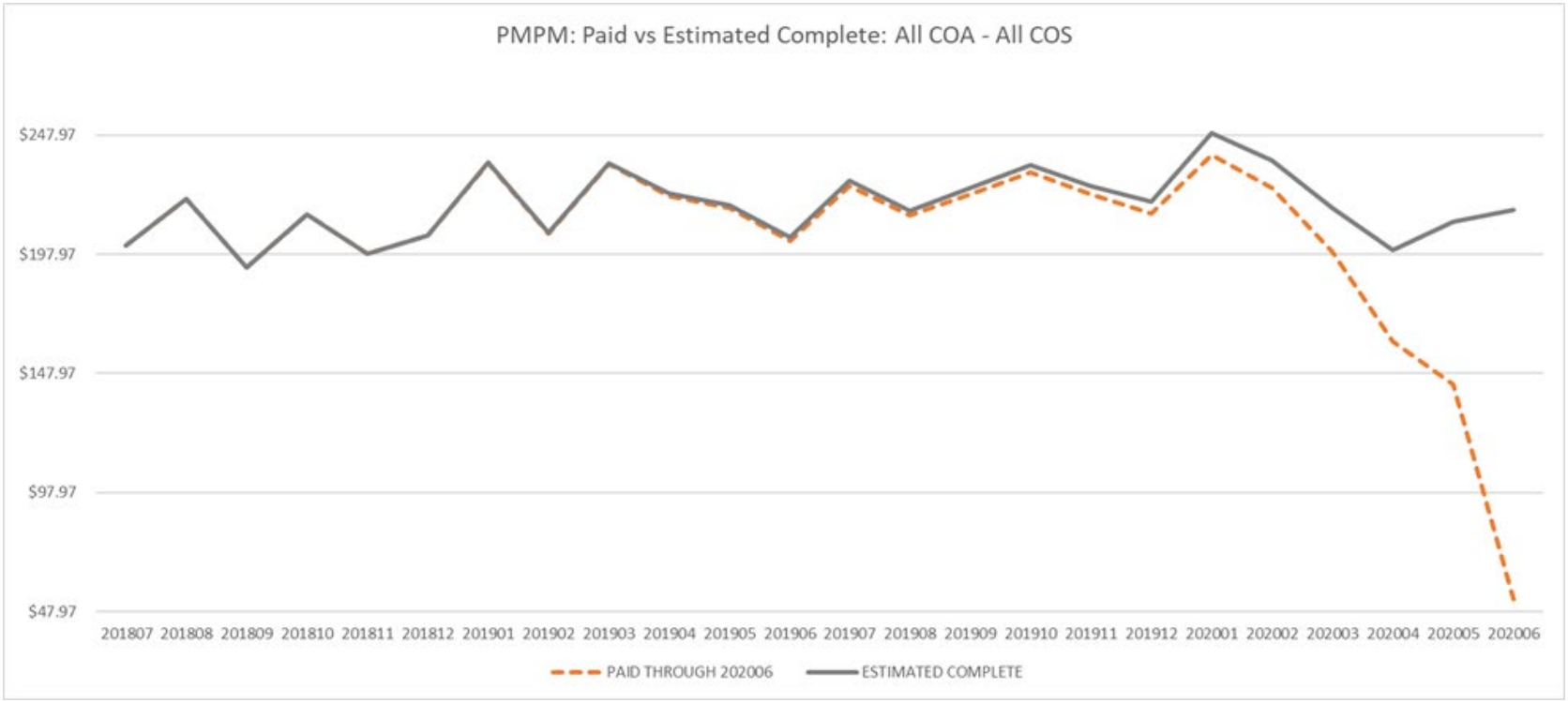
Total Fee For Service Medical Expenses: Over budget by $6.61 PMPM (3%)



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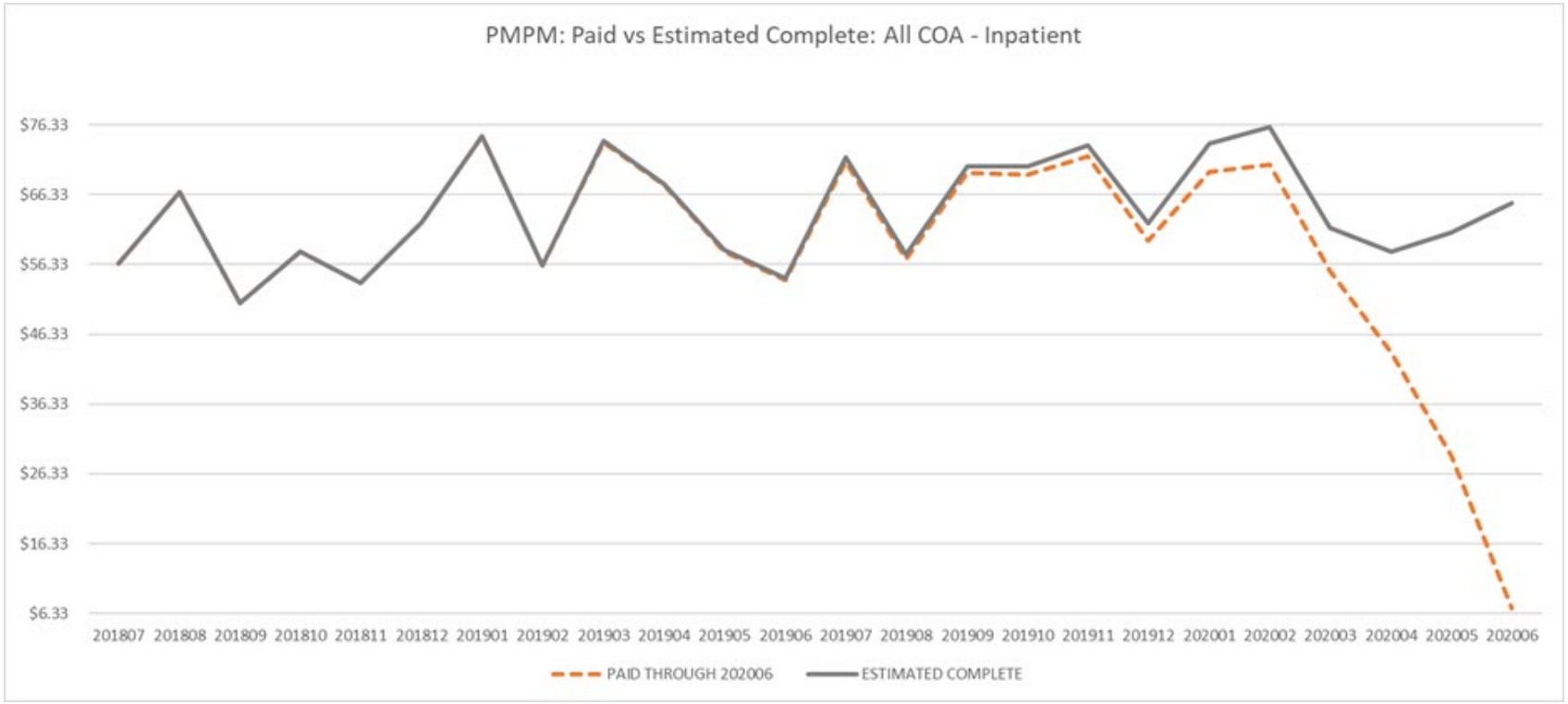
Inpatient Medical Expenses: Over budget by $3.60 PMPM (6%)



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Inpatient Medical Expenses: Over budget by $3.60 PMPM (6%)

Top 10 Diagnosis - Total Paid	May 2018 - April 2019	May 2019 - April 2020	$ Change	% Change
Bacterial infection	$ 20,198,932	$ 17,901,391	$ (2,297,542)	-11%
Diseases of the heart	$ 7,687,464	$ 8,311,800	$ 624,336	8%
Complications mainly related to pregnancy	$ 7,283,692	$ 6,262,969	$ (1,020,723)	-14%
Complications	$ 7,394,801	$ 5,857,403	$ (1,537,397)	-21%
Cerebrovascular disease	$ 6,863,700	$ 5,240,669	$ (1,623,031)	-24%
Alcohol-related disorders	$ 4,767,755	$ 5,725,958	$ 958,203	20%
Hypertension	$ 4,112,513	$ 4,601,318	$ 488,805	12%
Indications for care in pregnancy; labor; and delivery	$ 4,548,979	$ 4,113,627	$ (435,352)	-10%
Cancer of lymphatic and hematopoietic tissue	$ 5,382,214	$ 1,890,420	$ (3,491,794)	-65%
Fractures	$ 3,700,318	$ 2,922,242	$ (778,076)	-21%
Grand Total	**$ 71,940,369**	**$ 62,827,797**	**$ (9,112,571)**	**-13%**

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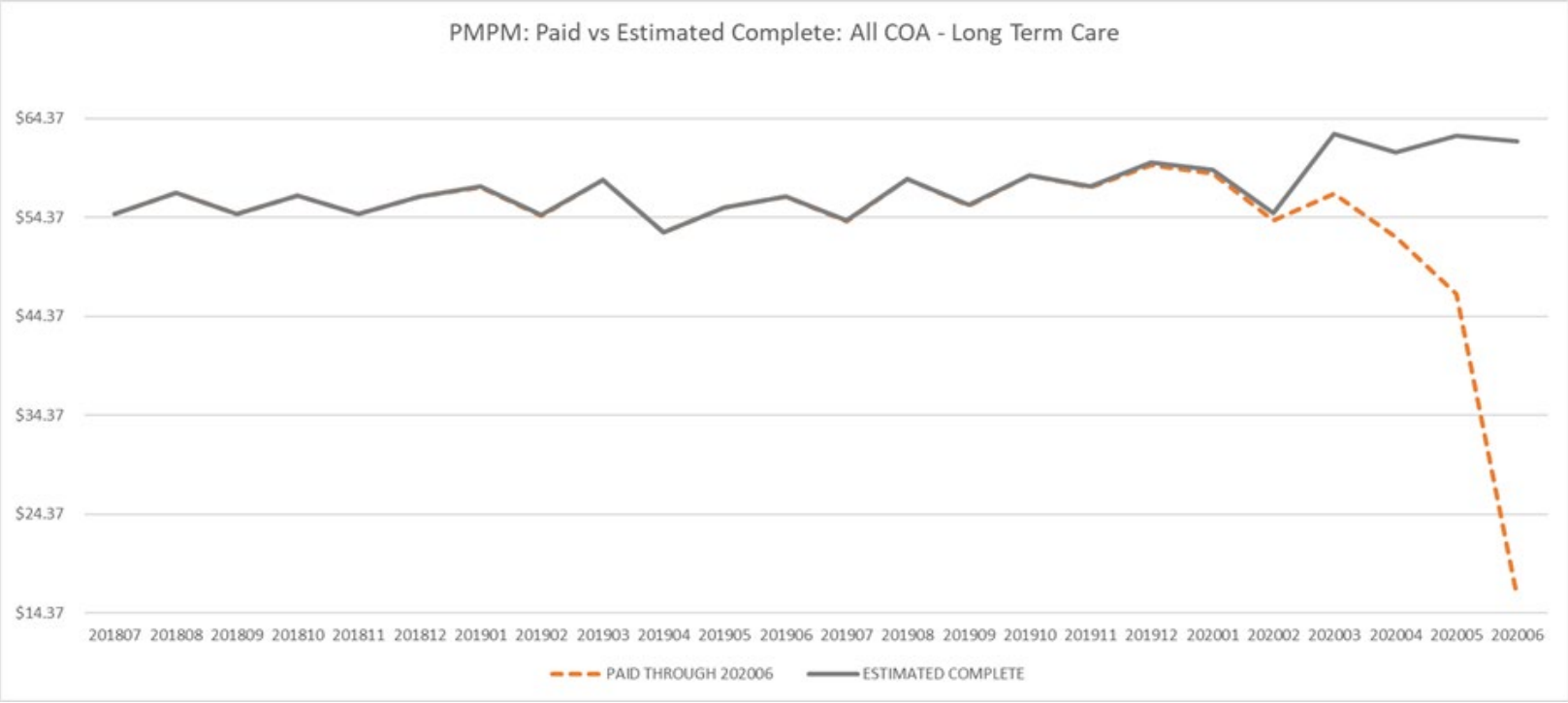
Long Term Care Expenses: Over budget by $1.85 PMPM (3%)



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Physician Specialty Medical Expenses: Over budget by $2.14 PMPM (13%)

Service Provider Speciality	May 2018 - April 2019	May 2019 - April 2020	$ Change	% Change
Medical oncology	$ 420,305	$ 1,007,407	$ 587,102	140%
Physical therapist (independently practicing)	$ 2,631,469	$ 3,186,263	$ 554,794	21%
Dermatology	$ 1,848,904	$ 2,178,253	$ 329,349	18%
Ophthalmology	$ 2,134,705	$ 2,362,736	$ 228,031	11%
Physician assistant	$ 196,460	$ 416,966	$ 220,506	112%
Hematology/oncology	$ 748,283	$ 952,167	$ 203,884	27%
Orthopedic surgery	$ 1,150,125	$ 1,338,996	$ 188,871	16%
Pulmonary disease	$ 451,394	$ 601,391	$ 149,997	33%
Neurosurgery	$ 609,624	$ 731,530	$ 121,906	20%
Hand surgery	$ 62,693	$ 178,082	$ 115,389	184%
Grand Total	**$ 10,253,963**	**$ 12,953,791**	**$ 2,699,828**	**26%**

