

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

2240 E. Gonzales, Suite 200, Oxnard, CA 93036  
**Monday, October 22, 2012**  
**6:00 p.m.**

**AGENDA**

**CALL TO ORDER / ROLL CALL**

**PUBLIC COMMENT / CORRESPONDENCE**

1. **APPROVE MINUTES**
  - a. Regular Meeting of June 25, 2012
  - b. Regular Meeting of September 24, 2012
  
2. **CEO MONTHLY REPORT**
  - a. Health Education - Group Needs Assessment (GNA) Findings
  
3. **ACCEPT AND FILE ITEMS**
  - a. August Financials
  
4. **CONSENT ITEMS**
  - a. Ratification of Contract with the Law Firm of Wilke-Fleury for Specialized Legal Services for Managed Care Contracting
  
5. **APPROVAL ITEMS**
  - a. Consideration of Adoption of Claims Procedure for Claims Against Gold Coast Health Plan and Adoption of Associated Resolution
  - b. Discussion of Bylaws and Meeting of the Executive / Finance Committee
  - c. Consideration and Adoption of 2013 Commission Meeting Schedule
  - d. Consideration of Adoption of Conflict of Interest Code and Adoption of Associated Resolution
  
6. **CONSIDERATION OF EMPLOYEE HEALTH BENEFIT COVERAGE AND PROVIDE DIRECTION**

Meeting Agenda available at <http://www.goldcoasthealthplan.org>

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ADMINISTRATIVE REPORTS RELATING TO THIS AGENDA AND MATERIALS RELATED TO AN AGENDA ITEM SUBMITTED TO THE COMMISSION AFTER DISTRIBUTION OF THE AGENDA PACKET ARE AVAILABLE FOR PUBLIC REVIEW DURING NORMAL BUSINESS HOURS AT THE OFFICE OF THE CLERK OF THE BOARD, 2220 E. GONZALES ROAD, SUITE 200, OXNARD, CA.

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT TRACI AT 805/981-5340. REASONABLE ADVANCE NOTIFICATION OF THE NEED FOR ACCOMMODATION PRIOR TO THE MEETING (48 HOURS ADVANCE NOTICE IS PREFERABLE) WILL ENABLE US TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING

Ventura County Medi-Cal Managed Care Commission (VCMMCC) dba  
Gold Coast Health Plan October 22, 2012 Commission Meeting Agenda (continued)  
PLACE: 2240 E. Gonzalez, Room 200, Oxnard, CA  
TIME: 6:00 p.m.

## 7. DISCUSSION OF CORRECTIVE ACTION PLAN

### COMMENTS FROM COMMISSIONERS

### ADJOURNMENT

Unless otherwise determined by the Commission, the next regular meeting of the Commission will be held on November 26, 2012 at 3:00 p.m. at 2240 E. Gonzales Road, Suite 200, Oxnard CA 93036

Meeting Agenda available at <http://www.goldcoasthealthplan.org>

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

**June 25, 2012**

*(Not official until approved)*

**CALL TO ORDER**

Chair Gonzalez called the meeting to order at 3:05 p.m. in Suite 200 at the Ventura County Public Health Building located at 2240 E. Gonzalez Road, Oxnard, CA 93036.

The Pledge of Allegiance was recited.

**ROLL CALL**

**COMMISSION MEMBERS IN ATTENDANCE**

**David Araujo, MD**, Ventura County Medical Center Family Medicine Residency Program

**Maylee Berry**, Medi-Cal Beneficiary Advocate

**Anil Chawla, MD**, Clinicas del Camino Real, Inc. (Arrived 3:08 p.m.)

**Lanyard Dial, MD**, Ventura County Medical Association

**Laurie Eberst, RN**, Private Hospitals / Healthcare System

**John Fankhauser, MD**, Ventura County Medical Center Executive Committee

(Arrived 4:10 p.m.)

**Robert Gonzalez, MD**, Ventura County Health Care Agency

**David Glycer**, Private Hospitals / Healthcare System

**Roberto S. Juarez**, Clinicas del Camino Real, Inc.

**Kathy Long**, Ventura County Board of Supervisors

**Catherine Rodriguez**, Ventura County Medical Health System

**STAFF IN ATTENDANCE**

**Cassie Undlin**, Interim CEO

**Nancy Kierstyn Schreiner**, Legal Counsel

**Sonia DeMarta**, Interim CFO

**Traci R. McGinley**, Clerk of the Board

**Paula Cabral**, Administrative Assistant

**OTHER STAFF IN ATTENDANCE**

**Charlie Cho, MD**, Chief Medical Officer

**Guillermo Gonzalez**, Government Affairs and Communications Director

**Steve Lalich**, Communications Manager

**PUBLIC COMMENT / CORRESPONDENCE**

Kimberly Bridges, Centers for Family Health at Community Memorial Hospital. Ms. Bridges stated that Centers for Family Health is concerned about the proposed change to the Auto Assignment Policy. Family Health currently meets the criteria of a

Traditional Provider, they have 11 centers county-wide and over 40% of their payer mix is Medi-Cal, 62 Providers and 17 Specialty Providers that all provide care to Medi-Cal patients. If the Auto Assignment Policy changes to exclude Traditional Providers, it will seriously hurt their organization and the way they deliver care or it could make it non-existent. She stated that due to the short notice of the meeting, they were unable to reach key providers who would like to address the Commission, including the Vice-President of Planning and the Medical Director. She urged the Commission not to make any policy changes until they have a chance to be better represented.

**1. APPROVAL OF MINUTES**

None to approve at this time.

**2. APPOINTMENT OF DR. CHAWLA TO THE FINANCE AND EXECUTIVE COMMITTEE**

Interim CEO Undlin read the following section from the Bylaws:

Article IV: Standing Committees

- (a) Executive / Finance Committee
  - ii. Membership

“If the private hospital / healthcare system representative, the Ventura County Medical Center Health System representative and / or the Clinicas Del Camino Real representative are also the Chairperson and / or Vice-Chairperson of the governing board, then, the other Commissioner who is a representative of the same constituency or organization as the Commissioner serving as Chairperson or Vice-Chairperson shall be appointed to the Executive / Finance Committee to fill that reserved seat. For example, if the Ventura County Medical Center Health System representative and the Clinicas Del Camino Real representative are also the Chairperson and Vice-Chairperson, respectively, of the governing board, then, the other Ventura County Medical Center Health System representative and the physician representative nominated by Clinicas Del Camino Real shall be appointed to fill the respective designated seat on the Executive / Finance Committee.”

Commissioner Long moved to appoint Dr. Chawla to the Executive Finance Committee. Commission Berry seconded. The motion carried. **Approved 10-0.**

**3. ACCEPT AND FILE CEO REPORT**

Interim CEO Undlin had Communications Director Steve Lalich provide a demonstration of the new GCHP website which launched on June 18<sup>th</sup>. Director Lalich explained that the site is fully mirrored in Spanish and that Coffey Communications will host the website. The new site allows members to search for physicians by location and has mapping capability. Director Lalich explained that the website was shown to the Consumer Advisory Committee on June 6<sup>th</sup>; they were quite pleased and assisted in choosing photos for the site.

Director Lalich added that moving forward the Plan will be reviewing the site with staff from VCMC Clinicas and CMH for input to enhance the site. Director Lalich also discussed a Member E-newsletter (an electronic newsletter); in English and Spanish; that will be available upon request to pregnant women up to 43 weeks and New Parent to age 3.

Chair Gonzalez asked for confirmation that a certified translator was used and Commissioner Juarez asked if it was at a sixth grade level; Director Lalich confirmed both. Director Lalich added that not all sections of the site were up, but would be within the next few weeks.

Interim CEO Undlin continued her report, stating that the Care Management System went live today with the claims system which had been in process for some time. The Milliman reporting package has been implemented, some early reports were run but staff is still in the process of testing and validating numbers. Examples were taken to the Executive Finance Committee at the last meeting. When this is functioning properly it will allow the Plan to focus on the provision and utilization of services and to better understand the health of our population.

Interim CEO Undlin stated that Tatum Consulting had completed an IT and Health Services Assessment over the last month to assist in improving the processes on the IT side to show where the Plan needs to be implementing better procedures and controls of technology, how it is used and how all that ties into the reporting package.

The Plan continues to be under the State Corrective Action Plan, to a much lesser degree, but they will still be evaluating the claims and the cost of our claims. They are still evaluating the financial condition of the organization.

We received the results from a Member Rights Review done in early March; the State came in and evaluated those processes. We had five findings in the Grievances and Appeals area, three in Prior Authorization and one in the Interpretation Services. The goal is to help the Plan perform better and focus our resources better. We will be taking this report to the Compliance Committee.

The County has given the Plan access to an additional 1,600 square feet of office space very close to our office which will extend our time in the building until after the first of the year, allowing us more time to find a new location.

Responsibility for community outreach has been moved to Guillermo Gonzalez, Government Affairs and Communication Director. Director Gonzalez has put together a plan, with the assistance of Steve Lalich and Erika Reyes and wants to involve the Community Advisory Council.

Interim CEO Undlin stated that she had been on calls with DHCS and COHS Association. The newest change to the Healthy Families Program is that the State is

allowing Kaiser to participate at a level that is different than what was projected. Kaiser will keep their Healthy Families kids that are currently signed up with them. Nothing is solid yet, however, this is not a position neither the Plan nor the Commissioners wanted to see.

Government Affairs Director Gonzalez addressed the Commission and explained that this is tentative. Currently there are approximately 20,000 individuals with Healthy Families in the County of Ventura and 9,000 are with a commercial plan. Kaiser is the big issue right now and they have entered into negotiations with the State to keep the 3,000 they currently have. They would presumably directly contract with the State for those kids. The 11,000 with the County of Ventura will roll over to the Gold Coast Health Plan over a phased in period.

Interim CEO Undlin stated that the final outcome has implications to the type of organization Gold Coast is. If Kaiser gets a direct contract with the State, the other commercial plans would most likely be right behind. The COHS are fighting this, but it may be too late so we are trying to figure out the best approach.

Government Affairs Director Gonzalez added that it directly undermines the mission of the COHS to be responsible for all Medi-Cal lives. If they are proposing to put Healthy Families kids under Medi-Cal and if Kaiser is allowed to contract directly with the State then that directly undermines GCHP's mission.

Commissioner Juarez pointed out that all 22,000 lives should roll over to GCHP immediately then go through the allocation process.

Interim CEO Undlin suggested that the FQHC's should weigh in. Commissioner Juarez agreed and suggested that the Commission take a position as well.

Chair Gonzalez stated that he believed this was attached to a bill or a rider. Government Affairs Director Gonzalez responded indicating that there is trailer bill language that will be issued in the next 48 hours that will dictate how this plan will be executed.

Chair Gonzalez asked who will present this to the legislature. Government Affairs Director Gonzalez responded that the subcommittee on health and the budget committee will approve the trailer bill language believes it will be prudent to take a position on it with the other COHS plans.

Legal Counsel Kierstyn Schreiner explained that the CEO had authority and could notify the State. Government Affairs Director Gonzalez noted that this action was still subject to CMS approval.

Interim CEO Undlin added that the MCO tax sunsets at the end of this month. Chair Gonzalez noted that the Plan has been putting out over \$2 million quarterly.

Interim CEO Undlin reported that there has been an increase in claims inventory rate over the prior month. ACS was short-staffed. The claims backlog is down to 12 days (from 14) and GCHP and ACS are working on lowering this number.

Commissioner Eberst expressed concern regarding the backlog issue as St. Johns was dealing with claims that were more than two months old at this time. After discussion Interim CEO Undlin explained that if a claim has been denied, it is not in the backlog.

After further discussion, Interim CEO Undlin explained that IBNR calculation is dependent on maintaining a consistent pattern in claims payment and inventory. Due to the start-up nature of the organization, it has been difficult to maintain consistent patterns and the ability to accurately estimate IBNR is difficult.

Judy Heilman, Tatum Consultant, responded that the issue is most likely in the pended claims and that they can be pended for a variety of reasons: system issues, policy, retro activity, etc. and there are some that are two months old.

Chair Gonzalez stated that he would like the Executive Finance Committee to review the pended claims, types, numbers and actions.

#### **4. ACCEPT AND FILE FINANCIAL REPORT**

Interim CFO DeMarta reviewed the May financial report. Membership declined by approximately 200 members, year-to-date member months is 1.1 million; revenue for the month increased slightly and we continue to run ahead of budget by \$25 million, pmpm revenue is \$240. Healthcare claims costs increased and the Plan made a determination this month to increase reserve for IBNR by \$3 million based upon a recommendation from Milliman IBNR for May and June will be reviewed again at year-end to ensure its adequacy.

Administrative expenses increased due primarily to four new hires and interest expense (due to increase in delayed claims). Net income for the month is a loss \$690,000, year-to-date is still showing net income \$9.1 million (\$7.92 pmpm). The TNE requirement for the month is \$3.1 million, running ahead at \$4.7 million (or 30% of requirement). Interim CFO DeMarta indicated that beginning July 1<sup>st</sup> (month 12); the reserve requirement will be increased to 36%.

Interim CFO DeMarta reviewed graphic displays of operating results showing membership. Retro membership is trending pretty flat from April to May. Pharmacy encounter costs continue to be positive to budget; ratio of generic to brand is quite significant and has been the biggest impact. The highest dollar spent is in brand, but the number of prescriptions is highest in generics. Our healthcare costs are running at approximately 89-90%. The biggest expenditures are in-patient hospital costs. It is believed that now that the Milliman reporting tool is operational, it will allow staff to focus on where the issues are. Administrative expenses make up 6% of total revenues.

The Commissioners noted that there was a large IBNR increase in February and another one in May. Interim CFO DeMarta responded IBNR will be an estimate until numbers can be refined and the overpayments can be rectified.

Commissioners questioned the large expense under in-patient services. Interim CFO DeMarta responded that staff believes it is due to LTC services, but is also reviewing average lengths of stay. The Commission requested hearing back on the matter.

Commissioner Glycer moved to approve and file the Financial Report. Commissioner Chawla seconded. The motion carried. **Approved 11-0.**

## **5. EXECUTIVE FINANCE REPORT**

### **a. Auto Assignment Policy.**

The policy was reviewed at the Executive Finance Meeting.

Interim CEO Undlin reported that in July all three primary care groups (VCMC, Clinicas and CMH) had a couple of PCP's that were double assigned, after that time they were no longer double assigned.

Interim CEO Undlin stated that as part of the review she looked at how many physicians are in the county and how many members they have. A report was handed out. Issue 1: Physicians were double assigned, but this occurred for all three groups in the month of July only. Issue 2: The issue was raised about losing prior patients. It appeared that all groups "lost enrollment" and so it appears that is because patients were going to multiple health systems. With the implementation of the managed care COHS model, all members were assigned to only one of the primary care groups. This resulted in numbers lower than expected for all of the primary care groups. Another reason is that "administrative" members are not assigned; they are kept at the Plan level. Interim CEO Undlin stated that therefore, it did not indicate to her that there had been a loss of enrollment.

The other two issues are: Issue 3: the ratio between Safety-Net Providers and Traditional Providers and the Issue 4: assignment to Residents.

Chair Gonzalez stated that the Committee divided what happened in the past versus going forward. We felt there should be additional analysis done on the prior period. There were questions about how many physicians showed in specific areas in the county under certain systems. After the first couple of months it seemed to stabilize.

It was noted that staff was directed to do additional analysis on the prior periods. There were questions about how many physicians showed in specific areas in the county under certain systems.



Chair Gonzalez continued, stating that the Committee then looked at that point going forward and discussed the complexity of Auto Assignment. That leaves us with the issue of the 3:1 ratio versus another decision.

Chair Gonzalez closed his report by stating that Interim CEO Undlin would like the Commission to make a decision so she can implement a process, the State would be notified and the Plan would become compliant with those rules. Interim CEO Undlin indicated that for the month of May it was about 150 members that would go to Safety-Net. The system currently in place does not allow for a 3:1 ratio.

Commissioner Araujo asked if the State had a definition of "Safety-Net" and "Traditional" Providers. Interim CEO Undlin responded that the definition of Safety-Net is clear, Traditional are ones that see a significant portion of Medi-Cal; however, they didn't indicate what that portion is.

Commissioner Glycer stated that the current structure yields almost a 9:1 ratio to Safety-Net and it didn't seem appropriate to cut out traditional Medi-Cal providers who have been providing services to Medi-Cal beneficiaries for years.

Commissioner Dial asked how many in the month of May needed to be auto-assigned.

Interim CEO Undlin stated 90% of Auto-Assignment is going to Safety-Net Providers. Interim CEO Undlin also indicated that 1,200 per month need to be auto assigned and of those 200 would go to Traditional Providers.

Chair Gonzalez noted that the number each particular month may be low; however there are times, such as when Healthy Families patients move over, there may be large numbers.

Commissioner Juarez stressed that this was approved by the Commission to go into effect July 1, 2011, and was intended for the Safety-Net providers to be protected. The question is what would it have looked like on July 1<sup>st</sup> to the Safety-Net providers had it been done the way it was approved.

Commissioner Juarez stated that the Safety-Net protection was put in place to protect the Safety-Net system. The inability of GCHP is not the fault of the Safety-Net Providers. The second issue relates to the unassigned Administrative Members. The Commissioner felt that these members, approximately 40% of total GCHP membership, are not "in managed care" even though they help GCHP establish their TNE and establish their reserves at the expense of the Providers.

Interim CEO Undlin explained that it will cost money to redesign the system because the current algorithm cannot do the ratio.

Chair Gonzalez stated that the Plan needs into get into compliance for 3:1 ratio. It needs to be automated and will be discussed at the next Executive Finance Committee

Meeting. Commissioner Long agreed that the issues need to be resolved, the time, cost and labor.

**b. Budget Review Committee.** Interim CEO Undlin reported to the Commission that the Committee requested a couple of representatives to assist with our annual budget. Commissioners Rodriguez and Glycer agreed to assist. Commissioner Juarez would like to work on the HR salary portion of budget.

**c. Time of Executive Finance Committee.** Discussion was held, the recently changed time of the meeting did not accommodate the new Legal Counsel. The next meeting will remain at 1:30 p.m. on July 19<sup>th</sup>, but Interim CEO Undlin will work on finding a time during the third week of the month.

Legal Counsel Kierstyn Schreiner indicated that there may be a need for a bylaw amendment to allow the Executive Committee to adopt its own Meeting schedule.

## **6. DISCUSSION OF AGENCY GOVERNANCE AND MANAGEMENT, COMMITTEE STRUCTURE, YEARLY AGENDA, STRATEGIC PLANNING**

Review of organization charts and various committees, including an Audit and a Compliance Committee.

Legal Counsel Kierstyn Schreiner explained that traditionally, as a public entity, Boards and Commissions make the policy decisions, oversee the financials of the agency and any other items specifically set forth in the ordinance that created the Commission and its bylaws and that Commissions then leave the daily Plan operations to the CEO and upper management. Due to the events of this last year there has been more involvement by Commission and committees. The Commission may wish to continue in that manner or delegate specific oversight to committees and have liaisons from the Commission. When there are reports back to the Commission and the liaisons can enhance those reports. The Commission may delegate specific items to the CEO or send those to specific committees. The Commission may also create ad hoc committees. The general rule of thumb regarding ad hoc committees is that if one is convened and it lasts longer than one year then it becomes a standing committee and becomes subject to The Brown Act. Typically if a committee is specifically created by the Commission, it is a Brown Act Committee.

Interim CEO Undlin explained that she was proposing a structure that would provide more knowledge of what was happening in the Plan without the Commission managing the Plan.

Interim CEO Undlin reviewed the Commission Committees as provided in the packet: the **Executive Finance Committee, Physician Advisory Council**, (Provider Advisory Committee) and the **Consumer Advisory Council (Consumer Advisory Committee)**. Interim CEO Undlin stated that she would like to see Maylee Berry on the Committee

representing the Commission, it will be led by Guillermo's group and involve Member Services Group as well.

Chair Gonzalez noted that in looking at the makeup of the committee it appears to be more of a consumer advocacy group; he felt there should be a member advisory group to allow members a voice on how the Plan is meeting their needs.

Interim CEO Undlin continued stating that there are currently two ad hoc committees: the "Auto Assignment Committee" and the "Special Committee" which has been handling the interviewing and the special items that have been going on at the Plan.

Interim CEO Undlin continued stating that she is proposing getting the **Compliance Committee** up and going, which is a Plan committee. The Plan will take the Members Rights report, the Corrective Action Plan and The Code of Conduct.

**Compensation Committee**, staff will do the work on setting the salary ranges. GCHP will be moving from RGS to its own staffing in January next year. The Plan will be meeting and putting together compensation and HR policies.

**Quality Improvement Committee**, there are Committee members of the Board involved in how we do quality this will provide for the way the Plan does business.

**Audit Committee** will engage the Auditors and work with them to ensure that the Plan's financial reports accurately state the financial position of the Plan.

Interim CEO Undlin reviewed her handout regarding the "Annual Commission Agenda" Meeting and the timelines of when items come before the Commission.

### **ADJOURN TO CLOSED SESSION**

The Commission adjourned to Closed Session at 4:50 p.m.

#### **7. CLOSED SESSION**

##### **A. Public Employment pursuant to Government Code Section 54957**

Title: Permanent Chief Executive Officer & Chief Financial Officer.  
Continuation of CEO interview and further discussion.

##### **B. Conference with Labor Negotiator pursuant to Government Code Section 54957.6**

Agency designated representative: Nordman Cormany Hair & Compton LLP,  
Nancy Kierstyn Schreiner. Unrepresented employees: permanent CEO and CFO

##### **C. Conference with Legal Counsel - Anticipated Litigation pursuant to Government Code Section 54956.9 - (6 cases)**

## **RETURN TO OPEN SESSION**

The Regular Meeting reconvened at 7:14 p.m. Legal Counsel Kierstyn Schreiner noted there were no announcements from Closed Sessions.

## **ADJOURNMENT**

The meeting adjourned at 7:14 p.m.

**Ventura County Medi-Cal Managed Care Commission  
(VCMACC) dba Gold Coast Health Plan (GCHP)  
Commission Meeting Minutes  
September 24, 2012  
(Not official until approved)**

**CALL TO ORDER**

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

The Pledge of Allegiance was recited.

**ROLL CALL**

**COMMISSION MEMBERS IN ATTENDANCE**

**David Araujo, MD**, Ventura County Medical Center Family Medicine Residency Program  
**Maylee Berry**, Medi-Cal Beneficiary Advocate  
**Anil Chawla, MD**, Clinicas del Camino Real, Inc.  
**Lanyard Dial, MD**, Ventura County Medical Association  
**Laurie Eberst, RN**, Private Hospitals / Healthcare System  
**John Fankhauser, MD**, Ventura County Medical Center Executive Committee  
**David Glycer**, Private Hospitals / Healthcare System  
**Robert Gonzalez, MD**, Ventura County Health Care Agency  
**Roberto S. Juarez**, Clinicas del Camino Real, Inc. (arrived at 3:15 p.m.)  
**Kathy Long**, Ventura County Board of Supervisors  
**Catherine Rodriguez**, Ventura County Medical Health System

**STAFF IN ATTENDANCE**

**Michael Engelhard**, CEO  
**Sonia DeMarta**, Interim CFO  
**Nancy Kierstyn Schreiner**, Legal Counsel  
**Guillermo Gonzalez**, Government Affairs Director  
**Steve Lalich**, Communications Manager  
**Traci R. McGinley**, Clerk of the Board  
**Cassie Undlin**, Interim COO

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

**PUBLIC COMMENT / CORRESPONDENCE**

None.

## 1. APPROVAL OF MINUTES

### a. Commission Meeting of August 27, 2012

The Clerk noted that the minutes needed to properly reflect the attendance of **Guillermo Gonzalez**, Government Affairs Director.

Commissioners noted that any member having public concerns were directed to Guillermo Gonzalez.

Agenda Item #1 was amended to read as follows:

## 1. APPROVE MINUTES

- a. Regular Meeting of June 25, 2012
- b. Regular Meeting of July 23, 2012

The June 25, 2012 minutes were pulled. Discussion was held as to how minutes are handled, why they were pulled and who has the right to pull them.

Commissioner Dial moved to approve the July 23, 2012 minutes. Commissioner Araujo seconded the motion. The motion carried. **Approved 8-0.**

Commissioner Dial moved to approve the Minutes as corrected. Commissioner Long seconded. The motion carried. **Approved 11-0.**

Further discussion was held as to how the minutes are handled, why the June minutes were not presented to the Commission and the importance of clear and concise minutes. CEO Engelhard stressed that the June minutes would be presented to the Commission at the next Commission meeting.

## 2. ACCEPT AND CEO MANAGEMENT UPDATE

CEO Engelhard reviewed his written CEO Report which was presented at the meeting.

Discussion was held regarding the Call Center Metrics, concern was raised regarding the abandoned Spanish and Provider calls. Interim COO Undlin explained that there is a concern with the high Spanish abandoned calls and reasons for this are being reviewed.

It was noted that under **Health Education**: A total of 1,362 surveys were returned, providing a 1.3% response rate, should be 13%.

## 3. ACCEPT AND FILE FINANCIAL REPORT

### a. July Unaudited Financials

Interim CFO DeMarta reviewed the July Financials as submitted.

Concern was raised regarding the drop in member months from May to June, it was explained that approximately 4,500 is due to the Plan no longer receiving retroactive membership effective July 1, 2012. There was also the impact of unwinding of previous estimates so the Plan might see minor increases in future months.

**b. FY10-11 Audit Results**

Interim CFO DeMarta reviewed the Audit Results.

Commissioner Dial moved to accept and file the Fiscal Year 2010-11 Audit Results. Commissioner Long seconded. The motion carried. **Approved 11-0.**

**4. CONSIDERATION OF ELIMINATION OF HIRING FREEZE**

Interim CFO DeMarta noted that there was question regarding the RGS benefit load was 43% as they charged GCHP for full usage of all potential sick time, holidays, admin, jury duty, bereavement leave, etc. GCHP does not reserve for those days and if an employee leaves they do not qualify for the payout of non-vacation accruals. The Plan is more around a 31-35% benefit load, which is similar to other organizations. The Plan is considering amending vacation days for managers and below to 10 days, directors and above would remain at 15 days. Certain milestones for employees could increase their vacation. Sick, holiday, admin and jury and bereavement would remain the same. Retirement would remain the same at 10% with Stars and the Plan does not participate in Social Security at 6.2%. Medical, Dental and Vision are recommended to remain intact as they assist in recruiting much-needed staff. The Plan indicated that it is working with an insurance broker and the benefits are being marketed to various health benefits carriers to see if additional cost savings are achievable.

CEO noted that bereavement should be 3 days, not 1. Also there are no "comp" days, only admin days for managers and directors. RGS was looking at the highest potential use of benefits. The Plan currently uses many consultants which also inflates the currently estimated 31-35% load rate.

There was discussion regarding health insurance coverage. Legal Counsel Kierstyn Schreiner noted that the employment contracts noted a specific amount of dollars provided.

CEO Engelhard requested that once the full benefit review was completed it would go before the Human Resources Compensation Committee.

Commissioner Juarez moved the benefit package for employees hired after September 24, 2012 would be: Vacation for managers and below 10 days, directors and above 15 days, Sick days 10, Holidays 10, Admin Days 2, Jury Duty 1, Bereavement 3 and Retirement at 6.2%; and lift the moratorium on hiring. Commissioner Eberst seconded. The motion carried. **Approved 11-0.**

Commissioner Chawla moved to maintain the same level cap per month for Medical, Dental and Vision coverage and defer the item to the next meeting. Commissioner Eberst seconded. The motion carried. **Approved 11-0.**

## **5. CONTRACT REVIEW**

CEO Engelhard request for additional funds for Tatum consultants, as the agency continues to have key vacancies within the organization, and it is necessary to have this work done without delay, specifically negotiations with providers and substantial deliverables with the State in order to maintain and get back into compliance with the State DHCS contract.

Specifically, the Plan requested to extend the contract for Cassie Undlin, currently extended thru October 31, at current rate through November 30<sup>th</sup> at current rate and attempt to reduce that rate contingent on need to stay through November should a full-time COO be hired prior to that date.