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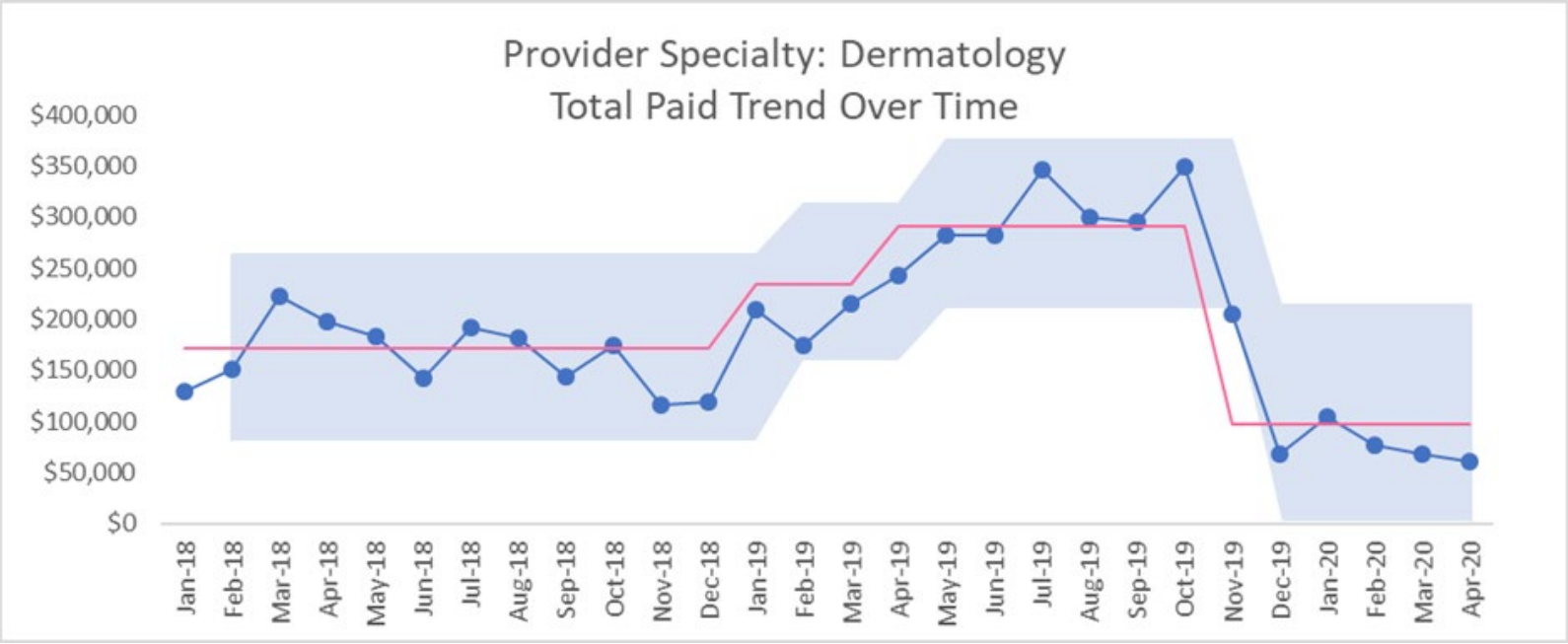
Physician Specialty Medical Expenses: Over budget by $2.14 PMPM (13%)



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Other Impacts to Medical Expenses:

Pharmacy – over budget by $11.2M (8%)

Delay in impact of cost saving strategies

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Financial Statement Summary

	June	FYTD	FYTD Budget	Budget Variance
Net Capitation Revenue	$ 71,396,548	$ 829,162,728	$ 776,443,373	$ 52,719,355
Health Care Costs	63,422,877	776,072,279	718,275,941	57,796,339
Medical Loss Ratio		**93.6%**	**92.5%**	
Administrative Expenses	4,226,972	50,821,685	57,701,709	(6,880,024)
Administrative Ratio		**6.1%**	**7.4%**	
Non-Operating Revenue/(Expense)	80,512	1,800,513	1,035,258	765,255
Total Increase/(Decrease) in Net Assets	$ 3,827,211	$ 4,069,277	$ 1,500,982	$ 2,568,295
Cash and Investments	$ 132,626,653			
GCHP TNE	$ 79,674,224			
Required TNE	$ 34,697,402			
% of Required	**230%**			

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Questions?

Staff recommends the Commission approve the unaudited financial statements for June 2020

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AGENDA ITEM NO. 10

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Margaret Tatar, Interim Chief Executive Officer

DATE: July 27, 2020

SUBJECT: CEO Report

Government and Community Relations Update

Please see the attached PowerPoint.

Community Relations Update

Sponsorships

In the last month, Gold Coast Health Plan ("GCHP") awarded sponsorships to the following organizations:

1. American Heart Association: A sponsorship was awarded to the American Heart Association to support the telemedicine efforts of community clinics by providing blood pressure monitors to patients who have an increased risk of heart disease.

Sponsorships Awarded Since the Onset of the COVID-19 Pandemic

Since the onset of the COVID-19 pandemic, our efforts have been focused on assisting to address food insecurity and supporting organizations who have been working tirelessly to help county residents get through the COVID-19 pandemic. GCHP has awarded $20,500 in sponsorships to:

1. American Heart Association: $2,500 to support the telemedicine efforts.
2. CAREGIVERS: Volunteers Assisting the Elderly: $1,000 for the Shop & Drop program, a grocery shopping and pharmacy pick-up for elderly county residents.
3. Feeding the Frontline: $5,000 to provide food to farm working community.
4. FoodShare: $5,000 for pop-up food pantries throughout the county.
5. LUCHA, in conjunction with *Poder Popular de Santa Paula*: $5,000 directly benefiting Santa Paula's agricultural workers.
6. Secure Beginnings Free Diaper Bank: $1,000 to provide diapers and wipes to families throughout the County.
7. Students for Eco-Education and Agriculture (SEEAG): $1,000 for Farm Fresh Kids Wellness Bags, which were filled with educational materials and fresh produce for children of farmworkers.

Collaborative Meetings and Conferences

Below is a table highlighting participation in community events such as Tele-Townhalls, network and coalition meetings.

Title	*Host*
Outreach Coordinator Meeting	Oxnard Police Department
Circle of Care	One Step a la Vez
Town Hall with California Insurance Commissioner Ricardo Lara: Wildfires and COVID-19	Assemblymember Monique Limón, Senator Hannah-Beth Jackson and Congressman Salud Carbajal
Resource Drop off	Whole Person Care Program
Resource Drop off	Póder Popular
Resource Drop off	Clinica's Del Camino Real, Inc.
Resource Drop off	One Step a la Vez

Next month, the team will be presenting a year end summary of all the activities carried out this past fiscal year and the new initiatives that will be implemented this coming year.

Compliance Update

Department of Health Care Services ("DHCS") Pharmacy Benefit Management (PBM) Focused Audit

GCHP received a tentative audit start date of July 7 through July 17, 2020, from DHCS' Audit & Investigation ("A&I") team for a focused evaluation of the Plan and contracted PBM only. On Tuesday, July 7, 2020, DHCS conducted an Entrance Conference with GCHP and OptumRx. The audit period for this Focus Audit is January 1, 2019 – December 31, 2019. The audit has been conducted remotely from Tuesday, July 7, 2020 – Friday, July 17, 2020. The audit scope will include Utilization Management, Access and Availability of Care, Grievance and Appeals and Administrative and Organizational Capacity.

GCHP and OptumRx submitted all the requested audit documentation timely. The Exit Conference is scheduled for Tuesday, July 21, 2020, at which time DHCS will issue a draft audit report of the preliminary finding(s). GHCP will have 15-calendar days to submit any additional documentation/information in support of the preliminary audit finding(s). GCHP will continue to provide updates to the Commission as the results of the audit become available.

DHCS Contract Amendments

The draft DHCS contract amendment has included multiple revisions based on review by the Centers for Medicare and Medicaid Services (CMS). The amendment is still pending approval by CMS. GCHP is awaiting the final amendment for signature. GCHP has received additional requirements from the Mega Reg via all-plan letters and has had multiple deliverables due to DHCS to ensure compliance. GCHP is operating under the requirements of the draft amendment as required by DHCS. GCHP is audited by DHCS in accordance with those standards.

On May 1, GCHP received the final signed contract amendment from DHCS. The contract amendment is being reviewed and assessed for any required changes to align to the amendment. GHCP will keep the Commission apprised of any significant updates.

As of July 2020, the Compliance team has reviewed the final DHCS Contract Amendment with each of the operational areas. There are no immediate concerns with the finalized Contract. The Compliance team is summarizing the items discussed during each of the meetings for use in future strategic planning discussions.

Delegation Oversight

GCHP is contractually required to perform oversight of all functions delegated through subcontracting arrangements. Oversight includes, but is not limited to:

- Monitoring / reviewing routine submissions from subcontractor
- Conducting onsite audits
- Issuing a CAP when deficiencies are identified

**Ongoing monitoring denotes delegate is not making progress on a CAP issued and/or audit results were unsatisfactory and GCHP is required to monitor the delegate closely as it is a risk to GCHP when delegates are unable to comply.*

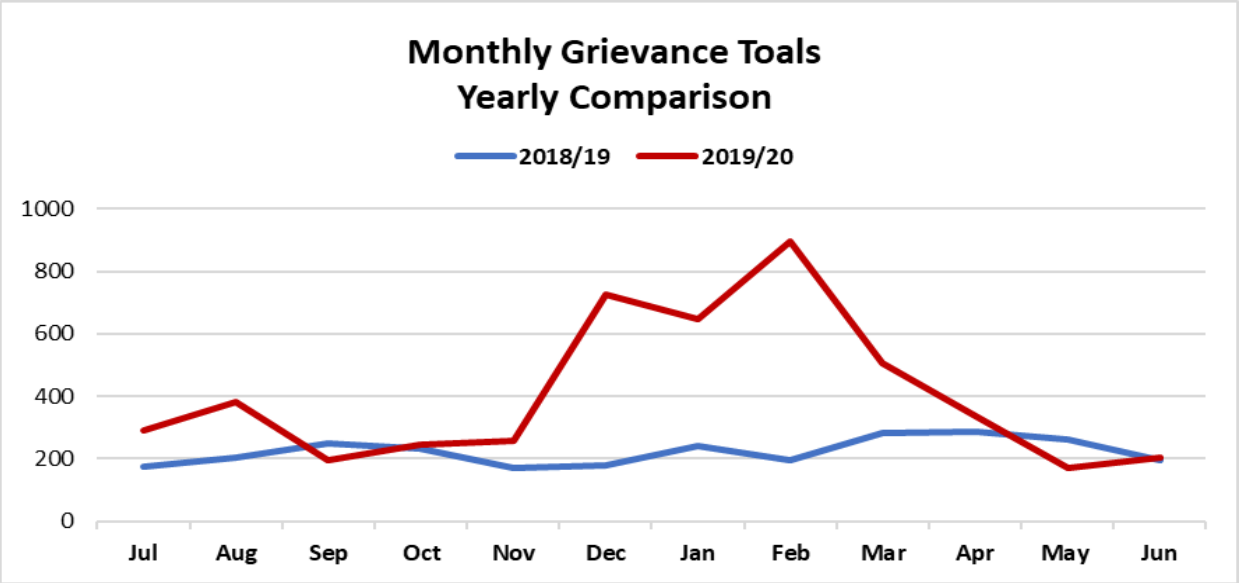
Compliance will continue to monitor all CAPs. GCHP's goal is to ensure compliance is achieved and sustained by its delegates. It is a DHCS requirement for GCHP to hold all delegates accountable. The oversight activities conducted by GCHP are evaluated during the annual DHCS medical audit. DHCS auditors review GCHP's policies and procedures, audit tools, audit methodology, and audits conducted, and corrective plans issued by GCHP during the audit period. DHCS continues to emphasize the high level of responsibility plans have in oversight of delegates.

Delegate	Audit Year/Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes
Conduent	2017 Annual Claims Audit	Open	12/28/2017		Issue will not be resolved until new claims platform conversion
Kaiser	2019 Annual Claims Audit	Closed	9/23/2019	06/23/2020	CAP items resolved and audit closed 06/23/2020
VTS	2019 Annual Call Center Audit	Open	4/26/2019	Under CAP	
VSP	2019 Annual Claims Audit	Open	10/29/2019	Under CAP	

Conduent	2019 Call Center Audit	Closed	1/14/2020	05/15/2020	CAP Item resolved and audit closed 05/15/2020
Beacon	2020 Annual Claims Audit	Open	04/21/2020	Pending	
Conduent	2020 Annual Claims Audit	Open	04/21/2020	Under CAP	
VTS	2019 Annual Transportation Audit	Closed	1/17/2020	06/15/2020	CAP items resolved and audit closed 06/15/2020
USC	2020 Annual Credentialing Recredentialing Audit	Closed	04/09/2020	06/22/2020	CAP items resolved and audit closed 06/22/2020
CDCR	2020 Quarterly UM Audit	Closed	02/11/2020	03/02/2020	CAP item resolved and audit closed 03/02/2020
VSP	2020 Annual Claims Audit	Open	04/21/2020	Pending	Audit was conducted on April 20, 2020. CAP has been issued and response is pending.
VTS	2019 Annual NEMT Audit	Open	4/21/2020	Pending	Audit was conducted on January 6, 2020. CAP has been issued and response is pending.
VTS	2020 Call Center Audit	Open	05/14/2020	Pending	Audit was conducted on March 30, 2020.
CDCR	2020 Annual UM Audit	Closed	05/19/2020	05/19/2020	CAP issued and resolved at the time of the audit
City of Hope	2020 Annual Credentialing Recredentialing Audit	Open	07/08/2020	Pending	CAP issued pending policy approval in Q3 2020.
VSP	2020 Annual QI and C&L Audit	Closed	N/A	N/A	Completed on 05/29/2020. No Findings.

Grievance and Appeals

Grievance Totals:



June 2020 Member Grievances received was 29 cases, which is comparable to the 28 Member Grievance cases received June 2019. The top category for June 2020 Member Grievances was Quality of Care.

June 2020 Provider Grievances was 176 cases which is a slight increase when compared to the June 2019 Provider Grievance cases of 166. The top categories for June 2020 Provider Grievances was Claims Appeal, Claims Payment and Claims Billing Dispute.

The graph displays a combined total of all the grievances received over the past year. In June 2020 the combined total is 205 and shows the slight increase from June 2019 which the combined total was 194.