CEO Engelhard continued stating that there is also a Senior Level IT Consultant currently working for Gold Coast on an hourly basis. Currently the Plan does not have senior level IT expertise and that the consultant has stepped up and done a great job. The consultant is currently being paid on an hourly basis and due to the amount of work being performed, it would be better to put her on a monthly retainer through the end of October and review her status for November. There remains a significant amount of work to meet state contract compliance which would be jeopardized if we would try to make a change right now as well as potentially impacting work on other provider contracts work that requires programming and work with ACS.

Commission Member Juarez asked if there were current recruitment efforts for those two positions. CEO Engelhard responded that there were 4 to 5 resumes in-house for the COO position and were being evaluated. Also, the Plan had retained a search firm for Director of IS and a reporting analyst for IS area.

Further discussion was held regarding recruitments and open positions.

Discussion was held regarding the item as taken forward to the Executive Finance Committee and the Committee's recommendation to the Commission.

Commissioner Glycer moved to approve the extension of the Tatum contract. Commissioner Fankhauser seconded. The motion carried. **Approved 10-0**, with Commissioner Juarez abstaining.

Commissioner Fankhauser raised concern that a Member of the Executive Finance Committee Member was abstaining. Commissioner Juarez responded that he had not been at the Meeting and that was the reason for his abstention.



## **6. UPDATE ON RGS CONVERSATION**

Interim CFO DeMarta stated that Friday GCHP generated its first paychecks as an independent and with a few exceptions everyone got paid and what they expected to get paid. The Plan has transitioned dental, vision, life, short and long term disability to retain the same providers. The Plan is currently under CalPERS for health benefits, as it was under RGS previously. The Plan was unable to convert to CalPERS which resulted in the Plan utilizing them with COBRA until it can contract for its own benefits package. The Plan is evaluating alternatives and that may take a month or two. We did have to add Workers Compensation Insurance and PPO Employee Fraud Insurance.

The Commission asked if there was any further relationship with RGS. Legal Counsel Kierstyn Schreiner responded that there may be liability issues.

Interim CFO DeMarta stated that the Plan had not yet received the last statement from RGS.

## **7. ADOPT 2013 MEETING SCHEDULE**

Discussion was held regarding the Executive Finance Committee setting its own Meeting Schedule and the possibility of having a month "dark" in the summer as well as December.

Commissioner Long moved to continue the item to the regular meeting in October. Commissioner Eberst seconded. The motion carried. **Approved 11-0.**

## **8. CONFLICT OF INTEREST BIENNIAL REVIEW**

Legal Counsel Kierstyn Schreiner reported that this item would need to be brought back before the Commission in November.

Commissioner Araujo moved to have the Conflict of Interest Code reviewed and the proposed amendments brought back before the Commission at the November meeting. Commissioner Long seconded. The motion carried. **Approved 11-0.**

## **COMMENTS FROM COMMISSIONERS**

Commissioner Dial welcomed CEO Engelhard to the Plan.

Other Commissioners welcomed the new CEO as well.

Commissioner Berry reported that she attended the Outreach Committee Meeting where they have added new Members; the other was the Consumer Outreach Meeting which was very lively.

Commissioner Long thanked the staff for all of the hard work that has been done to keep the Plan moving forward.

**ADJOURNMENT**

The meeting adjourned at 4:37 p.m.

## **Chief Executive's Monthly Report to Commission October 22, 2012**

### **GENERAL CEO COMMENTS**

#### **Staffing**

Interviews for key executive and senior staff positions continue. These positions include COO, CFO, Director of IT, Director of HR, and Director of Health Services.

#### **State Government Advocacy Services**

Gold Coast entered into a contract with Edelstein, Gilbert, Robson and Smith LLC ("Edelstein Gilbert") for the provision of government advocacy advice and service. Gold Coast issued a Request for Quotes to five firms and only Edelstein Gilbert responded. This firm currently represents 4 other County Organized Health System plans in Sacramento and knows Medi-Cal health care, and COHS issues with a great degree of expertise.

#### **New Specialty Services Contract**

On October 15, 2012, GCHP implemented a new contract with Clinicas Del Camino Real (CDCR) to expand the existing primary care contract to now include for the provision of specialty physician services. The contract will be paid on capitated basis.

#### **Plan-to-Plan Contract Template Submission to DHCS**

Gold Coast Health Plan submitted a "Plan-to-Plan" contract template to DHCS on Friday, October 12, 2012. This contract template will form the basis for a fully-capitated, delegated contract with America's Health Plan (AHP), contingent upon AHP receiving a Knox-Keene license from the California Department of Managed Health Care.

### **GOVERNMENT AFFAIRS AND COMMUNITY RELATIONS UPDATE**

#### **Affordable Care Act-Primary Care Provider Rate Increase**

On October 9<sup>th</sup> GCHP participated in a conference call hosted by the Association of Community Affiliated Plans (CAHP). The purpose of this call was to discuss Plan concerns and approaches related to implementation of the provider rate increases as mandated by the federal Affordable Care Act of 2010 (ACA). States, including California, are waiting for federal guidance and regulations on how to implement the PCP rate increase.

Beginning in January 1, 2013 through December 31, 2014, the ACA mandates increased payments for some Medicaid PCPs. Under the ACA, managed care plans must reimburse certain PCPs at rates no less than Medicare rates in calendar years 2013 and 2014. Providers eligible for the increase include physicians with a specialty designation in the following categories:

- family medicine
- general internal medicine

- pediatric medicine
- all sub-specialists recognized by the American Board of Medical Specialties within these three specialty designations

### **FQHC and RHCs**

Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) are not included or eligible for the PCP rate increase payments.

### **Status of State Implementation**

The implementation status of the PCP rate increase is unclear. Final federal regulations are pending and DHCS is currently evaluating the operating challenges with implementing the ACA rate increase. The state Department of Health Care Services (DHCS) indicates that it intends to fully fund plan costs for the PCP increases but has not determined a methodology for doing so. DHCS has pointed out that it does not expect plans to front the cost of the increase to providers.

While the ACA established January 1, 2013 as the implementation date for the PCP rate increase, given the lack of Federal rules as of today, it is unclear when the rule will be put into effect.

### **State Legislative Hearings on Medi-Cal Expansion**

The State Legislature will hold two hearings in October related to the state's effort to expand the Medi-Cal program.

On October 16<sup>th</sup> the Senate Budget and Health Committees will hold a hearing on the transition of the Healthy Families Program to Medi-Cal. This hearing will focus on the transition plan released by the state Health and Human Services Agency and its impact on families, providers, and plans. Phase one of the transition is scheduled to begin on January 1, 2013.

On October 25<sup>th</sup> the Assembly Health Committee will hold a second hearing to discuss the state's Managed Care Initiatives. This hearing will focus on the enrollment of seniors and persons with disabilities (SPDs) into mandatory managed care. Specifically, DHCS plans to establish standards, performance and achievement measures as well as access and quality of care issues.

### **Meetings**

GCHP's CEO and Director of Government Affairs met with Ventura County Supervisors Linda Parks and John Zaragoza to update them on issues concerning Medi-Cal and GCHP. Issues discussed included:

- The October 1<sup>st</sup> Community Based Adult Services Program transition & implementation
- Healthy Families Program transition to Medi-Cal
- GCHP operations and GCHP's first annual Community Resource Fair scheduled to take place Sunday, October 21<sup>st</sup> from 10:00 a.m. to 3:00 p.m. at Del Sol Park in Oxnard.

### **California Association of Health Plans (CAHP) Conference**

The annual CAHP conference was held Monday, October 15 through October 17<sup>th</sup> in Huntington Beach, California. GCHP's senior management staff attended key meetings that covered a wide range of issues concerning Medi-Cal managed care and GCHP. These issues included:

- Community Based Adult Services Transition
- Medi-Cal Managed Care Rates
- State Programs Updates
- Models of Care
- Telehealth
- Long Term Supports: Measuring Quality of Care
- California Health Benefits Exchange

### **Outreach**

#### **GCHP Community Resource Fair**

On Sunday, October 21, 2012 GCHP will host its first annual Community Resource Fair at Del Sol Park in Oxnard. GCHP has confirmed the participation of Ventura County's major health care providers including: VCMC, Clinicas del Camino Real, Community Memorial Hospital, St. John's Hospital and many other providers from throughout the community. Free health screenings and health care resource information will be provided to attendees.

#### **Other Outreach Activities**

The following is a summary of GCHP's outreach activities during the month of October:

- Saticoy - October 3<sup>rd</sup>: Saticoy Food Pantry Informational Workshop on Medi-Cal and GCHP
- Oxnard - October 4<sup>th</sup>: Bi-national Health Week Program Participant
- Ventura - October 13<sup>th</sup>: Bi-national Health Week Health Fair- Informational Booth
- Oxnard - October 21<sup>st</sup>: GCHP Community Resource Fair- Del Sol Park
- Oxnard - October 28<sup>th</sup>: Sai-Babba Health Fair- Informational Booth

### **Communications Overview**

#### **Resource Event**

Media Planning was concluded for the Community Resource Fair on October 21, 2012.

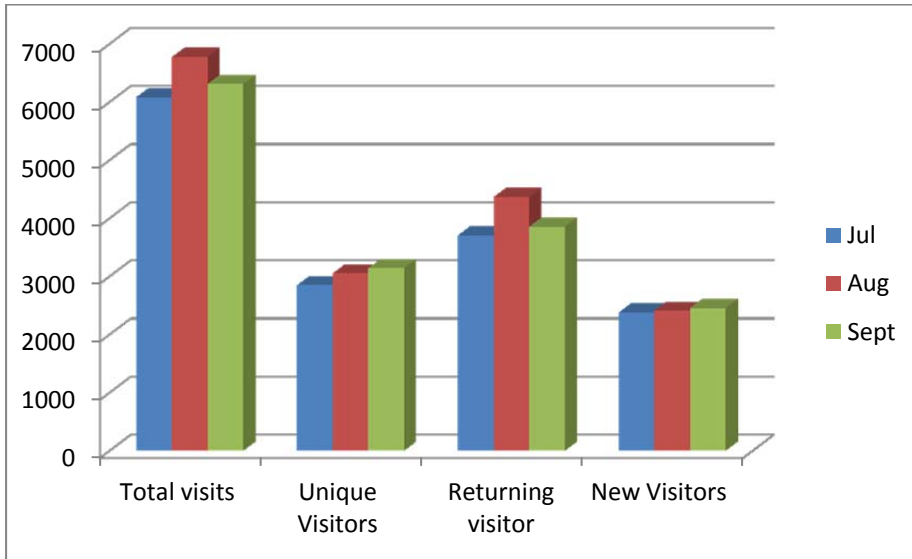
The following media purchase was made for the upcoming GCHP Community Resource Fair. Spots are being produce and will run October 18<sup>th</sup> – October 21<sup>st</sup>.

<b>Station</b>	<b>Spots</b>	<b>Total \$</b>
<b>KLJR-FM</b>	30	800.00
<b>KUNX-AM</b>	30	500.00
<b>KLMA-FM</b>	30	1,050.00
<b>KVTA-AM</b>	30	800.00
<b>Summary</b>	120	3,150.00

We also are placing an ad (see attached) in the weekly Spanish publication **Vida** that will run on Thursday, October 18<sup>th</sup>. Cost is \$750.00. Total media buy was **\$3,900.00**.

**Website**

Analytics for the month of September



**External Communications**

A press release was created and a provider relations memorandum was sent to specialty providers affected by the Clinicas specialty contract.

**QI**

QI Committee had its first meeting in which two Commissioners attended: Dr. Fankhauser and Laurie Eberst.

**HEALTH SERVICES**

Interviews were conducted to fill the position of Manager, UM. A decision is pending at this time. One Clinical Operations Assistant (COA) was terminated due to attendance issues and one COA who has been out on medical leave will be returning on October 21<sup>st</sup>. With the finalization of the transportation contract, one additional COA will be available to support the nursing staff.

### **CBAS Update**

22 new requests for CBAS services have been received. Face to face assessments are being scheduled. All State deliverables have been submitted. Two policies are pending approval by DHCS.

### **KWIK Interface to ICMS**

The configuration work for the KWIK-ICMS interface is completed. This interface will enable the nurses to access medical records without having to log into multiple systems.

### **ICES (Claim Editing Software)**

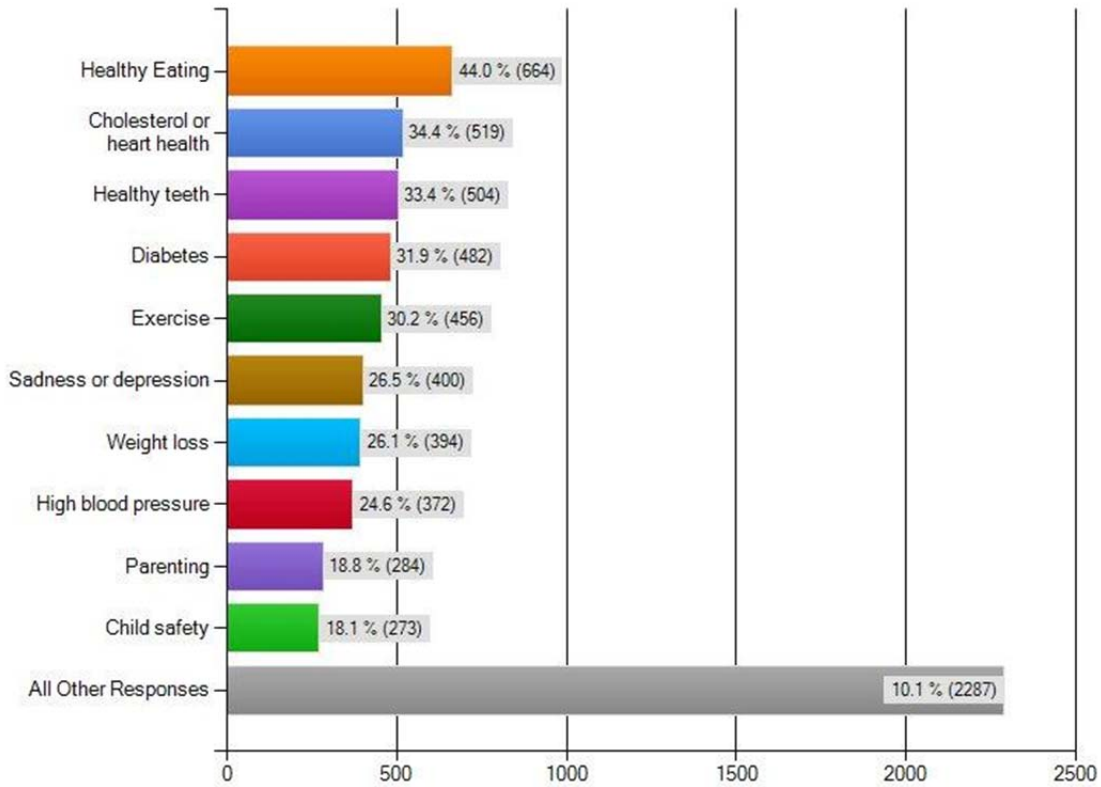
The ICES implementation is on track. Rules training was completed the first week in October. The implementation date is scheduled for January 2013.