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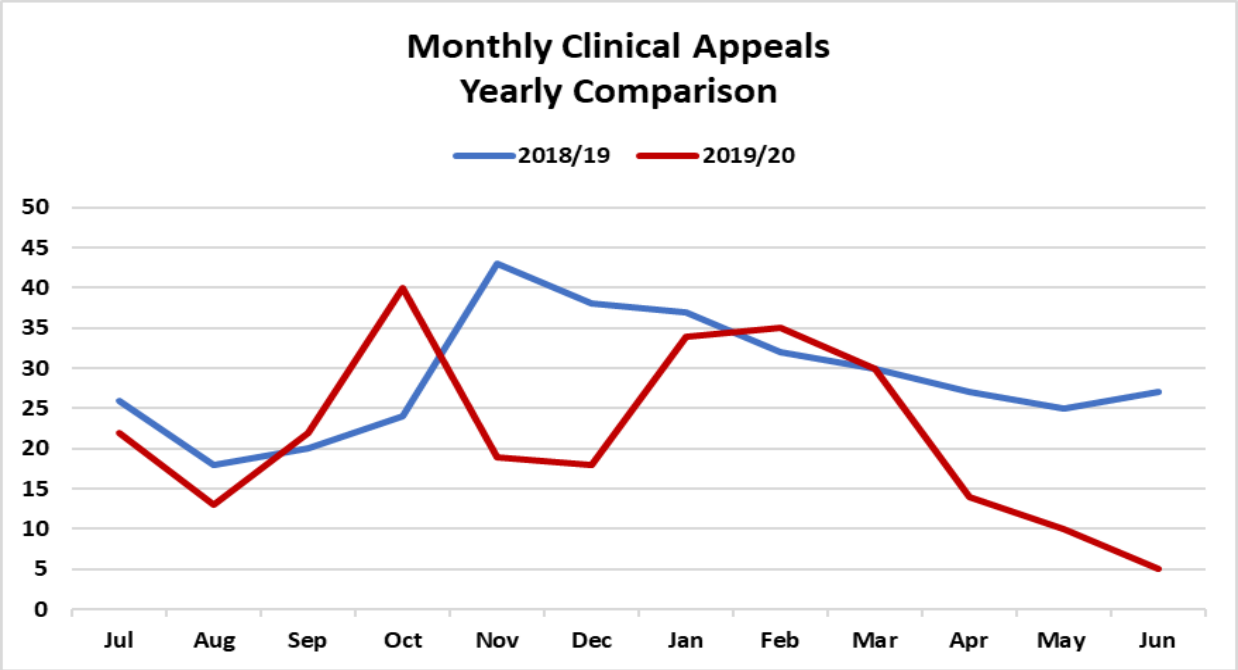
Clinical Appeal Totals:



June 2020 Clinical Appeals was 5 cases which is a considerable decrease when compared to the June 2019 Clinical Appeal cases of 27. Appeals are based on Adverse Benefit determinations from an authorization review.

The lower number of appeals requests is due to a reduced number of prior authorization requests in May 2020 from COVID and reflects how well the authorization review process is handled. For the month of June 2020, 4 Appeals were upheld, and 1 Appeal was withdrawn.

AmericasHealth Plan (AHP)

DHCS is in the process of doing a final review of the AHP Plan to Plan Agreement, based on the latest call with DHCS on July 10, 2020. DHCS understands this is a priority for GCHP and AHP.

GCHP continues to meet weekly with AHP leadership on implementation process and issues. We have established an Executive Steering Committee comprised of GCHP and AHP leaders to address implementation processes and issues. This committee meets weekly and reviews the progress of the workgroups, assesses their recommendations, and records decisions to expedite implementation upon final DHCS approval. GCHP has shared the GCHP Readiness Assessment Review Tool with AHP on June 12, 2020.

Network Operations

- **PCP- Member Assignment- Refer to Attachment A**

- **Regulatory:**

Completed:

- Nine Policies & Procedures reviewed/revised and two Job Aid Manuals
- Bi-Annual Provider Directory submitted timely 6/15/2020
- File and Use Provider Directory submitted timely 06/05/2020
- New enhancement to GCHP website availability of Online PDF Provider Directory on a monthly update as of 6/5/2020
- ANC Preliminary Findings Response files submitted 7/9/2020
- Results received of ANC Subcontracted Network Plan of Action Resubmission 85% passing rate

In Process:

274 Provider Data:

- PACES Telehealth Indicator Update – MCPs expected to submit production 274 files using the new indicators in the September 2020 submission month
  - Plan of action in development for Provider Network Database (PNDB) provider data
  - Collaboration meeting with Subcontractor Kaiser 7/13/2020 to discuss plan of action and next steps
- Provider Foreign Languages Spoken at the Site and by individual providers expansion
  - Approved redline of Provider Manual 2020 received 6/17/2020 and in final stages to post to website

Pending:

- Overall results of Annual Network Certification (ANC)

- **COVID-19 Provider Reach-out and Communication**

The Network Operations team continues to aggressively reach-out to providers regarding any COVID-19 related impacts on provider operations and member access. This information is submitted to DHCS. The Provider Communications Workgroup continues to meet on a regular basis and provides timely and helpful updates to our network providers.

Provider Outreach is conducted twice a week by email and phone to determine closures or impact due to the Coronavirus:

- Skilled Nursing Facility (SNF) & Long Tern Care (LTC)
  - Reporting outbreaks of COVID-19 among patients and staff at several facilities
  - Six (6) GCHP members have tested positive and 5 were admitted to hospitals

- Several facilities have reported they have no SNF/LTC bed availability, they are not taking new admissions and where facilities are taking members they are limiting admissions for short stays only
- Due to the above, the Plan expects to see delays in hospital discharges, which will result in increases in admin/placement days.

- Home Health- no issues
- Hospice- no issues
- Palliative Care- no issues
- Congregate Living Facility-no issues, however beds are limited

Email and phone outreach to the following provider types:

- Ambulatory Surgery Center- no issues
- Urgent Care- no issues
- PCP- no issues
- Pharmacy Infusion- no issues
- Lab- no issues.
  - Quest and Lab Corp reporting delays due to increases in testing, resulting from the latest COVID-19 surge.
- Radiology- no issues
- Physical Therapy- no issues
- Audiology & Hearing Aids- no issues
- DME- no issues

➢ **Provider Contracting Update:** Provider Contracting sent out a total of 3 new contracts

- **New Contracts:**
  - Am Ha Son Nguyen, M.D.: Neurosurgeon in Thousand Oaks with hospital privileges at Los Robles and West Hills, which is a network gap for East County.
  - Green Heights Health Care : ICF provider that is contracted with TCRC and currently holds a transfer agreement with Dignity that they will accept members if beds, personnel and appropriate services are available.
  - Rashita Aggarwal dba Cochran Congregate Living Inc: Added facility due to a need for facility type due to COVID-19 pandemic and network gap for East County.

- **Amendments:** Provider Contracting sent out a total of 27 Amendments for this time period.

  Amendments returned and completed are:
  - 11 PCP Amendments completed updating the Adult Expansion rates: This action was a component of the Plan's Solvency Action Plan. Network Contracting amended the Adult Expansion capitation rates from an age/sex capitation to a standard blended capitation rate effective as of 7/1/2020.
  - Amendments to update the LTC rate code: GCHP is in the process of reducing LTC rates that are in excess of 100% of the Medi-Cal Fee Schedule. As of

today's date, one provider is protesting the decrease. This provider has a census of 59 GCHP members at the LTC level of care.
  - County of Ventura: Terminated 3 providers from Interim Letter of Agreement (LOA), those providers will be added to the network now that they are Medi-Cal approved.

- **Interim LOA: None**

- **Member-Specific Letters of Agreement**
  Provider Contracting sent out a total of 15 member specific LOAs during this time period. LOAs returned and completed are:
  - 7 Amigo Baby LOAs
  - 3 Aspen Surgery Center LOAs
  - 3 knee replacement surgeries for physician that is pending credentialing
  - 1 Accredo Health Group LOA
  - 1 Sherman Oaks Congregate LOA: Hard to place member that is combative and requires 24/7 sitter. Member will be transferring to LA County within 90 days of being at Sherman Oaks Congregate

- **Better Doctors**:
  Network Operations continues to meet weekly with Quest Analytics as a touch base to ensure that the process continues to move smoothly.

  We also continue to verify the demographic information obtain from Better Doctors. The following reviews were performed:
  - 4,396 provider lines reviewed
  - 1,486 provider records were audited to ensure the providers were loaded accurately in PNDB and IKA (GCHP Claims system).

- **Better Doctor Report – Contracting**
  Fifteen (15) provider records were reviewed on the Better Doctor Report for potential terminations.

➢ **Provider Contracting and Credentialing Management System (PCCM)**

PCCM Project overall health is YELLOW due to the following reasons:
- Resource constraints due to competing production priorities across the departments involved
- So far, we are remaining on target go live date of 10/26/2020
- Development of data conversion metrics (dashboard) completed which allows greater visibility to data converted, converted and tested, future scope and out scope

- **PCCM Items Currently in Progress:**

  - Contracts business process documentation and review continues
  - Gap analysis of PNDB data (field-to-field) converted into eVIPs
  - Interface development of printed Provider Directory, Online Directory, Quest and Provider Rosters
  - Provider Directory Online directory (Coffey) regulatory gap analysis discussions continue
  - Extracts to eVIPs Provider Rosters and Better Doctor
  - Mapping review and continued clean up – iterations 1 thru 8

- **Provider Database Clean-up Project:**
  The Network team has attended bi-weekly meetings with internal GCHP staff and Symplir staff to discuss and make decisions required to support the eVIPs conversion and process configuration. This project includes the review and updating of the Provider Relations Shared Drive. It also includes the testing of the eVIPs system to ensure that information transfer from GCHP systems is accurate in the eVIPs system setup.
  - Team currently preparing for Iteration 8 testing by reviewing mapping documents, confirming elements in current provider database. Also, reviewing and analyzing multiple reports to ensure required data elements identified for conversion into the new PCCM database.

- **Provider Additions:**

June 2020 Provider Additions - 19 Total

11 In-Area Providers

Provider Type	Additions
CBAS	0
Mid-level	7
Pharmacy	0
Primary Care Provider	0
Specialist	4
Specialist- Hospitalist	0

8 Out-of-Area Providers

Provider Type	Additions
Hospitalist	0
Specialist	6
Mid-level	2

➢ Provider Terminations:

June 2020 Provider Terminations – 14 Total

2 In-Area Providers

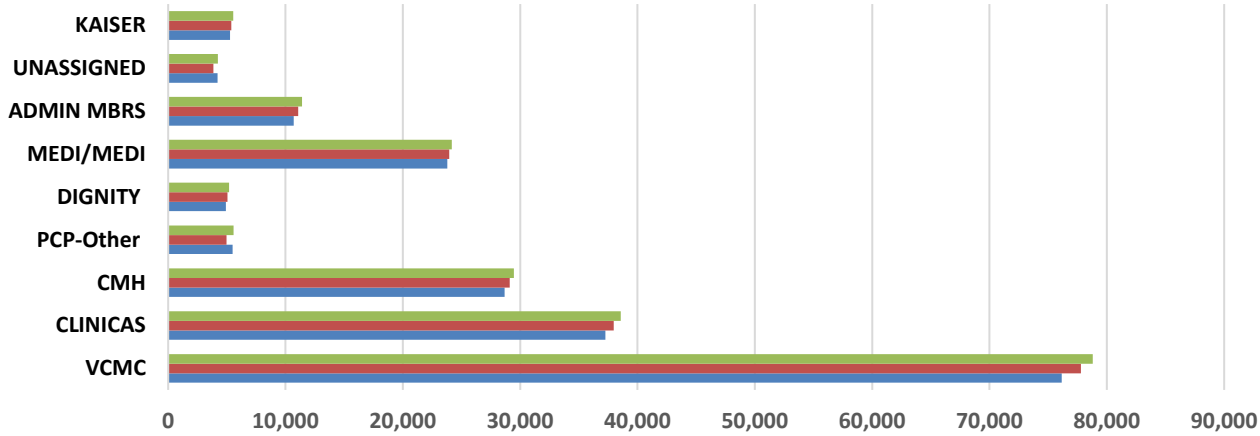
Provider Type	Terms
Midlevel	1
Specialist	1
Specialist- Hospitalist	0
Ambulatory Surgical Center	0

12 Out-of-Area Providers

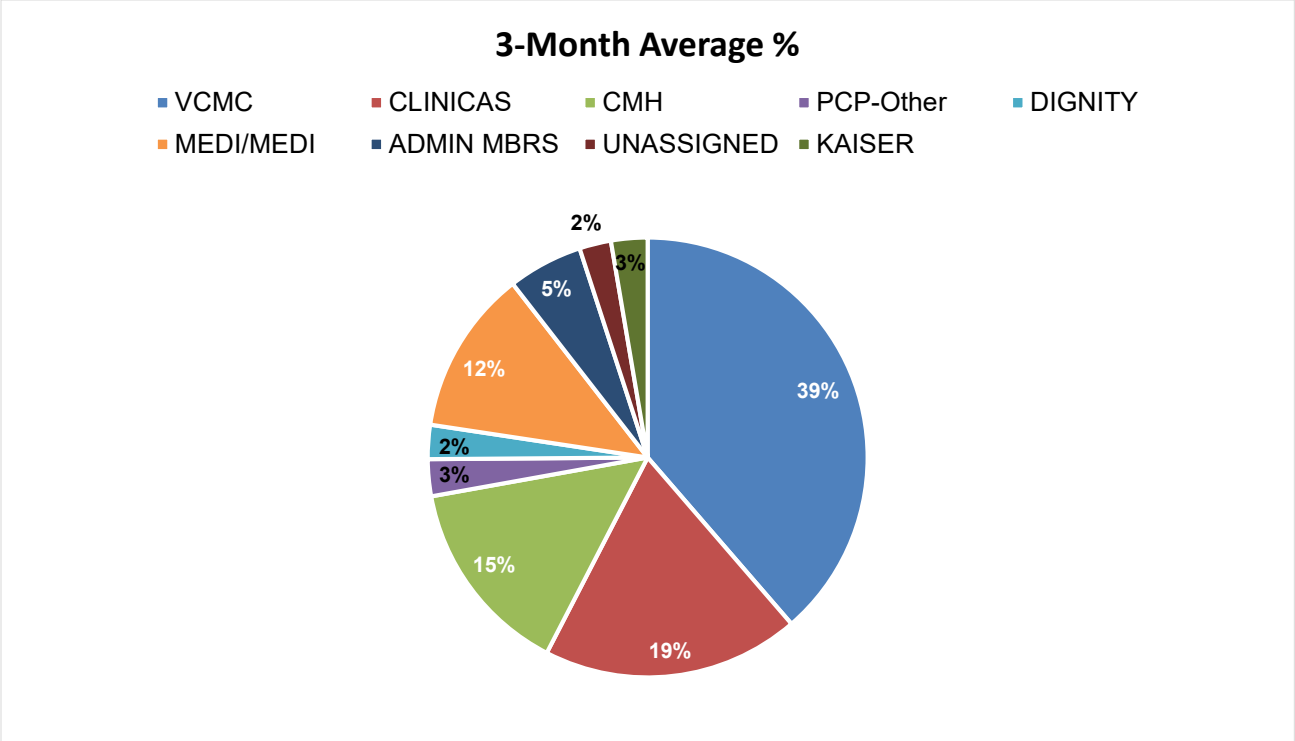
Provider Type	Terms
Midlevel	1
Specialist	11
Specialist- Hospitalist	0
Ambulatory Surgical Center	0

These provider terminations have no impact on member access and availability. Of note the specialist terminations are primarily associated with tertiary adult and pediatric academic medical centers, where interns, residents, and fellows have finished with their clinical rotations.