### **HEALTH EDUCATION**

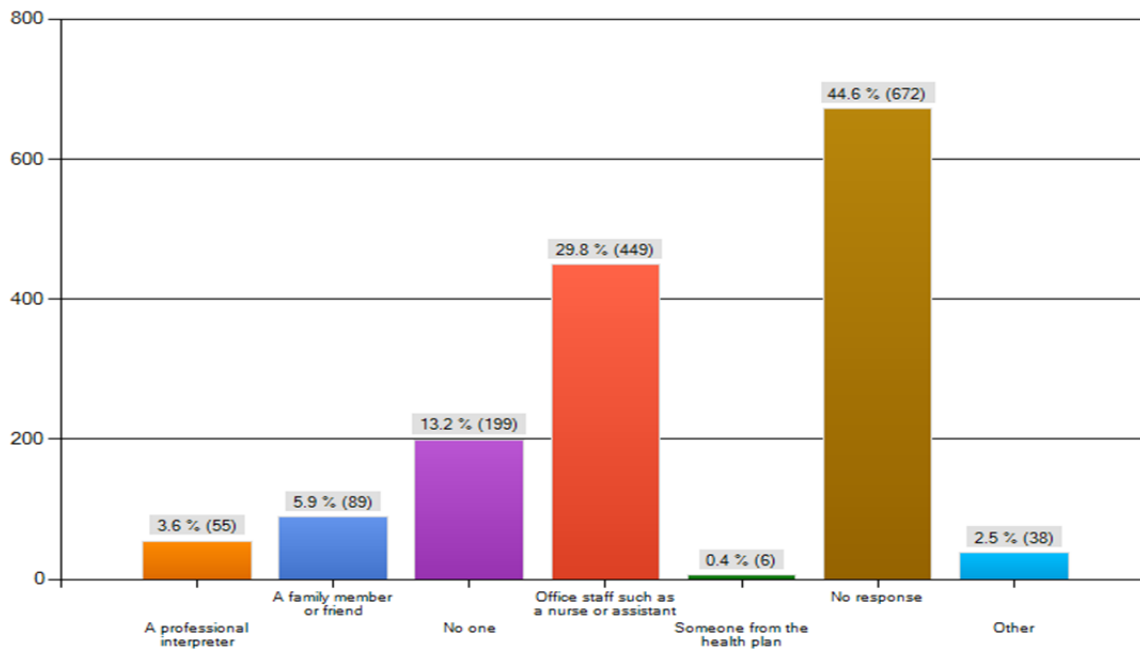
The Manager of Health Education & Disease Management met with two (2) health plan partners, St. John's and Clinicas del Camino Real, health education staff to review key findings in the Group Needs Assessment (GNA) Report. Staff is working to schedule more meetings with health plan partners to review findings.

- During the months of May and June 2012, GCHP conducted a Group Needs Assessment (GNA) to assess the health education, cultural and linguistic needs of our members. A state approved survey was mailed to a random sample of 10,000 Medi-Cal Members. A total of 5,000 English and 5,000 Spanish surveys were mailed. A total of 1,362 surveys were returned, providing a 13% response rate. Of the surveys returned, 760 (55.80%) were in Spanish and 602 (44.19%) in English. An additional 149 surveys were completed in Spanish by a Mixteco interpreter and are under review. Here are the three top health education and cultural linguistic topics identified by members who were surveyed.

**6. Which health topics do you want to learn more about? (Check all that apply.)**

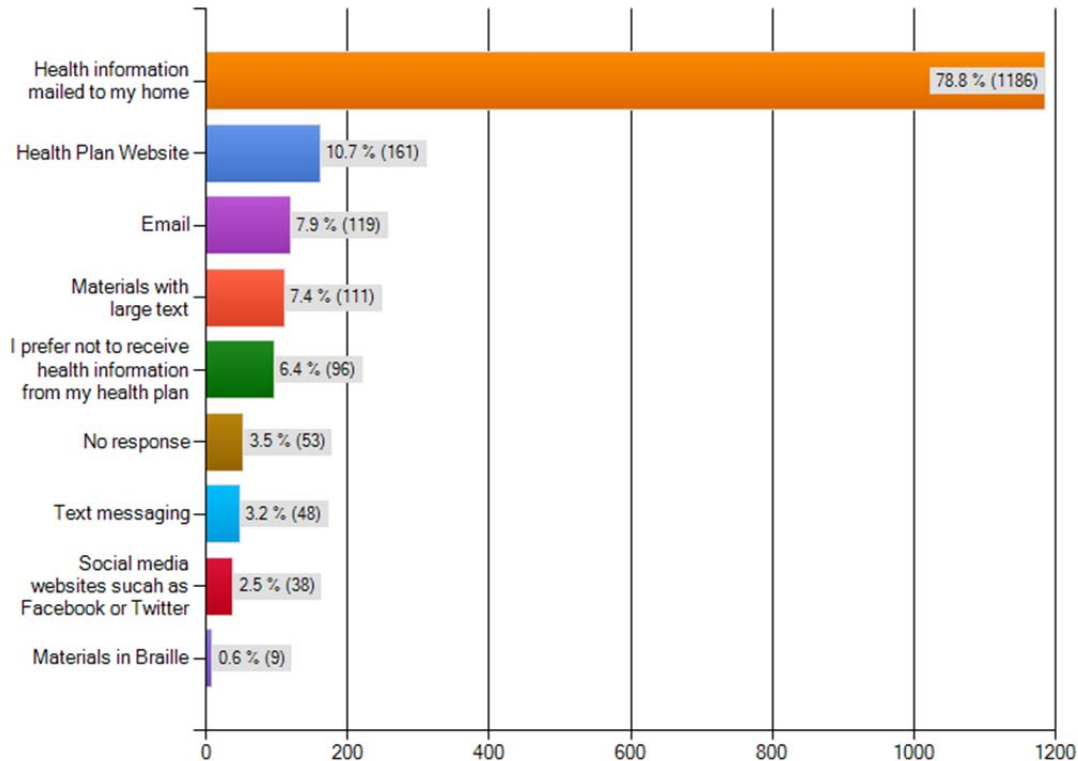


**4a. If Yes, who most often interprets for you?**





**13. How do you prefer to get health information from your health plan?**



**Health Education Community Meetings**

- October 4, 2012 - A Lean VC Meeting: Healthcare Subcommittee
- October 9, 2012 - St. John’s Partnership Meeting
- September 24, 2012 - Clinicas Health Education staff meeting
- September 13, 2012: Healthy Families – Health Education meeting

**Cultural and Linguistic Services**

The Manager of Health Education & Disease Management is working with Provider Relations to inform CBAS providers of our telephonic interpreting services and the need to provide culturally sensitive services to members.

**Community Based Adult Day Health Services (CBAS)**

The effective date of implementation of CBAS to GCHP was October 1, 2012. GCHP is working with CBAS Centers’ staff and members to educate and inform participants of the benefits covered by GCHP. Provider contract packets have been emailed to those centers interested in contracting with GCHP. As of October 15<sup>th</sup> we have contracted five (5) in county providers and six (6) out-of-county providers with the following CBAS Centers:

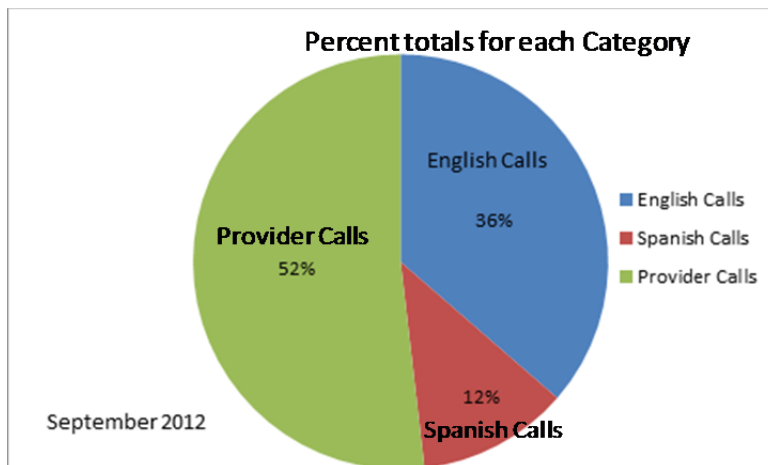
Dynamic Life Health Services, Inc.,  
 Among Friends  
 Millennium Care Adult Day Health Care Center  
 Family Circle, Inc.  
 Ventura County – ADHC  
 Mejor Vida Adult Day Health Care Center/Better Life  
 Mountain View ADHC Inc.  
 New Sunrise ADHC  
 Center for Healthy Living, Inc.  
 Yasmine Adult Day Health Care  
 Persian American Adult Day health Care Center, Inc

## MEMBER SERVICES

### Call Center Metrics

#### GOLD COAST HEATH PLAN CALL CENTER SEPTEMBER METRICS

Call Center totals for September 2012	Calls Offered	Calls Handled	Calls Abandoned	Abandoned Percent	Average Speed Answer (in min)	Average Talk Time (in min)	Average Hold Time (in min)
English Calls	2729	2684	44	1.61%	0.31	5.36	0.79
Spanish Calls	884	859	25	2.83%	0.33	6.85	0.81
Provider Calls	3888	3804	82	2.11%	0.58	5.78	0.90
<b>Combined</b>	<b>7501</b>	<b>7347</b>	<b>151</b>	<b>2.01%</b>	<b>0.45</b>	<b>5.75</b>	<b>0.85</b>



Member Services is working diligently to close the difference between English and Spanish calls relative to the abandonment rate.

Here are some contributing factors to the source of discrepancy surrounding the abandoned calls between English and Spanish.

- The volume of calls between English/Spanish. Since the volume is so much lower in Spanish, one dropped call percentage-wise has a big impact on the overall percentage.
- Average talk time is about 1 minute 22 seconds longer for the Spanish calls, potentially contributing to more hang-ups.

Actions that are being put in place to close the abandonment percentage gap between English and Spanish calls.

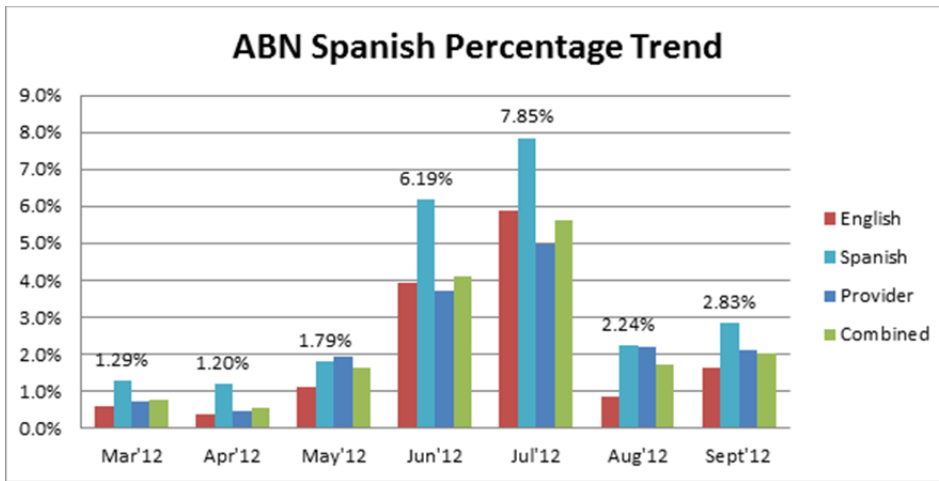
- Analyzing time of day call volume per hour between English/Spanish – comparing to ensure agents scheduled per high volume hours to accommodate Spanish.
- Adding 2 Bilingual agents to the staff.
- Additional training for bilingual agents to improve resolution time.

**Seven Month All Call Type Abandon Percentage Monthly Trend:**

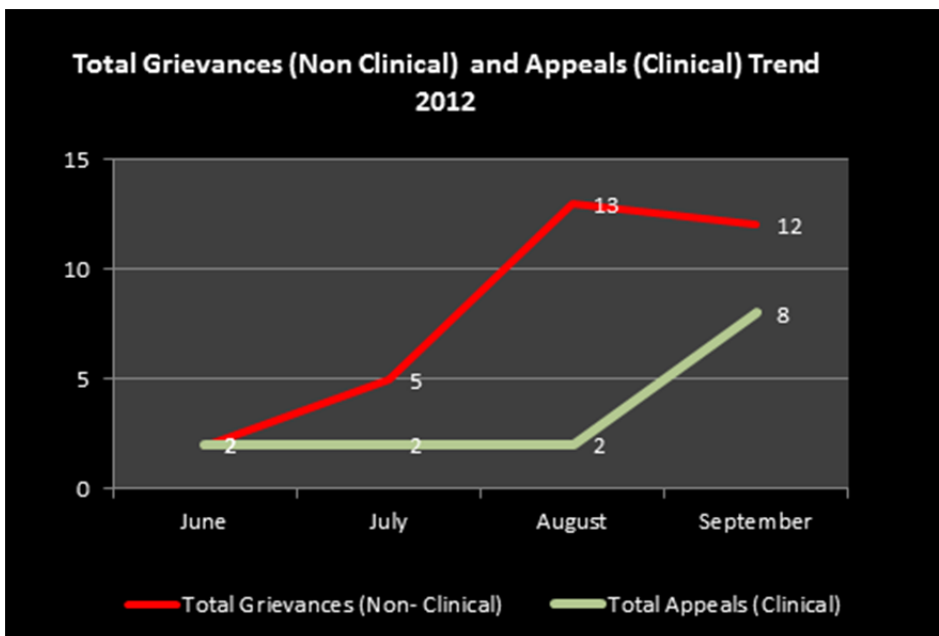
**GCHP Abandon % - Monthly Comparison Trend**

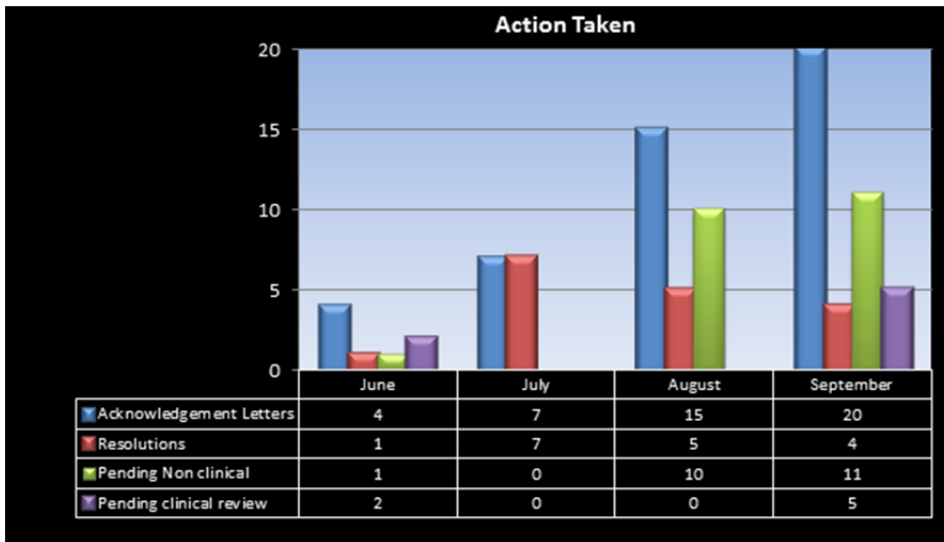
Category Call Type	Mar'12	Apr'12	May'12	Jun'12	Jul'12	Aug'12	Sept'12	Average total per Cat. Call
English	0.57%	0.39%	1.12%	3.95%	5.88%	0.83%	1.61%	2.05%
Spanish	1.29%	1.20%	1.79%	6.19%	7.85%	2.24%	2.83%	3.34%
Provider	0.73%	0.44%	1.95%	3.71%	4.96%	2.19%	2.11%	2.30%
Combined	0.76%	0.53%	1.64%	4.12%	5.63%	1.73%	2.01%	2.35%
Average per month - excluding combined	0.84%	0.64%	1.63%	4.49%	6.08%	1.75%	2.14%	
Average Total Months March through August	2.51%							

**Seven Month Spanish Percentage Abandon Trend:**



**Grievance and Appeals Four Month Analysis:**





<b>GCHP Grievance &amp; Appeals September Totals</b>			
<b>G&amp;A Totals</b>		<b>Action Taken</b>	
<b>Grievances</b>	<b>12</b>	<b>Acknowledgement Letters</b>	<b>20</b>
<b>Appeals (Clinical)</b>	<b>8</b>	<b>Resolutions 1 grievance, 3 post appeals</b>	<b>4</b>
		<b>Pending Non clinical</b>	<b>11</b>
		<b>Pending clinical review</b>	<b>5</b>

<b>GCHP Grievance &amp; Appeals September Category Totals</b>			
<b>G&amp;A Totals</b>		<b>Types</b>	
<b>Grievances</b>	<b>12</b>	<b>Delay of Care Issue</b>	<b>1</b>
<b>Appeals (Clinical)</b>	<b>8</b>	<b>Claims Issue</b>	<b>1</b>
		<b>Quality of Care</b>	<b>4</b>
		<b>Quality of Service</b>	<b>4</b>
		<b>Refusal of Referral</b>	<b>1</b>
		<b>Refusal of care</b>	<b>1</b>
		<b>Med. Necessity Denial Appeals</b>	<b>2</b>
		<b>Post service Appeals</b>	<b>6</b>

Member Services continues to focus its energy on our members by quickly resolving concerns, via phone, walk-in's, system monitoring (KWIK) and member letters.

We strive to aid all internal and external member concerns by always placing the member first.

**CLAIMS**

**Claims Inventory for the week of 10/03– 10/09/2012:**

Weekly Reporting 10/03 – 10/09	
Claims Inventory/Pends	Totals
<b>Total Inventory</b>	20,467
<b>Total Pends</b>	17,668
<b>DWOH</b>	4
<b>Total Rejects</b>	2,083
<b>Ready To Pay</b>	19,473
<b>Total Production 10/03/-10/09</b>	24,544
<b>AutoAdj:</b>	4,649
<b>Manual:</b>	19,895
<b>Aged Pends</b>	80
<b>31 to 45 days</b>	75
<b>46 to 60 days</b>	5
<b>&gt; 60 days</b>	
<b>Notes</b>	

\*The data range from **Wednesday thru Tuesday** is reported from our daily inventory tracking spreadsheet provided by ACS. Items in KWIK to be worked = 716.

\*\*10/3 – 10/9

**Claims Inventory for the week of 9/30– 10/06/2012:**

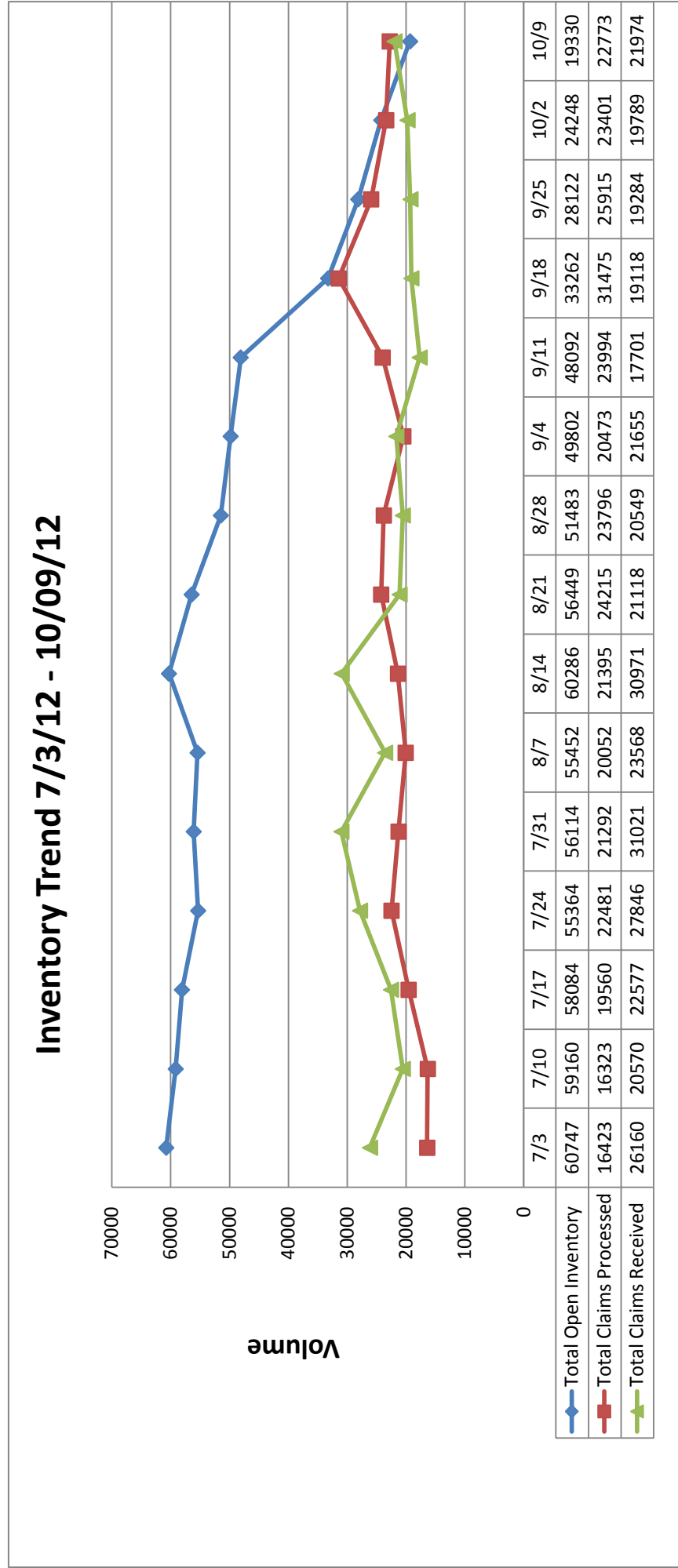
Weekly Reporting 09/30 – 10/06/2012	
Claims Inventory/Pends	Totals
<b>Total Inventory</b>	33,708
<b>Total Pends</b>	18,746
<b>DWOH</b>	4
<b>Total Rejects</b>	1,353
<b>Ready To Pay</b>	15,000
<b>Total Production 9/30 – 10/06</b>	24,544
<b>AutoAdj:</b>	4,649
<b>Manual:</b>	19,895
<b>Aged Pends</b>	241
<b>31 to 45 days</b>	238
<b>46 to 60 days</b>	3
<b>&gt; 60 days</b>	
<b>Notes</b>	

\*The data range from **Sunday thru Saturday** is reported from our daily inventory tracking spreadsheet provided by ACS. Items in KWIK to be worked = 2133.

## Gold Coast Health Plan

### Inventory Weekly Trend- 7/13/12 thru 10/09/12

*Open Inventory, Claims Received and Processed*





**Gold Coast  
Health Plan**<sup>SM</sup>  
A Public Entity



**Medi-Cal** Patients and the General public

Are invited to **Gold Coast Health Plan's**

# **Community Resource Fair**

**Sunday, October 21<sup>st</sup>**

**10 am – 3 pm**

**Del Sol Park**

**1500 Canino Del Sol**

**Oxnard, CA 93030**

**(corner of Camino Del Sol and Rose Avenue)**

## **Free Health Screenings**

- ▶ **Blood Pressure**
- ▶ **Blood Sugar**
- ▶ **Cholesterol**
- ▶ **Body Mass Index**



**GOLD COAST HEALTH PLAN**  
**SUMMARY FINANCIAL RESULTS**  
Rolling Twelve Months Actual Trend

Description	Actual September 2011 - June 2012 Monthly Results												FY 2012-13	
	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG		
Member Months	104,821	105,245	104,979	105,079	104,418	104,839	106,503	105,446	105,262	105,875	96,540	95,797		
<b>Revenue</b>	<b>23,740,361</b>	<b>25,199,998</b>	<b>24,946,694</b>	<b>25,440,875</b>	<b>24,990,447</b>	<b>24,231,927</b>	<b>25,411,162</b>	<b>25,427,262</b>	<b>25,299,965</b>	<b>25,447,390</b>	<b>23,806,175</b>	<b>24,430,512</b>		
<i>pppm</i>	226.48	239.44	237.64	242.11	239.33	231.13	238.60	241.14	240.35	240.35	246.59	255.02		
<b>Health Care Costs</b>	<b>21,839,899</b>	<b>22,065,987</b>	<b>22,003,480</b>	<b>22,415,249</b>	<b>22,121,202</b>	<b>26,111,143</b>	<b>23,045,202</b>	<b>22,918,149</b>	<b>24,107,688</b>	<b>23,225,105</b>	<b>21,181,745</b>	<b>28,173,162</b>		
<i>pppm</i>	208.35	209.66	209.60	213.32	211.85	249.06	216.38	217.34	229.03	219.36	219.41	294.09		
% of Revenue	92.0%	87.6%	88.2%	88.1%	88.5%	107.8%	90.7%	90.1%	95.3%	91.3%	89.0%	115.3%	(4)	
<b>Admin Exp</b>	<b>1,413,721</b>	<b>1,672,837</b>	<b>1,084,862</b>	<b>1,440,127</b>	<b>1,529,225</b>	<b>1,516,129</b>	<b>1,615,365</b>	<b>1,829,630</b>	<b>1,883,097</b>	<b>2,092,320</b>	<b>1,587,586</b>	<b>1,683,028</b>		
<i>pppm</i>	13.49	15.89	10.33	13.71	14.65	14.46	15.17	17.35	17.89	19.76	16.44	17.57		
% of Revenue	6.0%	6.6%	4.3%	5.7%	6.1%	6.3%	6.4%	7.2%	7.4%	8.2%	6.7%	6.9%		
<b>Net Income</b>	<b>486,741</b>	<b>1,461,174</b>	<b>1,858,351</b>	<b>1,585,499</b>	<b>1,340,019</b>	<b>(3,395,346)</b>	<b>750,595</b>	<b>679,482</b>	<b>(690,820)</b>	<b>129,965</b>	<b>1,036,844</b>	<b>(5,425,678)</b>		
<i>pppm</i>	4.64	13.88	17.70	15.09	12.83	(32.39)	7.05	6.44	(6.56)	1.23	10.74	(56.64)		
% of Revenue	2.1%	5.8%	7.4%	6.2%	5.4%	-14.0%	3.0%	2.7%	-2.7%	0.5%	4.4%	-22.2%		
100% TNE	14,671,236	14,837,677	14,925,890	15,048,230	15,101,073	15,615,661	15,685,187	15,730,358	15,793,552	15,797,312	15,841,387	16,249,352		
Required TNE	-	-	-	-	3,020,215	3,123,132	3,137,037	3,146,072	3,158,710	3,137,023	5,702,899	5,849,767		
<b>GCHP TNE</b>	<b>1,113,773</b>	<b>2,574,946</b>	<b>4,433,298</b>	<b>6,018,797</b>	<b>7,358,815</b>	<b>3,963,469</b>	<b>4,714,065</b>	<b>5,393,547</b>	<b>4,702,727</b>	<b>4,832,692</b>	<b>5,869,536</b>	<b>443,858</b>		

Note (1): February Health Care Costs include \$4M added to reserves pursuant to updated Milliman IBNR methodology.

Note (2): May Health Care Costs include \$3M added to reserves.

Note (3): June Health Care Costs include \$2M added to IBNR.

Note (4): August Health Care Costs include \$7M added to IBNR.