ATTACHMENT A- PCP Assignments



	VCMC	CLINICAS	CMH	PCP-Other	DIGNITY	MEDI/MEDI	ADMIN MBRS	UNASSIGNED	KAISER
Jun-20	78,801	38,565	29,452	5,586	5,180	24,165	11,407	4,244	5,552
May-20	77,791	37,985	29,104	4,985	5,065	23,962	11,095	3,845	5,395
Apr-20	76,158	37,258	28,680	5,502	4,930	23,799	10,713	4,202	5,267



RECOMMENDATION:

Receive and file the report.

Gold Coast Health Plan℠
A Public Entity

State Budget Summary FY 2020-21

July 27, 2020

Integrity

Accountability

Collaboration

Trust

Respect

Return To Agenda

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Allocations to Address COVID 19

- The Budget reflects:
  - Estimated spending of $5.7 billion to respond directly to the COVID-19 pandemic.
    - Expenditures include personal protective equipment necessary to reopen the economy, hospital surge preparation, and other expenditures to support populations at greater risk of contracting COVID-19.
- $716 million reserve within the Special Fund for Economic Uncertainties so the state can respond quickly to the changing conditions of the COVID-19 pandemic.
- Funding for counties that are on the front lines of addressing the public health impacts of the pandemic.
  - Of the $9.5 billion in Coronavirus Relief Fund received by the state, $4.5 billion is allocated to local school districts, $1.3 billion is allocated to counties, and $500 million to cities.
  - Including $750 million General Fund to provide support for counties experiencing revenue losses due to the pandemic.

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Funding to Address Homelessness

- The Budget prioritizes funds to mitigate homelessness and takes a new approach by allocating $600 million for Project HomeKey to acquire permanent housing through the purchase and renovation of motel properties throughout the state.

- The Budget also includes $300 million General Fund to cities, counties, and continuums of care to support efforts to reduce homelessness.

Return To Agenda

Supporting Californian's Facing the Greatest Hardships

- The Budget takes several steps to support Californians facing the greatest hardships by maintaining eligibility for the Medi-Cal program including the following:
  - Expanded senior eligibility
  - Preserves optional benefits
  - Maintains CBAS and MSSP programs
  - Maintains Proposition 56 provider rate increases in the budget year
  - Maintains In-Home Supportive Services (IHSS) service hours and developmental services rates at current levels for the budget year

- It includes an increase in the overall maximum Supplemental Security Income/State Supplemental Payment grant by passing the federal cost-of-living adjustment on to recipients.

- The Budget maintains CalWORKS eligibility and grant levels and extends the time limit for aid to adult recipients from 48 months to 60 months.

Return To Agenda

Medi-Cal Program

- Estimated caseload: 14.5 Million by July 2020
- Maintains the following Benefits:
  - Optional Expansion Benefits
    - ✓ Screening, Brief Intervention and Referral to Treatment (SBIRT)
    - ✓ Podiatry
    - ✓ Optometry
    - ✓ Physical Therapy
  - Diabetes Prevention Program
- Community Based Adult Services (CBAS)
- Multipurpose Senior Services Program (MSSP)
- Proposition 56
  - Supplemental payments for physicians
  - VBP Program
  - Behavioral Health Integration Incentive Program
  - Pediatric Hospital Payments
  - Loan Repayment Program

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Medi-Cal Program Continued

- Delays CalAIM Implementation
- Delays full-scope Medi-Cal expansion to undocumented seniors in the upcoming budget if the Department of Finance determines there are sufficient General Fund revenues for that fiscal year and the ensuing three fiscal years to support the expansion.
- Authorizes DHCS to reduce capitation rate increments for Medi-Cal managed care plans by up to 1.5 percent for the July 1, 2019, to December 31, 2020, rating period to account for reduced utilization related to the COVID-19 public health emergency.
- Authorizes DHCS, in consultation with affected Medi-Cal managed care plans, to develop and implement a risk corridor to limit the financial risk of either overpayments or underpayments of capitation rates during the July 1, 2019, to December 31, 2020, rating period.

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LTC at Home Benefit

Benefit Highlights:

- Provide qualifying Medi-Cal beneficiaries and their families with more choices in living situations and long-term care settings
- The benefit will be provided through State-licensed agencies that will arrange for and/or directly provide skilled nursing care and related services in the home
- Allow qualifying Medi-Cal beneficiaries currently residing in SNFs to safely move from a facility to a home
- Allow qualifying Medi-Cal beneficiaries that may require SNF services in the future to avoid institutionalization
- Allow qualifying Medi-Cal beneficiaries to be discharged from a hospital to a home placement in lieu of a SNF stay
- Support efforts to decompress residency at SNFs
- Statewide Medi-Cal benefit for Fee-For-Service and Managed Care delivery systems

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LTC at Home Benefit

- **Model of Care**
  - Individual, Person-Centered Assessment
  - Transition Services
  - Care Coordination
  - Medical and Home and Community Based Services

- **Financing and Cost**
  - Bundled per diem rate encompassing Long-Term Care at Home services
  - Some services may be billed and reimbursed outside of the per diem
  - Per diem rates may be tiered acuity rates
  - Clinically appropriate utilization controls will be established as benefit is intended to be cost effective option in lieu of institutional placement

- **Benefit Implementation Timeline**
  - June- August 2020 – Stakeholder engagement
  - Fall 2020 – Post 1915(i) State Plan Amendment for public comment and submit formal proposal to CMS
  - Winter 2020/Early 2021 – Stakeholder feedback on implementation
  - Early 2021 – New Long Term Care at Home Benefit goes live 2021 – Increase statewide LTC at Home agency provider network

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Questions?

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AGENDA ITEM NO. 11

TO: Ventura County Medi-Cal Managed Care Commission

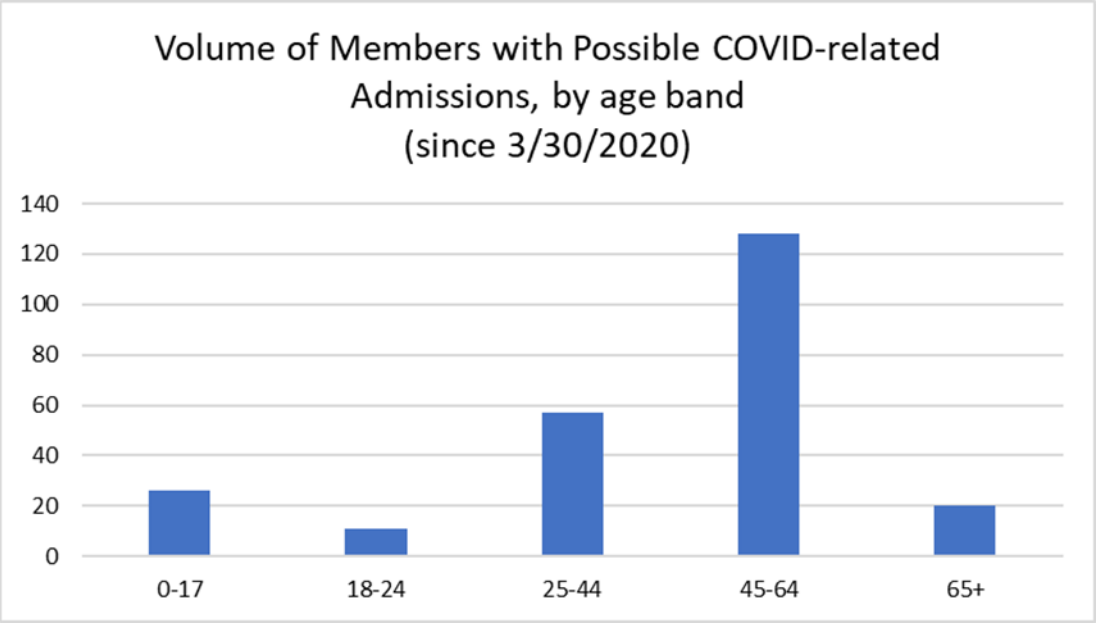
FROM: Nancy Wharfield, M.D., Chief Medical Officer

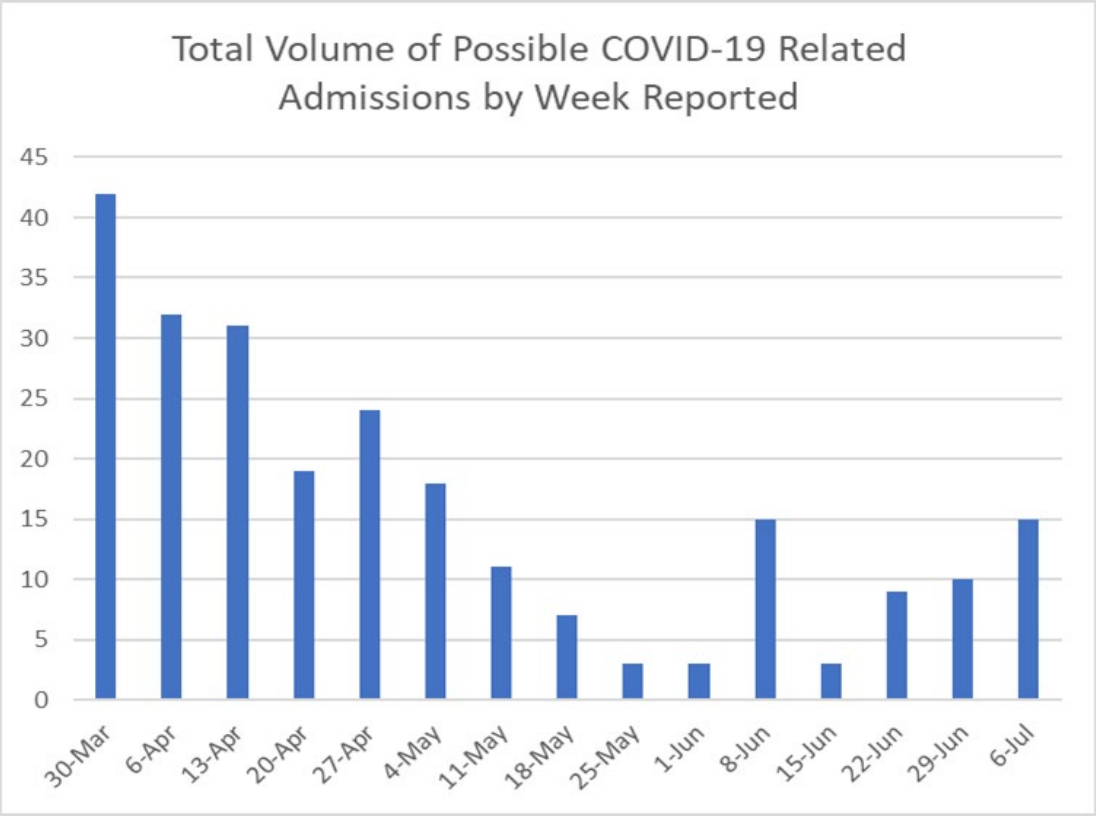
DATE: July 27, 2020

SUBJECT: Chief Medical Officer Report

COVID-19 Update

As of 7/14/20, there have been 242 COVID-19 related hospital admissions among Gold Coast Health Plan ("GCHP") membership. An additional 193 positive results were identified through Quest laboratory data. Most COVID-19 related hospital admissions are in the 45-64 age group followed by 25-44 and 0-17. Of the approximate 100 hospital results confirmed to date, about half were negative and half were positive (133 results are pending). In prior months, less than 10% of hospital related cases were confirmed positive. Most cases continue to be admitted through the emergency department.





Preventive Care Services Outreach Campaign

Per a Department of Health Care Services ("DHCS") mandate, Managed Care Plans (MCPs) will be conducting a preventive services outreach campaign to children ages 0-6 beginning August 2020. The calls will prioritize young children at risk for falling behind on immunizations and preventive services. Additionally, this campaign will align with our current Preventive Care Engagement program, a targeted outreach program intended to connect members to preventive services.

Prior to the pandemic, DHCS required all MCPs to initiate a preventive care services outreach campaign targeting beneficiaries up to age 21. Due to COVID-19, the provision of well child visits and services often conducted at those visits, including immunizations and blood lead screenings, have declined. In response, DHCS has asked for the call campaign to resume with a focus on increasing immunizations and blood lead level screenings in children up to age 6.

To complete the campaign, GCHP will use our current outreach vendor, HMS Eliza, to perform an Interactive Voice Response (IVR) call to outreach to the parents or caregivers of members between 0-6 years of age who are at risk. The plan will discuss and promote preventive services, including regular well child visits, immunizations, and blood lead

screenings during the call. Additionally, a live agent will be available to assist the parents / caregivers to schedule an appointment with their doctor to complete these services. The campaign is scheduled to conduct approximately 62,000 member calls between August 3rd-September 30th.

myStrength Program- Beacon Health

GCHP's mental health services provider, Beacon Health Options, is offering members free access to myStrength COVID-19 and mental wellness resources for a limited time.

With myStrength, members can track their mood, find inspirational videos, articles, and quotes, and work at their own pace on e-learning programs in a secure and confidential environment. GCHP members can explore a variety of topics to help them and their family address the heightened sense of stress, feelings of isolation, and parental challenges that have become more common during COVID-19. The program is offered in English and Spanish.

To connect members to this resource, GCHP staff continue to actively promote this service through our provider and community partners. Additionally, this information is available on our GCHP website.

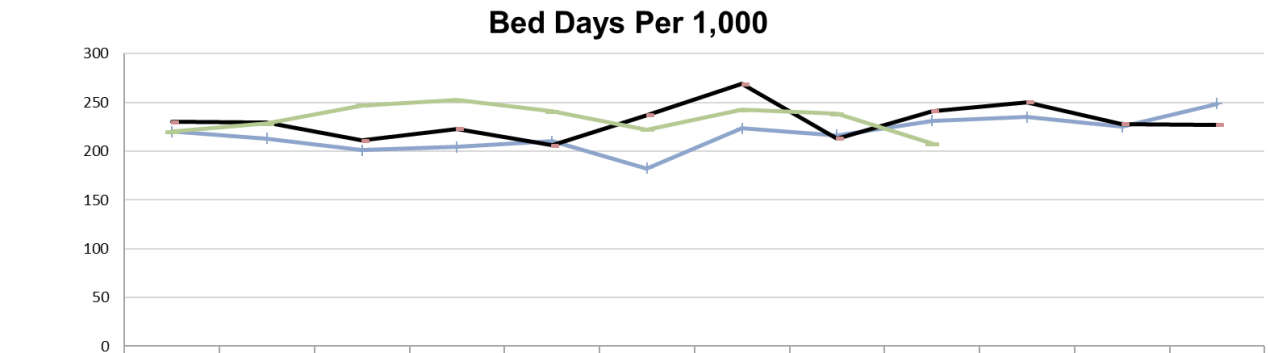
Utilization Update

BED DAYS

Bed days/1000 members for the first three months of CY2020 averaged 230 (compared with 236 for CY 2019).

Bed days/1000 benchmark: While there is no Medi-Cal Managed Care Dashboard report of bed days/1000 members, review of available published data from other managed care plans averages 238/1000 members.

Approximately half of bed days are utilized by Adult Expansion (AE) members (48%) while they represent about 32% of GCHP membership. Seniors and Persons with Disabilities (SPD) utilize about 30% of bed days and are only 5.5% of membership.

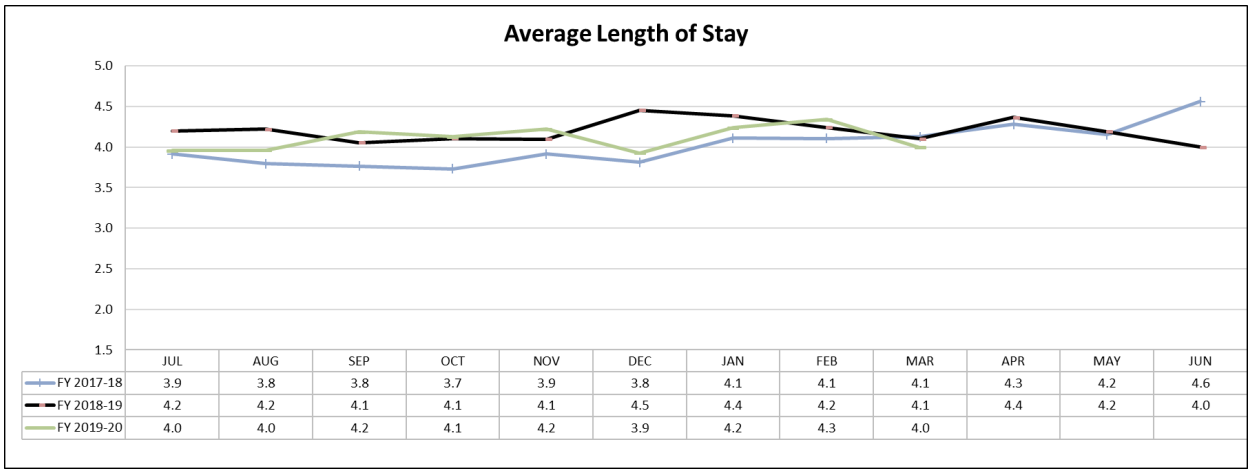


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY 2017-18	220	213	201	205	210	183	223	216	231	235	225	249
FY 2018-19	230	229	211	223	206	237	269	213	241	250	228	227
FY 2019-20	220	229	247	252	241	222	243	238	208			

AVERAGE LENGTH OF STAY (ALOS)

Through March 2020, ALOS was 4.2 days and similar to prior years (4.1 for CY 2019 and 4.2 for CY 2018).

Average length of stay benchmark: While there is no Medi-Cal Managed Care Dashboard report of ALOS, review of available published data from other managed care plans averages 5 days.



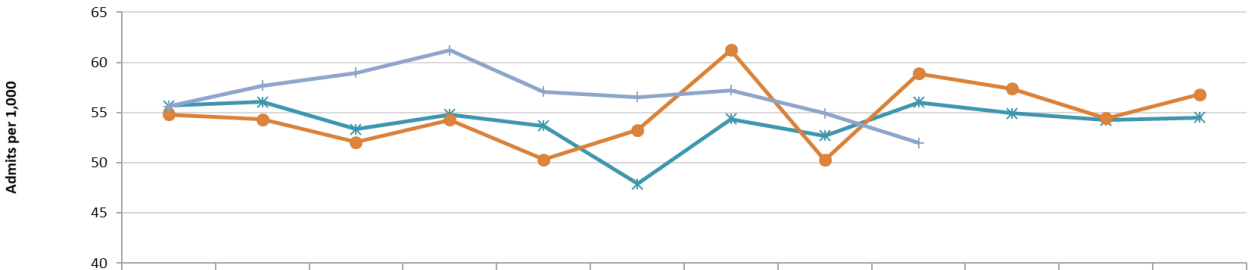
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY 2017-18	3.9	3.8	3.8	3.7	3.9	3.8	4.1	4.1	4.1	4.3	4.2	4.6
FY 2018-19	4.2	4.2	4.1	4.1	4.1	4.5	4.4	4.2	4.1	4.4	4.2	4.0
FY 2019-20	4.0	4.0	4.2	4.1	4.2	3.9	4.2	4.3	4.0			

ADMITS/1000 MEMBERS

Admissions/1000 members through March 2020 were 55 compared with 57 for CY 2019.

Admits/1000 members benchmark: The Medi-Cal plan average is 55/1000 members.

Acute Inpatient Admissions/1000 Members



	JUL	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY 2017-18	56	56	53	55	54	48	54	53	56	55	54	55
FY 2018-19	55	54	52	54	50	53	61	50	59	57	54	57
FY 2019-20	56	58	59	61	57	57	57	55	52			

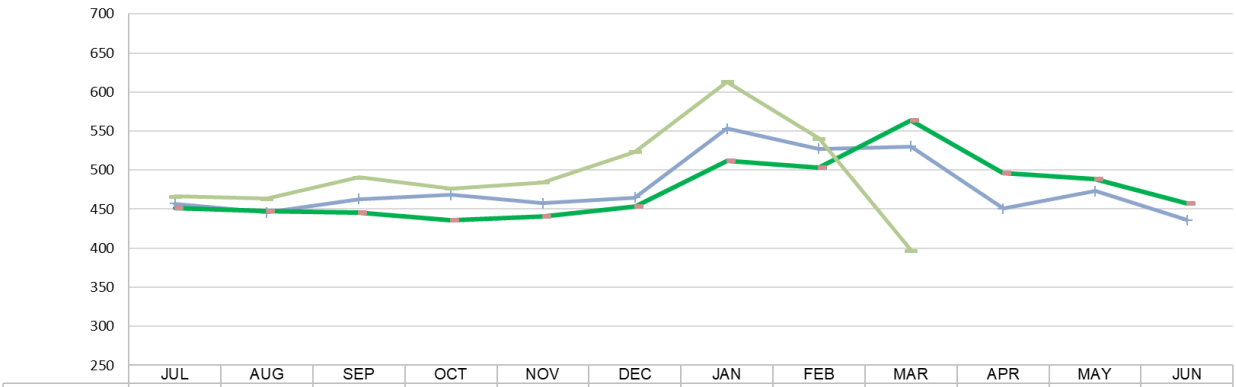
ED UTILIZATION/1000 MEMBERS

For Q1 CY2020, a higher than normal January peak was followed by low March utilization affected by the COVID-19 pandemic. Through March 2020, average ED utilization/1000 members averaged 517 compared with 2019 Q1 530.

ED utilization benchmark: The HEDIS mean for managed Medicaid plans for ED utilization/1000 members is 587.

The Family aid code group has the highest ED utilization (46%) and they represent approximately 46% of membership. Adult Expansion (AE) members utilize 35% of ED visits and represent 32% of membership.

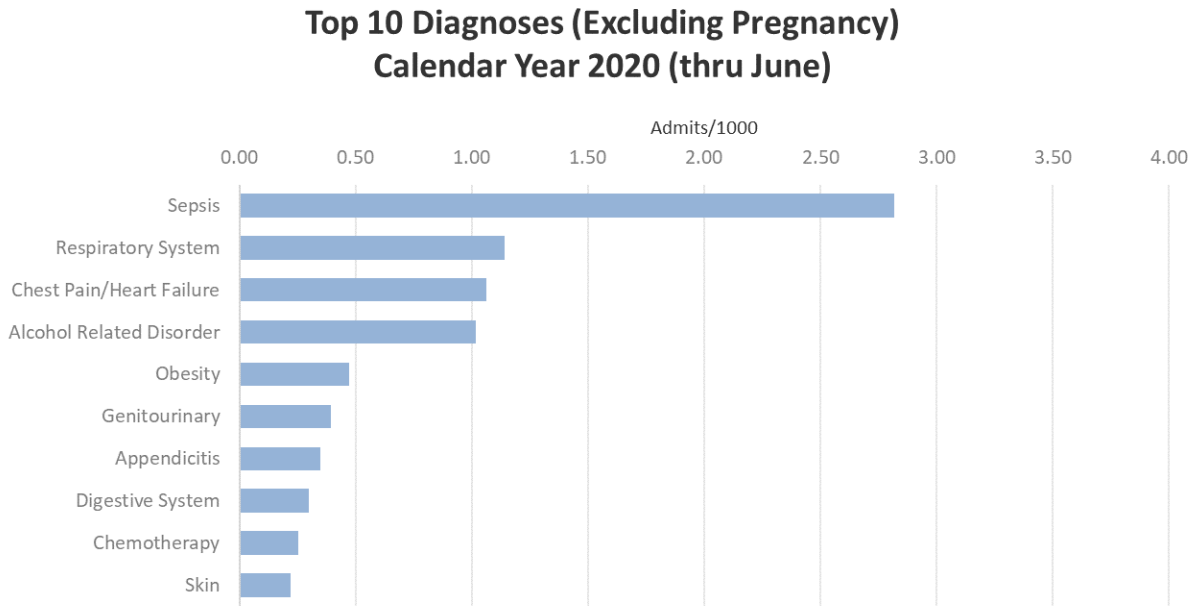
ER Utilization Per 1,000



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
FY 2017-18	457	446	463	468	457	465	553	527	530	451	473	436
FY 2018-19	451	447	445	436	441	453	512	503	564	497	489	457
FY 2019-20	466	463	490	476	484	523	613	541	397			

TOP ADMITTING DIAGNOSES

Pregnancy/childbirth continues to be our top admitting diagnosis category. When pregnancy is excluded, the top admitting diagnoses continue to be sepsis, followed by respiratory, cardiac, gastrointestinal, genitourinary, obesity, alcohol, diabetes, cellulitis, and chemotherapy.



READMISSION RATE

The CY2020 Q2 readmission rate was 14.6% compared with CY2020 average readmission rate of 14.8%.

Readmission rate benchmark: The DHCS Medi-Cal readmission rate is 15.8%.

PHARMACY UPDATE

Pharmacy Hot Topic Items

Medi-Cal Rx
DHCS will carve out all prescription benefits from the Managed Care Plans (MCP) as of January 1, 2021, under a new program called Medi-Cal Rx. Upon implementation, all retail prescription claims will be submitted directly to the state via its PBM. DHCS has announced ongoing stakeholder and technical workgroups along with monthly Managed Care Plan updates. Gold Coast Health Plan will continue to work with advocacy groups, other MCPs and DHCS in order to facilitate the implementation of the carve out and will continue to bring information as it becomes available to this group.

Attached to this agenda item is a brief presentation regarding Medi-Cal Rx.

COVID-19
As part of its response to the COVID-19 pandemic, GCHP has made significant, temporary changes to the pharmacy benefit to ensure member access to pharmacy services while ensuring the principles of social distancing and shelter-in-place:

- Refill Too Soon Edit: GCHP temporarily lifted the refill too edit to allow pharmacies to fill chronic, maintenance medications early
- 90 Day Supply: Allow any chronic, maintenance medication to be filled for up to 90 days at a time
- Out of Network Pharmacies: Allow out of network pharmacies to fill medications for member if related to COVID-19 and being unable to access a network pharmacy
- Formulary Overrides: Allow overrides of up to 90 days for medications impacted by COVID-19

All of these changes have the potential to increase costs to GCHP. Further information will be provided on the impact of these changes and the potential for reimbursement.