To: Ventura County Medi-Cal Managed Care Commission

From: Michael Engelhard, Chief Executive Officer

Date: October 22, 2012

RE: Ratification of Contract with the Law Firm of Wilke-Fleury for Specialized Legal Services for Managed Care Contracting

**BACKGROUND:**

In the course of business, Gold Coast Health Plan requires the legal support in many areas. GCHP retained the services of Nordman Cormany Hair and Compton LLP on April 19, 2012 after the resignation of the plan's previous general counsel on March 13, 2012. Nordman Cormany is the largest law firm in Ventura County. It provides specialized services to GCHP primarily in the areas of public agency governance, employment law and real estate.

GCHP needs to enter into contracts for provider services in order to ensure access to quality health care for the plan's members. While Nordman Cormany supports GCHP's traditional managed care contracting efforts, it does not have a specialized managed care contracting expertise in-house. Therefore GCHP needed to find a firm with such experience to address certain pressing contracting needs of the organization.

After soliciting input from managed care plans around the state of California, and to meet a pressing need to consummate certain provider contracts on an expedited manner, Acting CEO Cassie Undlin engagement letter with Wilke-Fleury on July 31, 2012 for specialized managed care contracting legal services. The contract is expected to be for below \$100,000, which is the authority granted to the CEO.

The Executive / Finance Committee reviewed this item at its October 4, 2012 meeting and approved recommendation of the contract to the Commission for its consideration and approval.

**RECOMMENDATION:**

Recommend the ratification of the legal services contract with Wilke-Fleury to support Gold Coast's managed care contracting efforts.



To: Ventura County Medi-Cal Managed Care Commission  
From: Nancy Kierstyn Schreiner, Legal Counsel  
Date: October 22, 2012  
RE: Adoption of Claims Procedure

**BACKGROUND:**

The Ventura County Board of Supervisors adopted Ordinance No. 4409 creating the Ventura County Medi-Cal Managed Care Commission (GCHP). The enabling Ordinance provided that GCHP shall be deemed a separate public entity for purposes of Government Code section 810 *et seq.*, which is commonly known as the Tort Claims Act. GCHP, pursuant to Ordinance No. 4409 and the California Government Code, is authorized to establish a procedure for processing of claims.

The Executive / Finance Committee reviewed the proposed claims procedure at its October 4, 2012 meeting and approved recommendation of the claims procedure to the Commission for its review and approval

**RECOMMENDATION:**

Recommend that the attached Resolution adopting a claim procedure be approved by the Commission.

**RESOLUTION 2012-\_\_\_\_\_**

**A RESOLUTION OF THE VENTURA COUNTY MEDI-CAL  
MANAGED CARE COMMISSION ADOPTING CLAIMS  
PROCEDURE**

**WHEREAS**, the Ventura County Medi-Cal Managed Care Commission doing business as Gold Coast Health Plan hereinafter referred to as GCHP, is authorized to adopt rules and regulations for the processing of claims against GCHP; and

**NOW, THEREFORE, BE IT RESOLVED** that the Commission of the Plan does hereby adopt the following claims procedure effective immediately.

**PASSED, APPROVED AND ADOPTED** by the Ventura County Medi-Cal Managed Care Commission doing business as Gold Coast Health Plan at a regular meeting on the \_\_\_ day of October, 2012 by the following vote:

**AYE:**  
**NAY:**  
**ABSTAIN:**  
**ABSENT:**

\_\_\_\_\_  
Robert Gonzalez, Chair

Attest:

\_\_\_\_\_  
Traci R. McGinley, Clerk of the Board

## CLAIMS PROCEDURE

For persons wishing to file a claim against the Ventura County Medi-Cal Managed Care Commission doing business as Gold Coast Health Plan (GCHP), a [General Claim Form](#)\* must be completed and submitted to the Clerk of the Commission.

GCHP is prohibited from providing you with legal advice. The California Government Code beginning with Section 900 concerns claims against public entities. Please note the following:

Claims relating to causes of action for death or injury to a person or damage to personal property or growing crops must be presented to the GCHP no later than six months after the incident date.

Claims relating to any cause of action other than those for death or injury to a person or damage to personal property must be presented no later than one year after the incident date (California Government Code Section 911.2).

Once claims are received by the Clerk of the Commission, claims are referred to the Commission's Legal Counsel. The Legal Counsel conducts an investigation into the information in your claim. Your claim form is generally your only opportunity to present information you wish GCHP to consider. The Legal counsel makes a recommendation to the Commission based upon the information obtained and the laws of California.

The Commission must act within forty-five days after you submit your claim (California Government Code Section 911.6). If the Commission fails to act within forty-five days, the claim is deemed to have been denied as a matter of law (California Government Code Section 911.6).

**INSTRUCTIONS FOR FILING A CLAIM WITH VENTURA COUNTY MEDI-CAL  
MANAGED CARE COMMISSION doing business as GOLD COAST HEALTH PLAN**

The following provides specific instructions for completing each section of the Claim Form:

1. Name, Mailing Address and Telephone Number of Claimant(s) .  
State full name, mailing address and telephone number of the person(s) claiming damage or injury.
2. Dollar Amount of Claim  
State the total amount being claimed as a result of any alleged damage or injury. If damage or injury is continuing, or is anticipated in the future, indicate by writing a plus sign “(+)” following the dollar figure.
3. Official Notices and Correspondence  
Provide the name and mailing address of the person to whom all correspondence should be sent, if other than the Claimant. This official contact person can be either the Claimant, or a representative of the Claimant.
4. When Did Damage/Injury Occur?  
State the exact month, day, year and time the incident occurred. Under state law, claims relating to causes of action for death or for injury to a Person or for damage to personal property or growing crops must be presented to GCHP no later than six months after the incident date.

If you are filing a claim beyond the six-month period, an *Application for Leave to Present a Late Claim* must also be included with your claim. An *Application for Leave to Present a Late Claim* is your written explanation of the reason(s) why the claim was not filed within the six-month period. In considering the claim, the GCHP will first decide whether or not the *Application for Leave to Present a Late Claim* should be granted or denied. (See Government Code Section 911.4 for the legally acceptable reasons a claim may be filed late).

**ONLY IF LEAVE TO PRESENT A LATE CLAIM IS GRANTED, WILL THE GCHP CONSIDER THE MERITS OF THE CLAIM.**

Claims relating to any cause of action other than those for death or injury to a person, or for damage to personal property, must be presented no later than one year after the incident date. (GOVERNMENT CODE SECTIONS 911.2 and 911.4)

5. Location of Incident  
Include the city, county and street address of occurrence.
6. Presenting Facts on How Incident Occurred  
Provide in FULL detail the circumstances that led up to the incident. Identify ALL FACTS which support the claim. Include the name of the agency and/or employee

that allegedly caused the damage/injury, as well as a specific identification as to any condition of public property that allegedly caused the incident.

7. Describing the Damage/Injury and How Amount of the Claim was Computed.

Provide in full detail a description of the damage/injury that allegedly resulted from the incident. Provide a breakdown of how the total amount that is being claimed was computed. Expenses incurred and/or future anticipated expenses may be declared. Attach to the claim copies of all bills, payment receipts, any photos of scene, damage, etc. **ANY CLAIMS FOR DAMAGE TO A VEHICLE MUST BE ACCOMPANIED BY TWO ESTIMATES AND PHOTO(S) OF DAMAGE.** If you need more space, please write on the back of the Claim Form or separate piece of paper.

8. Signature.

The Claim Form must be signed by the Claimant, or by the attorney or representative of the Claimant. GCHP will not accept the Claim without a proper signature. GOVERNMENT CODE SECTION 910.2 PROVIDES: "The claim must be signed by the claimant or some person on his/her behalf."

Provide all information you wish GCHP to consider. You will not be contacted for additional information. Please submit by personal delivery or mail the **original Claim Form** and supporting documentation to the Clerk of the Commission at the following address:

Gold Coast Health Plan  
Clerk of the Commission  
2220 E. Gonzales Road, Suite 200  
Oxnard, CA 93036

ANY CLAIM PRESENTED WITH INSUFFICIENT INFORMATION WILL BE RETURNED WITH NO ACTION TAKEN BY GCHP (GOVERNMENT CODE SECTIONS 910, 910.2, 910.4, and 910.8.)

All claims will be investigated by GCHP and/or its Legal counsel. State Law allows the Commission of GCHP 45 days to respond to your claim. You will be notified in writing of the Commission's action or inaction in 45 days.

**CLAIM Against the VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION doing business as GOLD COAST HEALTH PLAN**

To: Clerk of the Commission  
Gold Coast Health Plan  
2220 E. Gonzales Road, Suite 200  
Oxnard, CA 93036  
(805) 988-5100

Pursuant to the provisions of Sections 905 and 920 of the Government Code of the State of California, demand is hereby made against the City of Thousand Oaks, California. In support of said claim, the following information is submitted.

1. Name, Mailing Address, Telephone Number of Claimant(s):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
2. Dollar Amount of Claim: \_\_\_\_\_
3. Address to Which Official Notices and Correspondence are to be Mailed:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Date and Time Alleged Damage/Injury Occurred: \_\_\_\_\_
5. Location of Where Alleged Damage/Injury Occurred: \_\_\_\_\_  
\_\_\_\_\_
6. Facts on How Alleged Damage/Injury Occurred (Include Name of GCHP Employee(s) Who Caused Injury, if Known): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
7. Describe Damage/Injury and How Amount of Claim was Computed:  
\_\_\_\_\_  
\_\_\_\_\_
8. \_\_\_\_\_  
Date  
Signature of Claimant Person Acting on Claimant's Behalf)

NOTE: Provide all information you wish GCHP to consider and submit **original signed claim form** and back-up documentation if any, to address listed above. ANY CLAIM PRESENTED WITH INSUFFICIENT INFORMATION WILL BE RETURNED WITH NO ACTION TAKEN BY THE CITY (GOVERNMENT CODE SECTIONS 910, 910.2, 910.4, AND 910.8)





To: Ventura County Medi-Cal Managed Care Commission  
From: Nancy Kierstyn Schreiner, Legal Counsel  
Date: October 22, 2012  
RE: Bylaws and Meetings of the Executive / Finance Committee

**BACKGROUND:**

The Ventura County Board of Supervisors adopted Ordinance No. 4409 creating the Ventura County Medi-Cal Managed Care Commission (GCHP). The enabling Ordinance provided that GCHP may establish committees. The Amended and Restated Bylaws adopted October 24, 2011 provide for the establishment of the Executive / Finance Committee. The Bylaws further provide in Article IV(b)(1) that "Meetings of this committee shall be at the request of the Chairperson or CEO to evaluate time sensitive matters." Subsequent to the adoption of the Bylaws the Commission and / or Executive / Finance Committee have taken action via motions to establish a set time and place for the Executive / Finance Committee. Such action was not necessary or required by the Bylaws.

The Executive / Finance Committee considered this information and voted to continue to follow the language set forth in the existing Bylaws.

**RECOMMENDATION:**

Recommend that the language set forth in the Bylaws be followed and that there is no further action required in the establishment of meetings for the Executive / Finance Committee by the Commission. Commission should reaffirm that the language in the Bylaws shall govern and that there is not further action required by the Commission in establishing the meetings of the Executive/finance Committee.



**Gold Coast Health Plan**  
A Public Entity

# GCHP 2013 Meeting Schedule

Meetings begin at 3:00 p.m.

Commission Meeting (4<sup>th</sup> Monday of the Month) \*  
\*With exception of May and November due to Holidays  
Black - No Meeting Scheduled

JANUARY						
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DECEMBER						
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To: Gold Coast Health Plan Commissioners  
From: Michael Engelhard, Chief Executive Officer  
Date: October 22, 2012  
RE: Revised Conflict of Interest Code

**SUMMARY:**

The Plan is required to perform a biannual review of its conflict of interest code and to amend and revise accordingly. In addition since the transition of employees from RGS to the Plan a number of job titles and job descriptions have been revised. The proposed Resolution adopting the new Conflict of Interest Code is consistent with the new job titles. The revisions must be approved by the Board of Supervisors, who is the code reviewing body for the Plan, and will not be effective until approved by the Board of Supervisors.

**BACKGROUND:**

On or about September 27, 2010, the Plan adopted its initial Conflict of Interest Code. It contained a number of job titles and positions which no longer exist and also only contained one reporting category. As part of the required biannual review a revised Conflict of Interest Code has been prepared. It reflects the new job titles and applicable reporting categories. Since the Board of Supervisors is the Plan's review body a copy of the revised Conflict of Interest Code must be provided to the Clerk of Board and the Board of Supervisors must review and approve the revisions or request further revision. The updated Conflict of Interest Code is not effective until the Board of Supervisors approve it. Thus, until approval by the Board of Supervisors, the code adopted on September 27, 2010, will remain effective until such action by the Board of Supervisors.

**RECOMMENDATION:**

Staff recommends that attached Resolution be approved and direct it to be sent to the Clerk of the Board of Supervisors for review and approval by the Board of Supervisors. If approved by the Board of Supervisors, the Resolution will become effective. Until such time as the revised Conflict of Interest Code is approved the existing Conflict of Interest Code adopted on September 27, 2010, will remain effective.

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**CONFLICT OF INTEREST CODE FOR  
RESOLUTION NO. 2012-**

**A RESOLUTION OF VENTURA COUNTY MEDI-CAL MANAGED CARE  
COMMISSION  
dba Gold Coast Health Plan**

**The UPDATING DESIGNATED EMPLOYEES, OFFICERS AND  
DISCLOSURE CATEGORY LIST FOR POLITICAL REFORM ACT AND  
FAIR POLITICAL PRACTICES REQUIREMENTS (CONFLICT OF  
INTEREST AND RESCINDING OF PRIOR CONFLICT OF INTEREST  
CODE)**

**WHEREAS**, the Political Reform Act, Government Code section 81000 *et seq.*, requires local government agencies to adopt and promulgate Conflict of Interest Codes. ~~The~~

**NOW THEREFORE, BE IT RESOLVED THAT** the Fair Political Practices Commission has adopted a regulation (~~Cal. Code Regs. tit. Title 2, §, California Code of Regulations section~~ 18730) which contains the terms of a standard Conflict of Interest Code ("Standard Code"), which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings conducted by the Fair Political Practice Commission (FPPC).