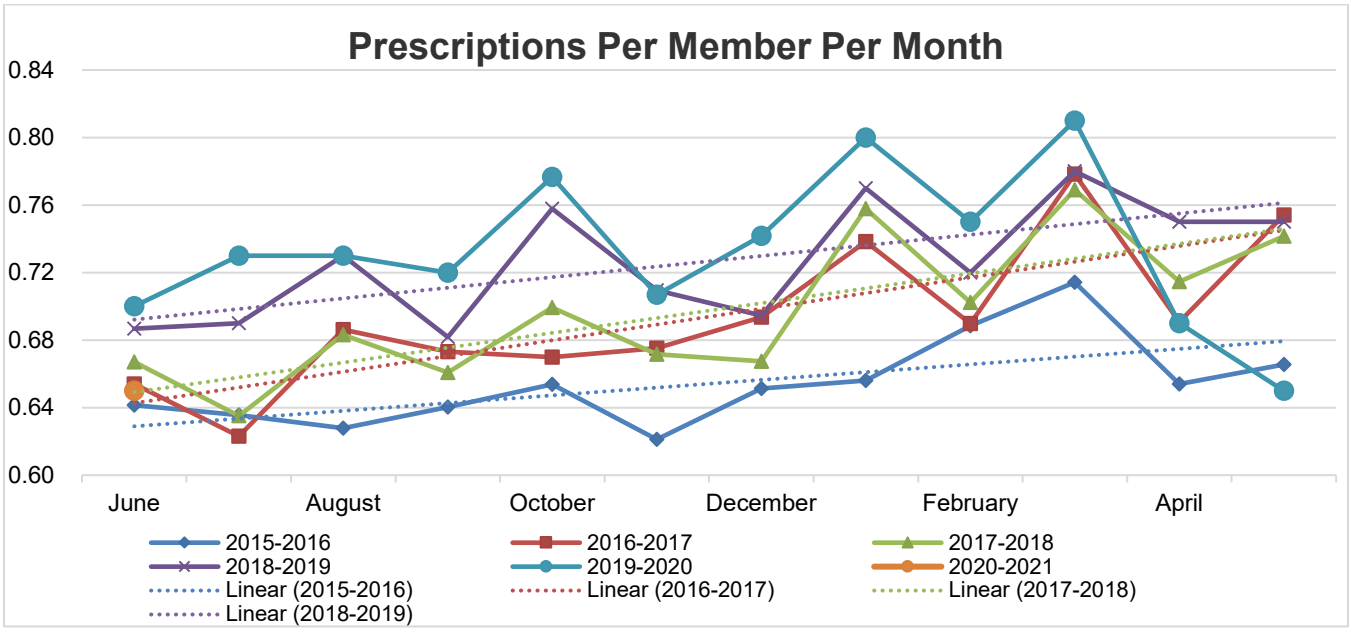
Pharmacy Benefit Cost Trends

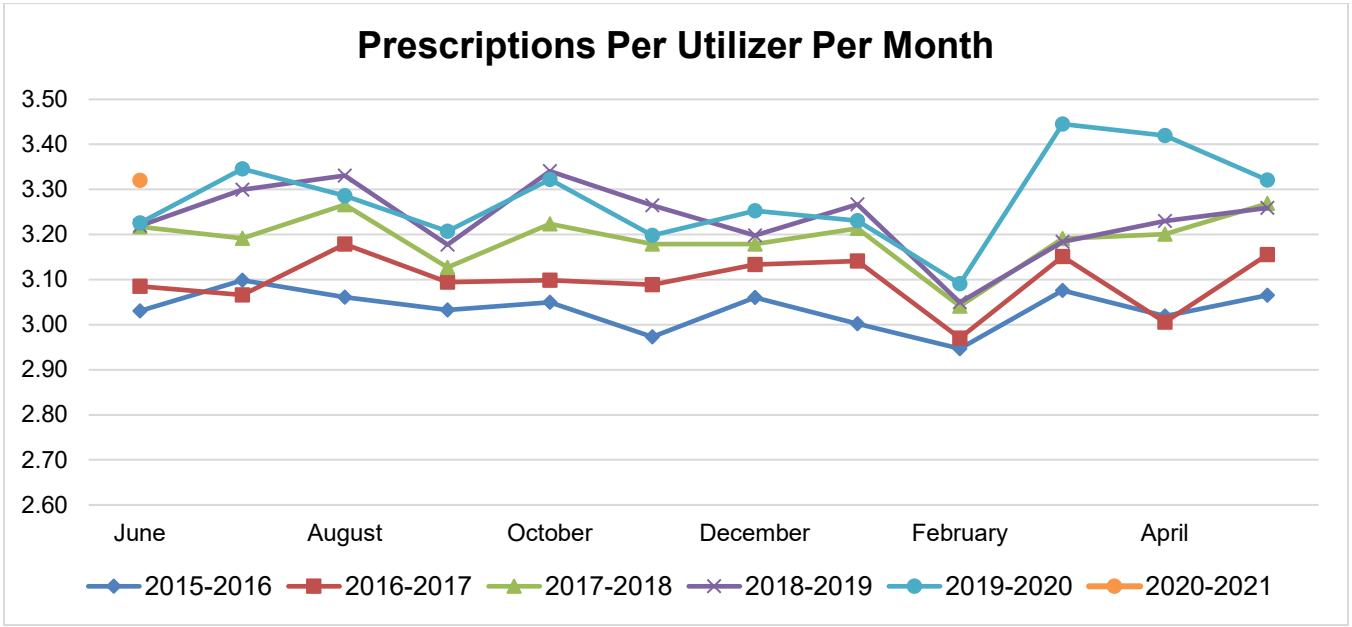
GCHP pharmacy trend shows in overall price increase of 16.09% from June 2019 to June 2020. Pharmacy trend is impacted by unit cost increases, utilization, and the drug mix. Pharmacy costs are predicted to experience double digit increases (>10%) each year from now until 2025. GCHP's trends are in-line with state and national data that is also experiencing significant increases in pharmacy costs. Impact from COVID-19 is expect to increased costs further.

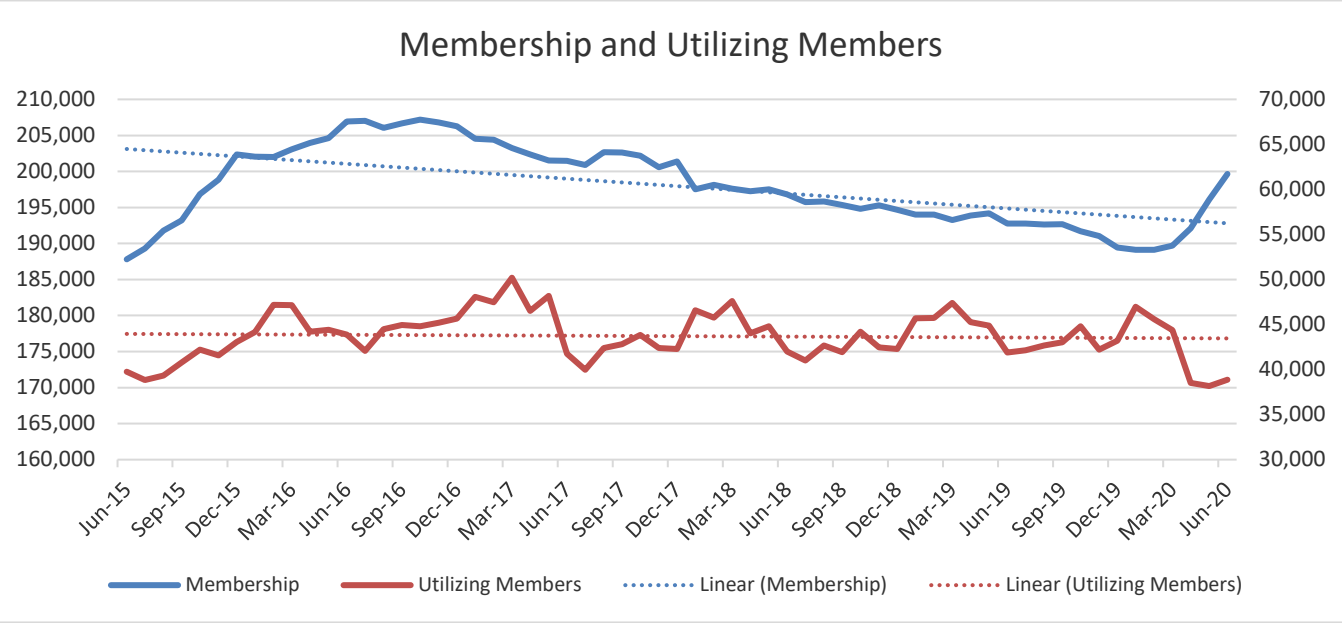
Factor	National Trend	GCHP Trend
Unit Cost	• Price inflation is a top contributor, outpacing utilization growth 4:1. • WSJ is reporting an average price increase of 5.8% on hundreds of drugs in January 2020. 	• Unit cost changes from 2019Q1 to 2020Q1 are still being assessed. 
Utilization	• The number of prescriptions increased 21% from 2014 to 2017. 	• RxPMPM have dropped from June 2019 to June 2020, but RxPUPM increased 3.0%. • 29.1% of GCHP's members have 3 or more disease categories. 
Drug Mix	• 59 new drug approvals in 2018 – new all-time record high, 28% increase from 2017. There were 48 novel new drug approvals in 2019. • Specialty drugs are expected to be nearly 50% of total drug spend by 2022 	• Specialty drugs account for ~40% of GCHP's total drug spend. GCHP's Specialty users have increased 30% from 2017 to 2019. 

GCHP Annual Trend Data

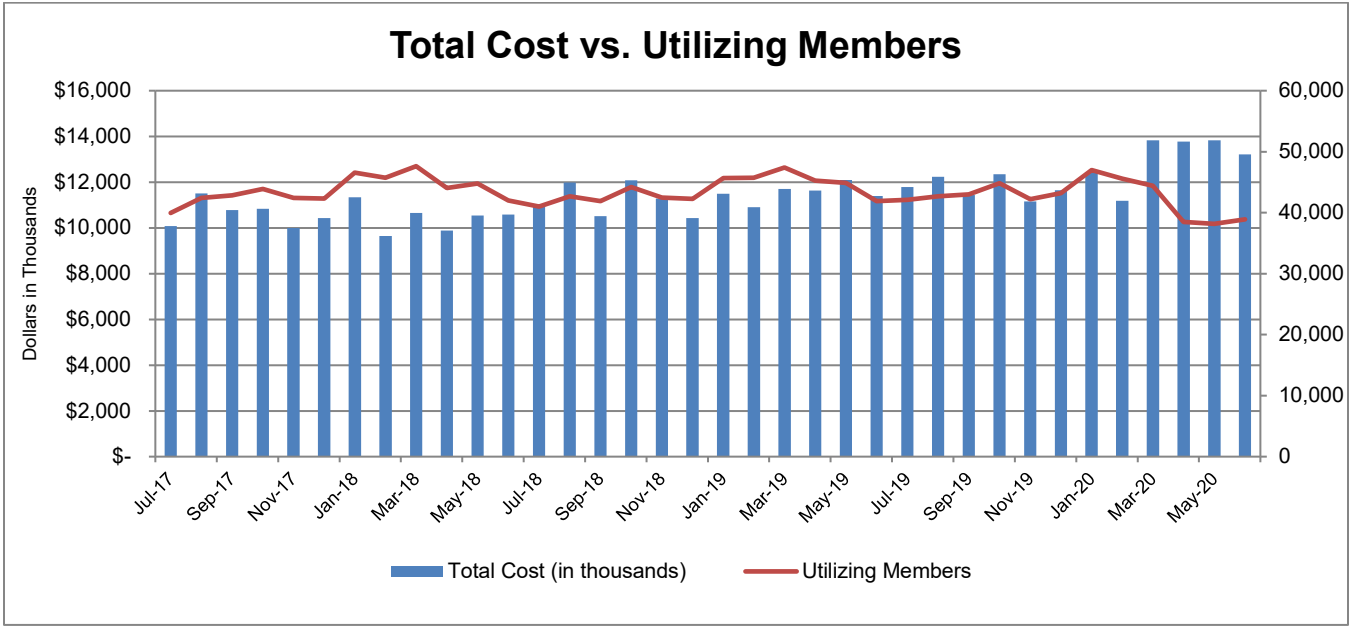
Utilization Trends:
Through March 2020, GCHP's utilization was increasing as demonstrated by the number of members using prescriptions and the number of prescriptions each member is using while GCHP's total membership continued to decline. However, the impact of COVID-19 has caused an increase in membership and the utilization of extended day supplies which suppress the view of increased utilization. The new graph showing scripts per utilizer gives a new view of the increased utilization. GCHP will be continuously monitoring the impact of COVID-19 and the increased membership.

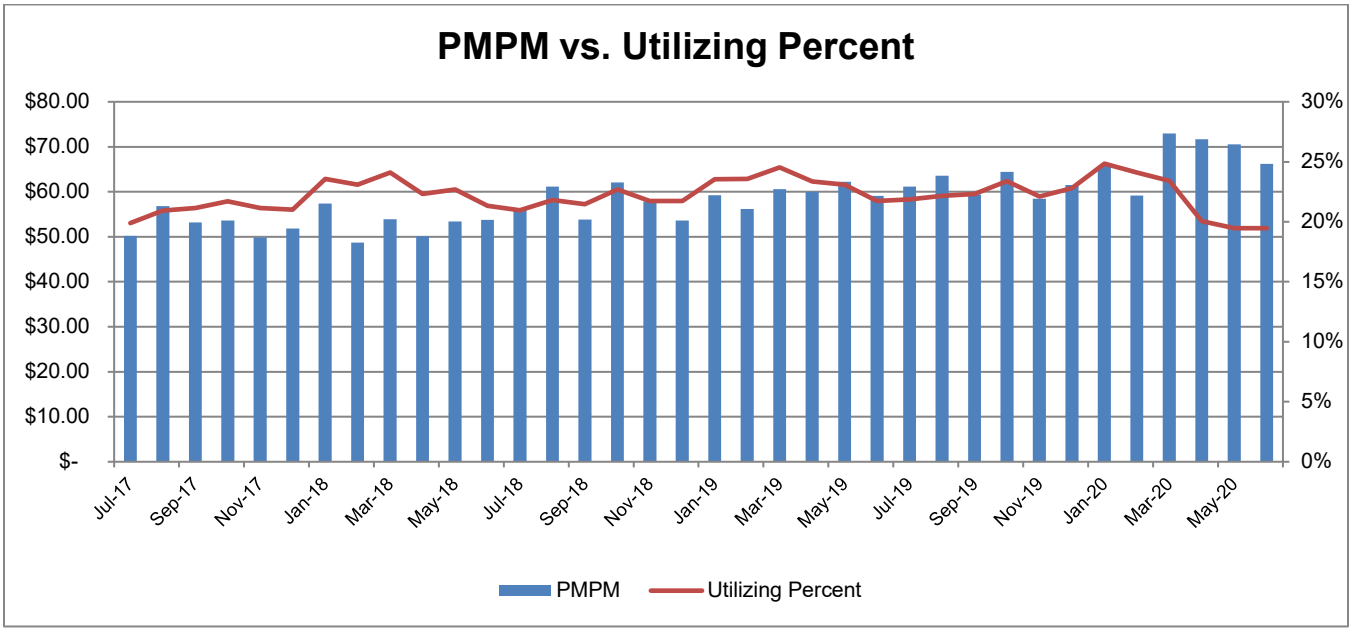

Prescriptions Per Member Per Month
0.84
0.80
0.76
0.72
0.68
0.64
0.60
June
August
October
December
February
April
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021
Linear (2015-2016)
Linear (2016-2017)
Linear (2017-2018)
Linear (2018-2019)

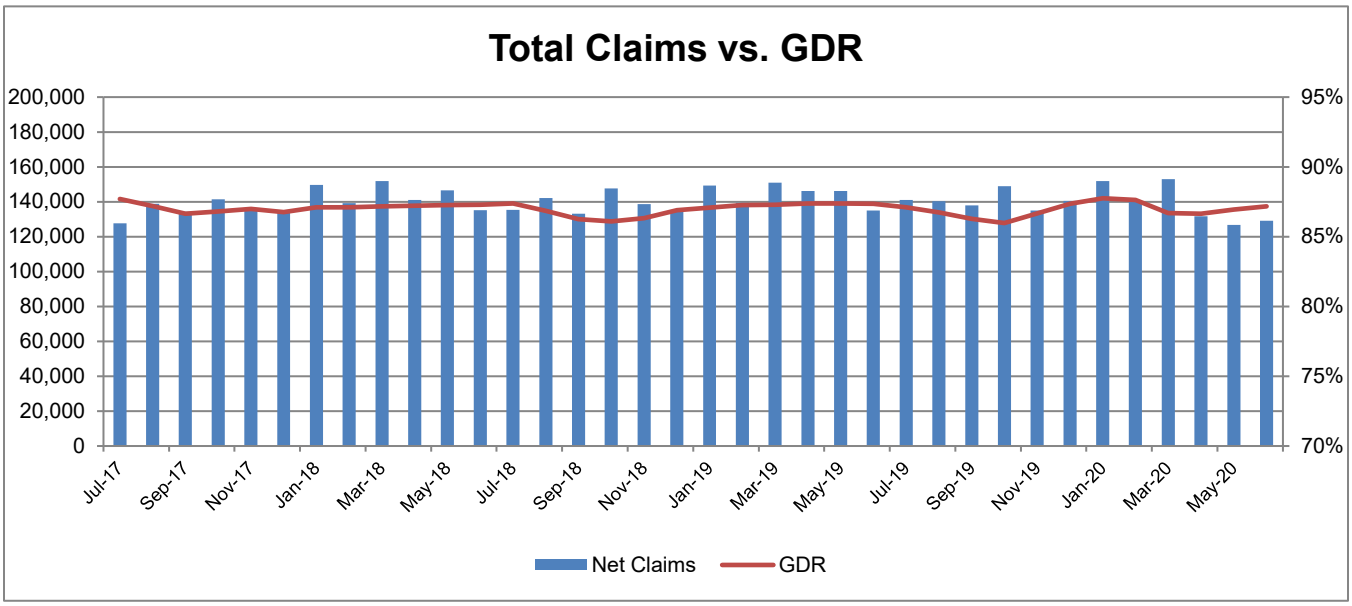

Prescriptions Per Utilizer Per Month
3.50
3.40
3.30
3.20
3.10
3.00
2.90
2.80
2.70
2.60
June
August
October
December
February
April
2015-2016
2016-2017
2017-2018
2018-2019
2019-2020
2020-2021