The terms of California Code of Regulations, ~~title~~ Title 2, section 18730 and any amendment to it duly adopted by the ~~Fair Political Practices Commission~~ are hereby incorporated by reference as part of the Conflict of Interest as the Conflict of Interest Code for the for VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION ("VCMMCC"), and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest Code of the VCMMCC dba Gold Coast Health Plan (the "Code").

**BE IT FURTHER RESOLVED THAT** the Ventura County Board of Supervisors is the code reviewing body for VCMMCC. Pursuant to Section 4 of the Standard Code and Government Code section 87500, ~~subd. (j)(k) and (e)-p)~~, persons holding the designated positions described on Exhibit A shall ~~file~~ file originals of their statements or economic interests with ~~the~~ VCMMCC. With respect to the statements for each ~~Commission Member~~ Commissioner, and for the Chief Executive Officer, VCMMCC shall retain copies thereof and forward the originals to the Clerk of the Ventura County Board of Supervisors (unless VCMMCC is instructed otherwise). For all other persons holding the designated positions described on Exhibit A, VCMMCC shall retain the originals of such statements.

This Code establishes no additional filing requirements for public officials specified by Government Code section 87200 if they are designated in this Code in that same capacity or if the geographical jurisdiction of the VCMC is the same as or is wholly included within the jurisdiction in which those persons must report their economic interest pursuant to Government Code sections 87200 *et seq.*

A person holding a designated position with an assigned disclosure category shall (i) submit an initial statement of economic interest within 30 days after the effective date of this Code and (ii) file annual statements of economic interest and other required statements pursuant to Section 5 of the Code as set forth in Title 2 California Code of Regulations. ~~title 2. Section section~~ 18730.

Such statements shall be available for public inspection and reproduction as required by law, (Government Code Section 81008).

**BE IT FURTHER RESOLVED THAT VCMC existing conflict of Interest adopted on September 27, 2010, shall remain in effect until pursuant to Government Code section 87303, the Ventura County Board of Supervisors as the code reviewing body for VCMC approves these revisions to the Conflict of Interest Code. At such time the Conflict of Interest Code adopted on September 27, 2010, shall be repealed and rescinded and this Conflict of Interest Code adopted pursuant to this Resolution shall become effective.**

**PASSED, APPROVED AND ADOPTED by the Ventura county Medi-Cal Managed Care Commission doing business as Gold Coast Health Plan at a regular meeting on the 22<sup>nd</sup> day of October, 2012, by the following vote:**

**AYE:**

**NAY:**

**ABSTAIN:**

**ABSENT:**

**Robert Gonzalez, M.D., Chair**

**Attest:**

**Traci R. McGinley Clerk of the Board**

**CONFLICT OF INTEREST CODE**  
**VENTURA COUNTY MEDICAL MANAGED CARE COMMISSION**

**Exhibit A: Designated Positions**

The following is a list of designated positions affected by the disclosure requirements and the disclosure categories applicable to each. These positions have been designated because the position entails the making or participation in the making of decisions relating to VCMMCC which may foreseeably have a material effect on any financial interest of the individual holding such positions.

Position	Disclosure Category
1. <u>Members of Commission Commissioners</u>	1
2. <u>Chief Executive Officer</u>	1
3. <u>Chief Financial Officer</u>	1
4. <u>Chief Medical Officer</u>	1
5. <u>Assistant Medical Officer</u>	1
6. <u>Government Relations Director</u>	1
6. <u>IT Director</u>	1
7. <u>Claims Quality Improvement Director</u>	1
8. <u>Member Services Director</u>	1
<u>Controller</u>	1
9. <u>Provider Relations Director</u>	1
10. <u>Pharmacy Manager</u>	1
11. <u>Health Services Manager</u>	1
10. <u>Human Resource Director</u>	1
11. <u>IT Director</u>	1
12. <u>Quality Manager</u>	1
13. <u>Chief Operating Officer</u>	1
14. <u>Compliance Manager</u>	2
15. <u>Communication Manager</u>	3
16. <u>Health Education Manager</u>	2
17. <u>Care Coordination Manager</u>	2
14. <u>18. Member Services Manager</u>	2
19. <u>Projects Manager</u>	3
20. <u>Provider Contracts Manager</u>	1
<u>3</u>	
15. <u>IT systems Manager</u>	4
16. <u>Financial Operations Manager</u>	4
17. <u>Accounting</u>	21.

	Provider Relations Manager	2
22.	Provider Claims Manager	2
23.	Pharmacist	3
24.	Quality Improvement Manager	3
18.	Member Services	25.
	Vendor Contract Manager	
19.	Consultants and employees	26.
	Employees in applicable newly created positions"	1
		4

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\* to be determined by Chief Executive Officer

27.	Consultants	*
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\* Consultants

~~Consultants, as defined by the Political Reform Act and applicable regulations and employees in newly created positions that make or participate in the making of decisions. Title 2, California Code of Regulations section 18701(a)(2), shall disclose pursuant to the broadest disclosure category in this Code, subject to the following limitation: The Chief Executive Officer or his or her designee may determine in writing that a particular consultant or employee in such newly created position, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this Code section. Such written determination shall include a description of the consultant's or such consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Director's determination is a public record and is to be retained for public inspection in the same manner and location as this Conflict of Interest Code.~~

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Title 2, California Code of Regulations Section 18701(a)(2) reads as follows:

"Consultant" means an individual who, pursuant to a contract with a state or local government agency:

(A) Makes a governmental decision whether to:

(i) Approve a rate, rule, or regulation;

(ii) Adopt or enforce a law;

(iii) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;

(iv) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;

(v) Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract; (vi) Grant agency approval to a plan, design, report, study, or similar item;

(vii) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or

(B) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in regulation 18702.2 or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Government Code section 87302.

The CEO may determine in writing that a particular consultant, although in a "designated position" is hired to perform a range of duties that is limited in scope and therefore is not required to fully comply with the disclosure requirements described herein. Such written determination shall include a description of the consultant's duties, and based upon that description, a statement of the extent of disclosure required. The CEO determination is a public record which shall be retained for public inspection in the same manner and location as this conflict of interest code.



**CONFLICT OF INTEREST CODE**

**VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION**

**Exhibit B: Disclosure Categories**

▲ The disclosure categories set forth below specify which kinds of financial interests are reportable by the designated employees in their individual Statements of Economic Interests.

▲ Category 1

▲ All investments and income including gifts, loans and travel payments, and business positions in business entities that do business in Ventura County, planning to do business in Ventura County, or have done business in Ventura County within the past two (2) years; and all interest in real property which is located in whole or in part within, or not more than two (2) miles outside of the boundaries of Ventura County.

~~[This disclosure category requires disclosure of business and real estate interests in VGMMCC's geographic area.]~~

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Category 2

Persons in this category shall disclose all investments, income and business positions in:

- a. Health care providers or other business entities under contract with or under consideration to contract with VCMMCC Health;
- b. Business entities engaged in the delivery of health care services or supplies, or services or supplies ancillary thereto of a type to be provided or arranged for by VCMMCC;
- c. Business entities that provide services, supplies, materials, machinery or equipment of a type purchased or leased by VCMMCC; and Business entities subject to the regulatory, permitting or licensing authority of VCMMCC.

“Income” means a payment received, including, but not limited to, any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, loan forgiveness or payment of indebtedness, reimbursement of expenses, *per diem*, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in the income of a spouse.

“Investment” means any financial interest in or security issued by a business entity, including, but not limited to, common stock, preferred stock, warrants, options, debt instruments and any partnership or other ownership interest owned directly, indirectly or beneficially by the designate employee if that business entity owns property in Ventura County or does, or has done business in Ventura County at any time within the preceding two (2) years. Assets with a fair market value of less than \$1,000 do not constitute reportable investments. The term investment does not include: (i) a time or demand deposit in a financial institution; (ii) shares in a credit union; (iii) an insurance policy; (iv) interest in a diversified mutual fund registered with the Securities and Exchange Commission; or (v) any bond for debt instrument issued by any government or governmental agency.

“Business entity” means any organization or enterprise, whether operated for profit or not, including, but not limited to, a sole proprietorship, partnership, firm, business, trust, joint venture, syndicate, corporation or association.

“Business position” is a position of director, officer, partner, trustee, employee or any other position of management in a business entity.

### Category 3

Persons in this category shall disclose all business positions, investments in, or income (including gifts and loans) received from business entities that manufacture, provide, or sell services and/or supplies of a type utilized by VCMMCC and associated with the job assignment of designated positions assigned in this disclosure category

### Category 4

New employee's duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Officer's determination is a public record and is to be retained for public inspection in the same manner and location as this Code.

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**RESOLUTION NO. 2012-\_\_\_\_\_**

**A RESOLUTION OF VENTURA COUNTY MEDI-CAL MANAGED CARE  
COMMISSION dba Gold Coast Health Plan  
UPDATING DESIGNATED EMPLOYEES, OFFICERS AND DISCLOSURE  
CATEGORY LIST FOR POLITICAL REFORM ACT AND FAIR POLITICAL  
PRACTICES REQUIREMENTS (CONFLICT OF INTEREST AND  
RESCINDING OF PRIOR CONFLICT OF INTEREST CODE)**

**WHEREAS**, the Political Reform Act, Government Code section 81000 *et seq.*, requires local government agencies to adopt and promulgate Conflict of Interest Codes.

**NOW THEREFORE, BE IT RESOLVED THAT** the Fair Political Practices Commission has adopted a regulation (Title 2, California Code of Regulations section 18730) which contains the terms of a standard Conflict of Interest Code (Standard Code), which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings conducted by the Fair Political Practice Commission (FPPC).

The terms of California Code of Regulations, Title 2, section 18730 and any amendment to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference as part of the Conflict of Interest as the Conflict of Interest Code for VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION (VCMCC), and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest Code of the VCMCC dba Gold Coast Health Plan (the Code).

**BE IT FURTHER RESOLVED THAT** the Ventura County Board of Supervisors is the code reviewing body for VCMCC. Pursuant to Section 4 of the Standard Code and Government Code section 87500, (k) and (p), persons holding the designated positions described on Exhibit A shall file originals of their statements or economic interests with VCMCC. With respect to the statements for each Commissioner and for the Chief Executive Officer, VCMCC shall retain copies thereof and forward the originals to the Clerk of the Ventura County Board of Supervisors (unless VCMCC is instructed otherwise). For all other persons holding the designated positions described on Exhibit A. VCMCC shall retain the originals of such statements.

This Code establishes no additional filing requirements for public officials specified by Government Code section 87200 if they are designated in this Code in that same capacity or if the geographical jurisdiction of the VCMCC is the same as or is wholly included within the jurisdiction in which those persons must report their economic interest pursuant to Government Code sections 87200 *et seq.*

A person holding a designated position with an assigned disclosure category shall (i) submit an initial statement of economic interest within 30 days after the effective date of this Code and (ii) file annual statements of economic interest and other required statements pursuant to Section 5 of the Code as set forth in Title 2 California Code of Regulations section 18730.

Such statements shall be available for public inspection and reproduction as required by law, (Government Code Section 81008).

**BE IT FURTHER RESOLVED THAT** VCOMMCC existing conflict of Interest adopted on September 27, 2010, shall remain in effect until pursuant to Government Code section 87303, the Ventura County Board of Supervisors as the code reviewing body for VCOMMCC approves these revisions to the Conflict of Interest Code. At such time the Conflict of Interest Code adopted on September 27, 2010, shall be repealed and rescinded and this Conflict of Interest Code adopted pursuant to this Resolution shall become effective.

**PASSED, APPROVED AND ADOPTED** by the Ventura county Medi-Cal Managed Care Commission doing business as Gold Coast Health Plan at a regular meeting on the 22<sup>nd</sup> day of October, 2012, by the following vote:

**AYE:**

**NAY:**

**ABSTAIN:**

**ABSENT:**

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**Robert Gonzalez, M.D., Chair**

**Attest:**

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**Traci R. McGinley Clerk of the Board**

**CONFLICT OF INTEREST CODE**  
**VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION**

**Exhibit A: Designated Positions**

The following is a list of designated positions affected by the disclosure requirements and the disclosure categories applicable to each. These positions have been designated because the position entails the making or participation in the making of decisions relating to VCMMCC which may foreseeably have a material effect on any financial interest of the individual holding such positions.

Position	Disclosure Category
1. Commissioners	1
2. Chief Executive Officer	1
3. Chief Financial Officer	1
4. Chief Medical Officer	1
5. Assistant Medical Officer	1
6. Government Relations Director	1
7. Quality Improvement Director	1
8. Controller	1
9. Health Services Director	1
10. Human Resource Director	1
11. IT Director	1
12. Financial Analyst	1
13. Chief Operating Officer	1
14. Compliance Manager	2
15. Communication Manager	3
16. Health Education Manager	2
17. Care Coordination Manager	2
18. Member Services Manager	2
19. Projects Manager	3
20. Provider Contracts Manager	3
21. Provider Relations Manager	2
22. Provider Claims Manager	2
23. Pharmacist	3
24. Quality Improvement Manager	3
25. Vendor Contract Manager	3
26. Employees in applicable newly created positions to be determined by Chief Executive Officer	4
27. Consultants	*

\* Consultants

Consultants, as defined by Title 2, California Code of Regulations section 18701(a)(2), shall disclose pursuant to the broadest disclosure category in this code subject to the following limitation: The Chief Executive Officer may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Director's determination is a public record and is to be retained for public inspection in the same manner and location as this Conflict of Interest Code.

Title 2, California Code of Regulations Section 18701(a)(2) reads as follows:

"Consultant" means an individual who, pursuant to a contract with a state or local government agency:

- (A) Makes a governmental decision whether to:
  - (i) Approve a rate, rule, or regulation;
  - (ii) Adopt or enforce a law;
  - (iii) Issue, deny, suspend, or revoke any permit, license, application, certificate, approval, order, or similar authorization or entitlement;
  - (iv) Authorize the agency to enter into, modify, or renew a contract provided it is the type of contract that requires agency approval;
  - (v) Grant agency approval to a contract that requires agency approval and to which the agency is a party, or to the specifications for such a contract; (vi) Grant agency approval to a plan, design, report, study, or similar item;
  - (vii) Adopt, or grant agency approval of, policies, standards, or guidelines for the agency, or for any subdivision thereof; or
- (B) Serves in a staff capacity with the agency and in that capacity participates in making a governmental decision as defined in regulation 18702.2 or performs the same or substantially all the same duties for the agency that would otherwise be performed by an individual holding a position specified in the agency's Conflict of Interest Code under Government Code section 87302.