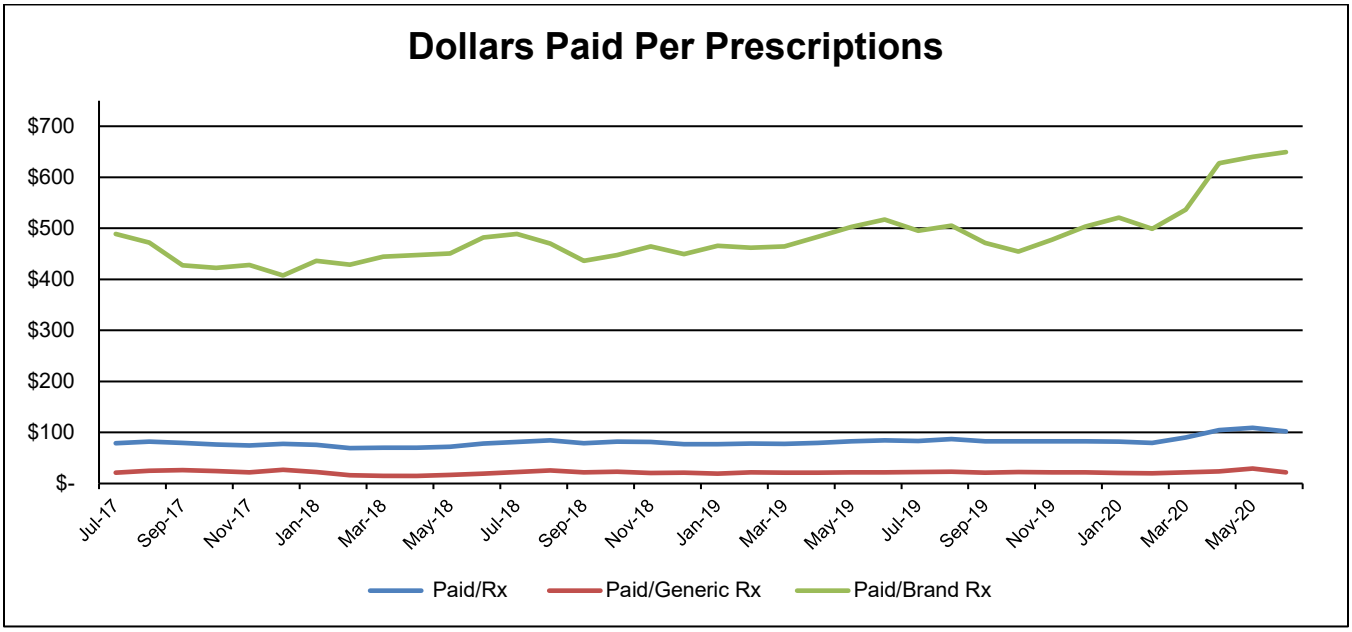
Pharmacy Monthly Cost Trends:





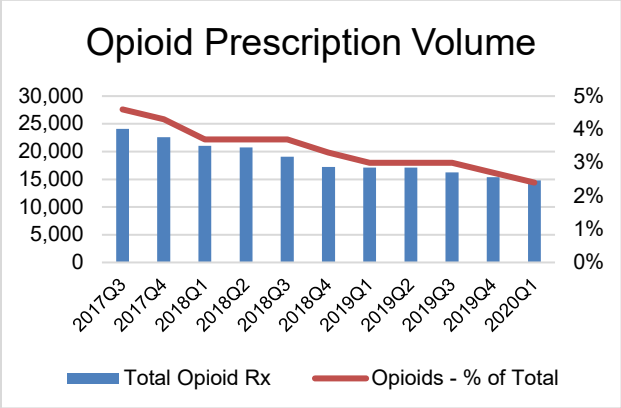


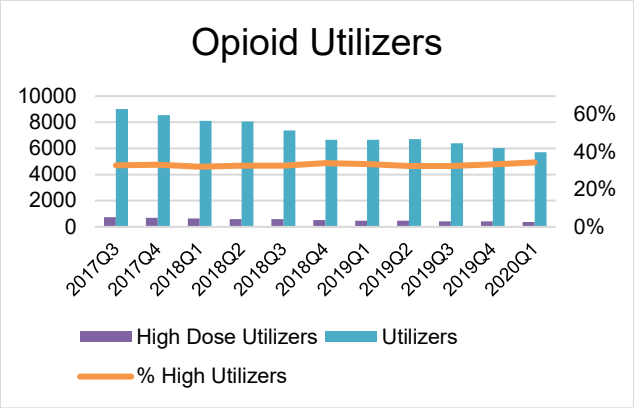
*Claim totals prior to June 2017 are adjusted to reflect net claims.

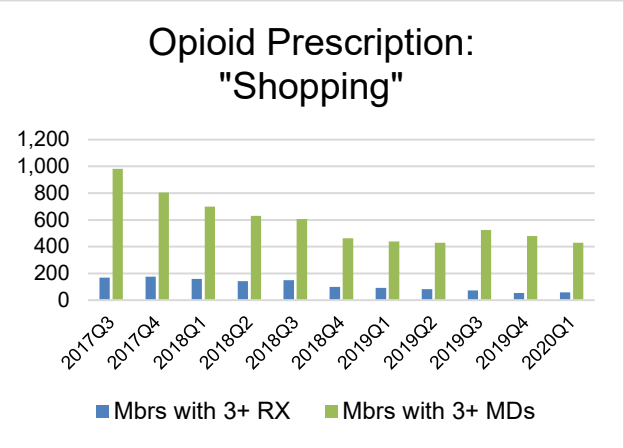


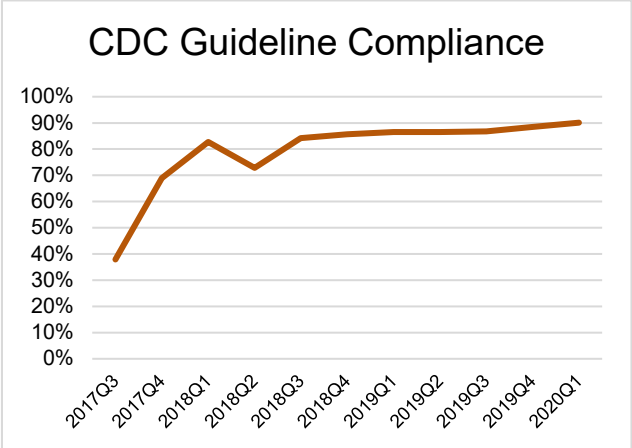
Pharmacy Opioid Utilization Statistics

GCHP continues to monitor the opioid utilization of its members and below are graphs showing some general stats that are often used to track and compare utilization. In general, GCHP continues to see a positive trend toward less prescriptions and lower doses of opioids for the membership.









Definitions and Notes:
High Dose Utilizers: utilizers using greater than 90 mg MEDD
High Utilizers: utilizers filling greater than 3 prescriptions in 120 days
Prescribers are identified by unique NPIs and not office locations

Abbreviation Key:
PMPM: Per member per month
PUPM: Per utilizer per month
GDR: Generic dispensing rate
COHS: County Organized Health System
KPI: Key Performance indicators
RxPMPM: Prescriptions per member per month

Pharmacy utilization data is compiled from multiple sources including the pharmacy benefits manager (PBM) monthly reports, GCHP's ASO operational membership counts, and invoice data. The data shown is through the end of June 2020. The data has been pulled during the first two weeks of June which increases the likelihood of adjustments. Minor changes, of up to 10% of the script counts, may occur to the data going forward due to the potential of claim reversals, claim adjustments from audits, and/or member reimbursement requests.

References:

1. https://www.healthsystemtracker.org/chart-collection/recent-forecasted-trends-prescription-drug-spending/?_sf_s=drug+spending#item-contribution-to-growth-in-drug-spending-by-growth-driver_2017
2. https://arstechnica.com/science/2019/07/big-pharma-raising-drug-prices-even-more-in-2019-3400-hikes-as-high-as-879/
3. US Food and Drug Administration. "2018 New Drug Therapy Approvals."
4. https://www.fiercepharma.com/marketing/another-record-year-for-pharma-tv-ads-spending-tops-3-7-billion-2018
5. https://www.kff.org/medicaid/issue-brief/utilization-and-spending-trends-in-medicaid-outpatient-prescription-drugs/

Medi-Cal Rx

- What is Medi-Cal Rx?
  - On January 1, 2021, all retail pharmacy claims will be billed to the state and not to GCHP.
- What do we know so far?
  - Member Communication
  - Transition Benefit
  - Provider Education
- What challenges to we expect?
  - Real time claim access
  - Data sharing
  - Coordination of care
- How will GCHP communicate with the state/assist beneficiaries with prescription issues after the transition?
  - PBM Liaison

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Claim Responsibilities

Delivery System	Claim Type	Pre-Transition	Post Transition
GCHP	Medical/Institutional claim	GCHP	GCHP
	Pharmacy Claims	GCHP (via PBM)	Medi-Cal Rx
FFS	Medical/Institutional claim	FFS Fiscal Intermediary (FI)	FFS FI
	Pharmacy Claims	FFS FI	Medi-Cal Rx

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Post Transition Responsibilities

Responsibility	State	GCHP	Medi-Cal Rx
Maintain Medi-Cal Pharmacy Policy	X		
Make Final Determinations on PAs Denials and SFH	X		
Negotiation of Rebates	X		
Pharmacy Reimbursement Methodology	X		
Pharmacy Network	X		
Care Coordination		X	
Oversee pharmacy adherence and disease/medication management programs		X	
Pharmacy Services billed on medical/institutional claims		X	
Participate in the DUR Board		X	
Pharmacy claim administration, processing and payment			X
Coordination of Benefits with OHI			X
Utilization Management (including all PAs with 24 hours)			X
Prospective and Retrospective DUR			X
Drug Rebate Administration			X

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Communication Schedule: Members

Date	Topic	Responsibility
October 2020	90-Day Notice Letter	DHCS
November 2020	60-Day Notice Letter	DHCS
November-December 2020	Outbound Call Campaign	GCHP
December 2020	30-Day Notice Letter	GCHP
January 2021	New ID Cards	GCHP

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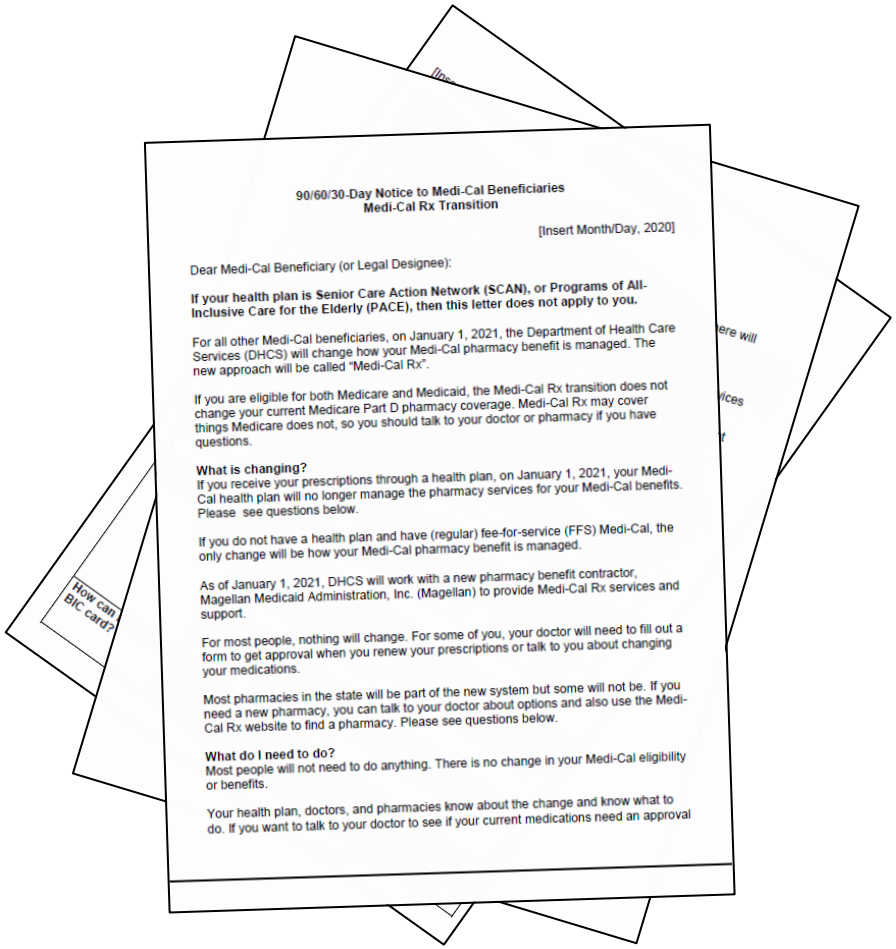
Member Communications

- Draft communication pieces have been developed by DHCS and GCHP have reviewed/provided feedback to the state regarding these items.
- GCHP will also be reviewing these with the Consumer Advisory Committee (CAC)



90/60/30-Day Notice to Medi-Cal Beneficiaries
Medi-Cal Rx Transition

[Insert Month/Day, 2020]

Dear Medi-Cal Beneficiary (or Legal Designee):

If your health plan is Senior Care Action Network (SCAN), or Programs of All-Inclusive Care for the Elderly (PACE), then this letter does not apply to you.

For all other Medi-Cal beneficiaries, on January 1, 2021, the Department of Health Care Services (DHCS) will change how your Medi-Cal pharmacy benefit is managed. The new approach will be called "Medi-Cal Rx".

If you are eligible for both Medicare and Medicaid, the Medi-Cal Rx transition does not change your current Medicare Part D pharmacy coverage. Medi-Cal Rx may cover things Medicare does not, so you should talk to your doctor or pharmacy if you have questions.

What is changing?
If you receive your prescriptions through a health plan, on January 1, 2021, your Medi-Cal health plan will no longer manage the pharmacy services for your Medi-Cal benefits. Please see questions below.

If you do not have a health plan and have (regular) fee-for-service (FFS) Medi-Cal, the only change will be how your Medi-Cal pharmacy benefit is managed.

As of January 1, 2021, DHCS will work with a new pharmacy benefit contractor, Magellan Medicaid Administration, Inc. (Magellan) to provide Medi-Cal Rx services and support.

For most people, nothing will change. For some of you, your doctor will need to fill out a form to get approval when you renew your prescriptions or talk to you about changing your medications.

Most pharmacies in the state will be part of the new system but some will not be. If you need a new pharmacy, you can talk to your doctor about options and also use the Medi-Cal Rx website to find a pharmacy. Please see questions below.

What do I need to do?
Most people will not need to do anything. There is no change in your Medi-Cal eligibility or benefits.

Your health plan, doctors, and pharmacies know about the change and know what to do. If you want to talk to your doctor to see if your current medications need an approval

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Communication Schedule: Providers

Date	Audience	Topic
August 2020	Providers (pharmacies and prescribers)	Training announcements and instructions
September 2020	Providers (pharmacies and prescribers)	120-day pharmacy transition
October 2020	Pharmacies	90-day notice letter
November 2020	Pharmacies	60-day notice letter
December 2020	Pharmacies	30-day notice letter

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Medi-Cal Rx: Training Schedule

Date	Audience	Topic
August 2020	Providers (pharmacies and prescribers)	Registration instructions for the secured portal and associated applications
September 2020	Providers (pharmacies and prescribers)	General training begins
October 2020	Providers (pharmacies and prescribers)	General training continues
November 2020	Pharmacies	Web claims submission trainings
November 2020	Providers (pharmacies and prescribers)	General training continues

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Medi-Cal Rx Web Portal: NOW LIVE!

https://medi-calrx.dhcs.ca.gov/home/

Information Available:

- Program Overview and FAQs
- Training and Communication Schedules
- Details regarding Transition Policy
- Email subscription service alert sign up – SIGN UP NOW!

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Medi-Cal Rx: Questions

- For questions and/or comments regarding Medi-Cal Rx, DHCS invites stakeholders to submit those via email to rxcarveout@dhcs.ca.gov

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AGENDA ITEM NO. 12

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Ted Bagley, Interim Chief Diversity Officer

DATE: July 27, 2020

SUBJECT: Chief Diversity Officer / HR Report

Monthly Actions:

Community Relations/Diversity

- Met with Irene Pinkard of the Pinkard Youth Institute to develop ideas for qualifying deserving minority youth for scholarship and college application.
- Keynote speaker (Zoom meeting) at California Lutheran University on “Race in America”.
- Attended several county Zoom meetings on Police reform.

Case Investigations

- Investigation of grievance letter that was sent to the Commission was completed and sent to CEO for review with Commission.
- HR/CDO met with legal to research case concerning medical coverage.
- No new Hot Line cases

Office Visit Activity

- Team continues to meet on preparations for potential return to work when conditions allow. Concerns are:
  - Safety of air flow through facility
  - Conditions of schools for kids to return safely.
  - Does temperature checks really matter when there are “A” symptomatic people?
  - How many employees will be allowed to be in the office workspace - realizing a need for social distancing?
  - What are the requirements around masks?
- Completed initial walk-through with the new HR Leader to insure readiness of office space, computers and phones.
- Considering COVID-19 and social distancing, there are concerns around the continued use of the Community Room for Commission Meetings. Space is not significant to accommodate public, staff and Commission to socially distance. May want to consider other venues.

HR Resource Activities

- Continue to backfill key positions only and after review with CEO and executive staff.
- Resignations: Two Terminations: 0
- All employees of GCHP continue in a work-from-home status.
- HR Executive Director started July 20, 2020. There will be a two-week transition with the CDO to transition key initiatives.

Facilities

- Continue to prepare facility for the return of employees at the appropriate time. Masks and sanitizer resources have been purchased and are available. Deep cleaning of facility has been completed and will continue on a consistent basis after the return of the employees. Currently evaluating temperature testing at the point of employee return.
- As a result of effective social distancing, the Plan is considering allowing employees to work both from home as well as from the office on a planned basis.

Starting July 20, I will transition back to the two day per week CDO schedule. I will be available to Michael Murguia as he transitions into the HR role.

Attachment

Gold Coast Health Plan (GCHP) Chief Diversity Officer Job Function

CHIEF DIVERSITY OFFICER

GOLD COAST HEALTH PLAN

JOB DESCRIPTION:

The CDO is the chief strategist for GCHP's Diversity Initiative. The position provides strategic guidance in development and implementation of policies, procedures, and action plans to effectively lead Diversity in pursuit of business goals and objectives. This position spans all GCHP business Units and effectively serves all constituencies within the selected units.

The Chief Diversity Officer reports directly to the Ventura County Medi-Cal Care Commission.

SPECIFIC RESPONSIBILITES:

1. Develops Business Strategic Diversity Management Plan

    - Writes the Strategic Diversity Management Plan.
    - Advises CEO and immediate staff on integrating Diversity Management into business initiatives.
    - Advises business heads on integrating Diversity Management into business initiatives and long-range planning processes.
    - Reports results of plan with Senior Management Team and Commission.

2. Develops and Directs Diversity Policy

    - Evaluates organization policies and determines if they acknowledge diversity issues and needs.
    - Make recommendations regarding changes in policies.
    - Works with CEO and Human Resources to assist in compliance with federal requirements.

3. Leads the Diversity Steering Team

    - Develops mission and charter for the Diversity Steering Team.
    - Staffs the Diversity Steering Committee with appropriate leaders from each business unit.
    - Ensures the Diversity Steering Committee reviews corporate policy and procedures.

4. Determines the need for Diversity Leadership education and training (skills building) for all employees.

    - Develops the business case for Diversity Leadership.
    - Provides conceptual clarity on process and develops common definitions for Diversity and Diversity Leadership.
    - Communicates Diversity concepts and philosophies throughout the organization.

5. Works with leadership in support of hiring and retention goals.

    - Develops and recommends strategies to attract and retain high caliber employees.
    - Serves as a resource and advisor to management for programs aimed at increasing upward mobility for targeted high potential employees.

6. Recommends actions to make the Diversity Initiative effective

    - Works with Senior Management Team to align internal systems and business practices to achieve desired outcomes in pursuit of business goals.
    - Consults with Senior Management Team to create a workplace environment that emphasizes job requirements rather than personal preferences.
    - Develops systems that enable leaders to be accountable for and to leverage diversity leadership in their business goals.

7. Represents GCHP on Diversity Leadership related issues

    - Works with Community Relations and Communications to recommend plans for working with the external community.
    - Consults with Business Units, on targeted vendor purchasing programs.
    - Communicates the Strategic Diversity Leadership Plan to the Commission.

8. Tracks and measures Diversity Initiative results

CHIEF DIVERSITY OFFICER LEADERSHIP COMPETENCIES

BIAS TO ACTION

- Skilled in execution of strategic plans.
- Excels in communicating message to operational units.
- Skilled in obtaining support (buy-in) for initiatives.

ACCOUNTABILITY

- Develops and meets goals (Strategic & Tactical).
- Builds logical business rationale for leading diversity initiatives.
- Leads by example.

CRITICAL THINKING & CONTINUOUS LEARNING

- Understands GCHP's Culture and History.
- Creates strategic plans / Sees "Big Picture".
- Brings clarity to intricate concepts.

LEADERSHIP, TEAMWORK & STRATEGIC VISION

- Leads Diversity Steering Team
- Works with all managers in organization across functional lines.
- Builds Consensus.

Gold Coast Health Plan℠
A Public Entity

www.goldcoasthealthplan.org

AGENDA ITEM NO. 15

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Scott Campbell, General Counsel

DATE: July 27, 2020

SUBJECT: Approval of Amendment No. 3 to Purchase Order to the Agreement ("Agreement") with Health Management Associates ("HMA") for the Continued Service of Margaret Tatar to serve as Chief Executive Officer (CEO) as well as other HMA services.

SUMMARY:

Since the departure of former CEO Dale Villani, the Gold Coast Health Plan Commission ("Commission") has contracted with Health Management Associates ("HMA") to provide management services and for Margaret Tatar to serve as the Interim CEO while the Commission searched for a permanent replacement. That search and interview process has been completed and it is recommended that the Commission extend the service order for Ms. Tatar to serve as CEO for 18 months as she has demonstrated exceptional service to the Commission. The Commission desires to retain services of other HMA personnel on an as needed basis.

BACKGROUND/DISCUSSION:

Former CEO of the Commission, Dale Villani, departed on November 1, 2019. On November 4, 2019, the Commission approved a purchase order between HMA and the Gold Coast Health Plan ("Plan) to have Ms. Tatar serve as Interim CEO while the Commission searched for a permanent replacement. The purchase order also allowed other HMA personnel to serve Gold Coast Health Plan. The service order has been amended several times to extend the duration of HMA's services. The most recent extension will expire on July 31, 2020 barring another extension by the Commission.

Since the interim appointment, a severe acute respiratory illness caused by a novel (new) coronavirus, known as COVID-19, has spread globally and rapidly, resulting in severe illness and death around the world. The World Health Organization has described COVID-19 as a global pandemic. To combat the spread of the disease, State and County health officials have ordered the closure of several key sectors of our economy. This prompted the Commission to adopt Resolution No. 2020-001 declaring a local emergency and empowering the Interim CEO with the authority to issue emergency rules and regulations, including but

not limited to, arranging alternate "telework" accommodations to allow Commission Staff to work from home or remotely, to limit the transfer of the disease. During this period, Ms. Tatar and HMA have helped guide the Plan through the crisis. Additionally, the COVID-19 crisis has put a severe strain on the state budget that has impacted the Plan's finances. Ms. Tatar has been working with the Department of Health Care Services (DHCS) to mitigate the impact of any state action and has instituted a solvency action plan to preserve the financial stability of the Plan. Her and HMA's continued work with the Plan are critical during this crisis period.

The Commission and the Executive Finance Committee have conducted a careful and thorough search for a CEO to lead the organization. Concurrent with this search, the Commission and Executive Finance Committee have overseen Ms. Tatar and HMA's work. After careful consideration, the Executive Finance Committee, which served as the search committee for the CEO, unanimously recommends that Ms. Tatar remain as CEO.

The Executive Finance Committee and Commission values and respects the candidates it considered for CEO. However, HMA has been demonstrably successful in stabilizing the Plan and leading it through the first wave of the COVID-19 pandemic and the resulting economic downturn that California is experiencing. The Commission believes that it is in the best interest of GCHP for Ms. Tatar and HMA to proceed in its role.

The recommendation is to appoint Margaret Tatar of HMA as its CEO for a contract term of 18 months. Further, the Commission and Ms. Tatar will continue to utilize HMA resources to continue to stabilize and advance GCHP goals for this period. The other HMA resources are Eileen Moscaritolo and Ray Jankowski both of whom have extensive C-suite expertise in Operations, Finance, and IT. Both Ms. Moscaritolo and Jankowski are currently working on Plan matters and are familiar with the Plan's needs. As the Commission may recall, the C-Suite currently has several vacancies.

In light of the devastating effect the pandemic has had on the State's, Medi-Cal and the Plan's Budget, the HMA has agreed to maintain a significant **30%** decrease of HMA's services rates and has agreed to an 18 month cap of the fees for a not exceed a total amount of $1,528,300 for services and up to an additional $57,199 in travel costs which are not likely to be incurred due to COVID-19 related safety protocols. The rates for the involved personnel are as follows:

Margaret Tatar-Managing Principal		Eileen Moscaritolo-Principal		Ray Jankowski-Senior Fellow	
Standard Rate:	$465.00	Standard Rate:	$440.00	Standard Rate:	$465.00
New Rate:	$325.00	New Rate:	$310.00	New Rate:	$325.00

The above HMA personnel will serve subject to the following Performance Metrics:

1. Ms. Tartar will report to the Commission and the Commission shall review in closed session at the August meeting the work HMA has undertaken from November to July with a view to how that will govern the 18-month engagement as permanent CEO.
2. A Transition Plan will be presented and delivered.
3. **Expectations:**
    a. Position the Plan with DHCS as effectively as possible.
    b. Continue efforts to reform and advance the efficacy of the Chiefs' collaboration, leadership, and team-based work.
    c. Continue efforts to reform and advance the efficacy of the senior leaders in terms of collaboration, outcomes, communications skills, and data analysis.
    d. Establish the new HR leader as a partner to the Commission, the Chief Diversity Officer and the CEO to advance organizational development, leadership maturity, and outcomes.
    e. Collaborate with the Commission.
4. **Outcomes**:
    a. Hire a COO or Deputy as soon as possible to create a plan for succession.
    b. Develop and operationalize a health equity program and position for the Plan.
    c. Deliver an effective Strategic Planning Ensure that CAC meets regularly and reports regularly to the full Commission to fulfill its advisory obligations.
    d. Ensure that PAC meets regularly and reports regularly to the full Commission to fulfill its advisory obligations.
    e. Ensure that the Plan Chief Compliance Officer (interim) reports regularly to the full Commission regarding the Plan's compliance activities and fidelity to its obligations under the DHCS contract.

The services agreement with have a 30-day termination clause. In addition, every quarter the Commission and Executive Finance will review the work of the other HMA officials to determine if their services continue to be necessary.

FISCAL IMPACT:

The fiscal impact is undetermined at this time as it will vary depending on the amount of services provided by HMA. The Commission will be billed under the new adjusted rates listed above but shall not exceed a total amount of $1,585,499 for the duration of services through January 31, 2022.

RECOMMENDATION

Staff recommends the following:

1. To approve Amendment No. 3 extending the duration of HMA services and Margaret Tatar as CEO through January 31, 2022 based upon the Commission's determination that HMA and Margaret Tatar can provide management and CEO services during this period.