The CEO may determine in writing that a particular consultant, although in a "designated position" is hired to perform a range of duties that is limited in scope and therefore is not required to fully comply with the disclosure requirements described herein. Such written determination shall include a description of the consultant's duties, and based upon that description, a statement of the extent of disclosure required. The CEO determination is a public record which shall be retained for public inspection in the same manner and location as this conflict of interest code.

## **CONFLICT OF INTEREST CODE**

### **VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION**

#### **Exhibit B: Disclosure Categories**

The disclosure categories set forth below specify which kinds of financial interests are reportable by the designated employees in their individual Statements of Economic Interests.

##### Category 1

All investments and income including gifts, loans and travel payments, and business positions in business entities that do business in Ventura County, planning to do business in Ventura County, or have done business in Ventura County within the past two (2) years; and all interest in real property which is located in whole or in part within, or not more than two (2) miles outside of the boundaries of Ventura County.

##### Category 2

Persons in this category shall disclose all investments, income and business positions in:

- a. Health care providers or other business entities under contract with or under consideration to contract with VCMMCC Health;
- b. Business entities engaged in the delivery of health care services or supplies, or services or supplies ancillary thereto of a type to be provided or arranged for by VCMMCC;
- c. Business entities that provide services, supplies, materials, machinery or equipment of a type purchased or leased by VCMMCC; and Business entities subject to the regulatory, permitting or licensing authority of VCMMCC.

“Income” means a payment received, including, but not limited to, any salary, wage, advance, dividend, interest, rent, proceeds from any sale, gift, loan forgiveness or payment of indebtedness, reimbursement of expenses, *per diem*, or contribution to an insurance or pension program paid by any person other than an employer, and including any community property interest in the income of a spouse.

“Investment” means any financial interest in or security issued by a business entity, including, but not limited to, common stock, preferred stock, warrants, options, debt instruments and any partnership or other ownership interest owned directly, indirectly or beneficially by the designate employee if that business entity owns property in Ventura County or does, or has done business in Ventura County at any time within the preceding two (2) years. Assets with a fair market value of less than \$1,000 do



not constitute reportable investments. The term investment does not include: (i) a time or demand deposit in a financial institution; (ii) shares in a credit union; (iii) an insurance policy; (iv) interest in a diversified mutual fund registered with the Securities and Exchange Commission; or (v) any bond for debt instrument issued by any government or governmental agency.

“Business entity” means any organization or enterprise, whether operated for profit or not, including, but not limited to, a sole proprietorship, partnership, firm, business, trust, joint venture, syndicate, corporation or association.

“Business position” is a position of director, officer, partner, trustee, employee or any other position of management in a business entity.

### Category 3

Persons in this category shall disclose all business positions, investments in, or income (including gifts and loans) received from business entities that manufacture, provide, or sell services and/or supplies of a type utilized by VCMMCC and associated with the job assignment of designated positions assigned in this disclosure category

### Category 4

New employee’s duties and, based upon that description, a statement of the extent of disclosure requirements. The Chief Executive Officer’s determination is a public record and is to be retained for public inspection in the same manner and location as this Code.

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To: Gold Coast Health Plan Commissioners  
From: Michael Engelhard, Chief Executive Officer  
Date: October 22, 2012  
RE: GCHP Benefits Recommendation

**SUMMARY:**

On September 24, 2012, Gold Coast Health Plan (GCHP or “Plan”) Commission directed staff to make a recommendation as to the level of benefits it was to offer its employees. Prior to September 1, 2012, benefits were provided as part of GCHP’s contract with Regional Government Services (RGS).

**BACKGROUND:**

When Gold Coast Health Plan was formed, certain necessary pieces of an organization’s infrastructure were not yet formed. One important piece of infrastructure was a Human Resources department and more importantly, the development and implementation of an employee benefits program. The Plan entered into an agreement with Regional Government Services to be responsible for the hiring of employees for GCHP. All employees were RGS employees but their work was to be managed by GCHP’s CEO. Since RGS was responsible for hiring these employees, they were also responsible for providing employee benefits, including health, dental, vision, retirement, etc.

As of September 1, 2012, Gold Coast Health Plan and RGS jointly terminated the contract between the two entities and GCHP became the responsible legal entity for the employees who supported the work of the program, including employee recruitment, compensation and benefits.

Therefore, GCHP needs to develop criteria for establishing the level of benefits it wants to offer its employees.

**DISCUSSION**

Having a robust and competitive employee benefit package is crucial for the hiring and retention of professional staff. GCHP is continuing to add staff to meet the needs of the state contract to serve Ventura County’s vulnerable Medi-Cal and dual eligible populations. In order to recruit and retain highly qualified candidates, GCHP needs to offer a competitive benefits program.

At the September 24, 2012 meeting of the Gold Coast Health Plan Commission, staff was directed to investigate and recommend appropriate health, vision, and retirement benefits. The Commission approved other benefits such as vacation, sick time, etc.

GCHP contacted eight California public health plans, themselves either County Organized Health Systems or Local Initiatives, in addition to three local hospitals in order to create a benchmark for these benefits. A chart is attached to this item for the results of this survey.

While some variability exists between the benefits offered by these organizations, all of them offered full health, dental and vision coverage to their employees, spouses and family members upon hire. There was no phase-in period of differentiation of benefits for the employees versus their families. This is an important factor for many recruits and employees when choosing a place to work.

The second factor that was researched was regarding retirement benefits. Due to their public nature, the employees of public health plans do not pay in to Social Security. This results in a loss of 6.2% for the employees of GCHP towards their retirement. Many other plans also have either a 401(a) plan or 401(k) plan that the company contributes towards. Typical 401(k) plans match between 3-6% of an employee's wages on a pre-tax basis.

The RGS retirement benefit contributed 10% of an employee's wages into a retirement plan named "STARS". This is the plan currently in place at GCHP pending a further review of retirement plan options.

**RECOMMENDATION:**

Staff recommends that GCHP offer health, dental, and vision benefits to its employees and families upon eligibility.

Staff also recommended that until a thorough retirement benefits review can be performed that GCHP maintain the ten percent contribution to the STARS system. GCHP will contract with a retirement benefits advisor to perform the review and to determine the appropriate retirement plan for GCHP employees.



**Gold Coast  
Health Plan**<sup>SM</sup>  
A Public Entity

**GOLD COAST HEALTH PLAN BENEFITS SURVEY RESULTS**

**ORGANIZATION TYPE**  
**A-H: PUBLIC HEALTH PLAN (COHS, LI)**  
**I-K: AREA HOSPITALS**

Benefits Survey	Plan A	Plan B	Plan C	Plan D	Plan E	Plan F	Plan G	Plan H
Surveyed Plan Type	CA Public Plan (COHS or LI)	CA Public Plan (COHS or LI)	CA Public Plan (COHS or LI)	CA Public Plan (COHS or LI)	CA Public Plan (COHS or LI)	CA Public Plan (COHS or LI)	CA Public Plan (COHS or LI)	CA Public Plan (COHS or LI)
For new hires, do you offer benefits for employees only or for employee + spouse + family as needed?	employee, double, family	employee, double, family	employee, double, family	employee, double, family	employee, double, family	employee, double, family	employee, double, family	employee, double, family
What percentage of premium does the employer pay?	95% of employee, double, family coverage Yes 8.7%	95% of employee coverage and 75% of double and family coverage Yes 10%	90% of employee coverage and 60% of double and family coverage Yes, unavailable	100% of employee coverage and an additional \$4,000 for double and family coverage Yes 13.95%	unavailable Yes 12.2%	100% of employee coverage and 95% of double and family coverage Yes, unavailable	90% of employee, double, family coverage Yes 11.7%	100% of employee, double, family coverage Yes, unavailable
Do you offer a retirement benefit and what is the employer contribution?	both	defined contribution	defined benefit	both	both	defined benefit	both	defined contribution
If yes, is it Defined Benefit, Defined Contribution, or both?	both	defined contribution	defined benefit	both	both	defined benefit	both	defined contribution
Employer Retirement Contribution	8.7%	10%	13.95%	13.95%	12.2%	unavailable	11.7%	unavailable



**GOLD COAST HEALTH PLAN BENEFITS SURVEY RESULTS**

**ORGANIZATION TYPE**  
**A-H: PUBLIC HEALTH PLAN (COHS, LI)**  
**I-K: AREA HOSPITALS**

Benefits Survey	Plan I	Plan J	Plan K	Gold Coast Health Plan Proposal
<b>Surveyed Plan Type</b>	Local Hospital	Local Hospital	Local Hospital	
For new hires, do you offer benefits for employees only or for employee + spouse + family as needed?	employee, double, family	employee, double, family	employee, double, family	employee, double, family
What percentage of premium does the employer pay?	unavailable	unavailable	100% of employee, double, family coverage	100% of employee coverage and 90% of double and family coverage
Do you offer a retirement benefit and what is the employer contribution?	Yes 7.7%	Yes, unavailable	Yes, unavailable	Yes 10%
If yes, is it Defined Benefit, Defined Contribution, or both?	defined contribution	both	both	defined contribution
Employer Retirement Contribution	7.7%	unavailable	unavailable	10%



To: Gold Coast Health Plan Commissioners

From: Michael Engelhard, Chief Executive Officer

Date: October 22, 2012

RE: Department of Health Care Services Corrective Action Plan for GCHP

**SUMMARY:**

On October 4, 2012, Gold Coast Health Plan (GCHP or “the Plan”) received a written corrective action plan (CAP) from the Department of Health Care Services (DHCS or “the Department”). The CAP contained eight areas that the Department wants GCHP to address to ensure compliance with key areas of the Plan’s contract with DHCS. Staff, under the CEO’s direction, is working aggressively to address each of the eight areas.

**BACKGROUND:**

In March 2012, DHCS retained Berkeley Research Group (BRG or “Monitor”) act as a Monitor for the Department regarding GCHP’s financial and operational condition. BRG has been involved in this role since that time and provides reports to DHCS. BRG’s involvement with GCHP has been well documented.

In September 2012, BRG raised a concern about the Plan’s estimation of health care expenses, otherwise referred to as IBNR (“Incurred But Not Reported”). IBNR represents a health care organization’s estimate of historical expenses for events that may have already occurred (a doctor’s visit, a hospital stay, etc.) for which the plan has not yet received a claim for those expenses. The estimation of IBNR is critical to Plan financial operations.

BRG’s analysis indicated that GCHP’s IBNR has been underestimated. There are many factor’s contributing to this. First is the small but growing amount data within the Plan. GCHP began operations in July 2011. Health care claims often take many months to be submitted to a plan after the date of the service provided. In order to have a true picture of historical costs, a Plan typically needs about 24 months of claims data. The amount of data that GCHP has at this point is still in the process of being collected and analyzed.

A second, and more important issue, is the historic claims payment problems the Plan had since it “went live” in July 2011. There were many factors, all of which were documented by BRG’s May report to DCHS, contributing to these problems. These include: the newness of the plan, set-up and experience issues with the claims processing vendor, lack of staff expertise to advise the claims processing vendor on specific Medi-Cal claims payment procedures, and lack of proper utilization management protocols at the launch of the Plan. All these contributed to a myriad of claims payment problems that plagued the Plan.

Due to the newness of the Plan and a lack of consistent and accurate claims payment history, the estimation of IBNR has been difficult.

When BRG recommended an increase in the Plan's June 30, 2012 IBNR amount, that resulted in the Plan falling well below DHCS's required Tangible Net Equity (TNE) level that it requires for regulated health plans. TNE is the measure by which DHCS uses to ensure that health plans have adequate "capital" or "reserves" to ensure financial stability of the organization. It was largely, but not entirely, the TNE problem at GCHP that triggered the CAP by DHCS.

**CORRECTIVE ACTION PLAN ITEMS:**

Below are the eight areas identified in the CAP:

1. IBNR Estimation Methodology
2. Financial Reporting
3. Claims Processing Backlog
4. Status of Refunds
5. Status of Filling Key Positions
6. Network Management Issues
7. Utilization Management Issues
8. Encounter Data

**CURRENT PLAN RESPONSE:**

GCHP submitted an updated IBNR methodology to DHCS on Monday, October 15<sup>th</sup>.

Some of the actions identified in the CAP are areas that GCHP is already addressing. For example, GCHP has worked to address the claims backlog issues. Claims inventory has already dropped to around 19,000 as of 10/10/12 from recent highs of more than 60,000. In addition, the Plan is in compliance with DCHS contract compliance rate of paying clean claims at a level of 90% within 30 days. The management of the claims inventory and prompt claims payment is a key area of focus for GCHP staff.

Another action already being addressed by the plan is appropriateness of rates paid in certain provider contracts. The Plan recognizes that Medi-Cal funding is challenging for the program. However, there are several provider types where current rates paid by the Plan are higher than the Medi-Cal fee-for-service rates. The Plan is developing a (re-) contracting strategy for these provider classes. Material cost savings are expected to be achieved through this effort.

The Plan is also reviewing enrollment, eligibility and member category of aid coding (e.g., Family, Disabled, Aged, etc.) to ensure that it is being reimbursed appropriately by the State and that it is paying claims for members who eligible under the Plan's state contract.

The encounter data file is another area well on the way towards resolution. The Plan is close to submitting a valid test file, which will then enable to submit historic and on-going encounter data to the state, in accordance with contract requirements.

The Plan has been recruiting vigorously for five key management positions and was doing so prior to the receipt of the CAP.

Lastly, the one area of concern is the requirement to obtain additional subordinated debt support to meet capital requirements. The Plan was able to obtain support from the County of Ventura in the form of a subordinated letter of credit prior to start-up (which has not been drawn on to date), but the process was difficult and other than the County, no other lenders or finance companies were willing to provide such support for the Plan. GCHP is exploring all options available to it, but getting additional capital support may prove to be difficult.

**RECOMMENDATION:**

The recommendation is that staff utilize all appropriate resources available to it in order to meet the issues identified in the Corrective Action Plan.