

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

DATE: Thursday, May 17, 2012

TIME: 3:00 – 5:00

PLACE: 2240 E. Gonzales Road, Suite 200, Oxnard CA 93036

Call to Order, Welcome and Roll Call

Public Comment / Correspondence

1. **Approve Minutes**
 - a. March 20, 2012 Meeting Minutes *Action Required*
 - b. April 3, 2012 Special Meeting Minutes *Action Required*
 - c. April 19, 2012 Special Meeting Minutes *Action Required*
 - d. April 19, 2012 Meeting Minutes *Action Required*

2. **Accept and File CEO Update** (verbal) *For Information*

3. **Contract Update**
 - a. Provider Contracts *For Information*
 - b. Tatum Contract Update *For Information*
 - c. Specialty Contract *For Information*
 - d. Public Relations *For Information*

4. **Banking Restrict 2,000,000 for EFT** *Action Required*

5. **Accept and File Financial Report**
 - a. April Financials *For Information*

6. **Auto Assignment Policy Update** *For Information*

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

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 805/981-5320. 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 (VCMCC) dba
Gold Coast Health Plan - May 17, 2012
Executive Finance Committee Meeting Agenda *(continued)*
PLACE: 2240 E. Gonzales Road, Suite 200, Oxnard CA 93036
TIME: 3:00-5:00 pm

- 7. **Transfer of Nurses from ACS to RGS Update** *For Information*
- 8. **ACS Update** *For Information*
- 9. **Website Update** *For Information*
- 10. **Tatum Project Plan Priorities** *For Information*
- 11. **State Corrective Action Plan Update** *For Information*
- 12. **Request to move time to 1:30 or move date** *For Information*

Comments from Commissioners

Adjournment

Unless otherwise determined by the Commission, the next regular meeting of the Executive Finance Committee Meeting will be held on June 7, 2012 at 3:00 p.m. at 2240 E. Gonzales Road, Suite 200, Oxnard CA 93036

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

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.

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**Ventura County Medi-Cal Managed Care Commission (VCMMCC)
dba Gold Coast Health Plan (GCHP) Executive / Finance
Committee Meeting Minutes**

March 20, 2012

(Not official until approved)

CALL TO ORDER

Chair Cho called the meeting to order at 3:03 p.m. in Suite 280 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

ROLL CALL

COMMITTEE MEMBERS PRESENT

Robert Gonzalez, MD, Ventura County Health Care Agency

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

Catherine Rodriguez, Ventura County Medical Health System

EXCUSED / ABSENT MEMBERS

Lanyard Dial, MD, Ventura County Medical Association

Vacant Seat

STAFF EX OFFICIO COMMITTEE MEMBERS

Charles Cho, Chair, Interim CEO & Chief Medical Officer

Sonia DeMarta, Vice-Chair, Interim CFO

ADDITIONAL STAFF IN ATTENDANCE

Traci R. McGinley, Clerk of the Board, MMC

Susan Canino, Administrative Assistant

Steven Lalich, Communication Director

Lyndon Turner, Sr. Financial Analyst

PUBLIC COMMENT

None.

1. APPROVAL OF MINUTES

a. February 21, 2012 Meeting Minutes

It was noted that the last paragraph of Agenda Item #2 “variances” should be “vacancies” and in the 3rd paragraph under Agenda Item 3.a. they would prefer “IBNP (Incurred But Not Yet Paid)” be changed to “IBNR (Incurred But Not Yet Recorded)” Committee Member Gonzalez moved to approve the minutes as amended, Committee Member Juarez seconded and the motion carried. **Approved 3-0.**

2. ACCEPT AND FILE CEO UPDATE

Chair Cho indicated that there were three major issues; the first is the systems do not communicate with each other. Last week GCHP and ACS met. Dr. Cho explained that to his surprise the Auto Assignment Policy had never been implemented within the ACS systems. Dr. Cho continued stating that he has been in contact with the top ACS individual for GCHP, Adam Blodgett, Regional Vice-President.

The second issue is the Urgent Care Policy which is good for the Plan and fair for providers, but it was not implemented within the ACS systems either. GCHP pays for after-hours urgent care visits no matter what. Urgent Care during regular hours is to contact the PCP and it is up to the PCP if the Member is seen during regular hours. Urgent Care must complete a Treatment Authorization Form (TAR). ACS just advised Dr. Cho that it is not possible to program their system to work with the policy; Dr. Cho stressed that they should have informed him about that in November.

Chair Cho noted that the third issue is the nurses. ACS is looking at the contract; it was a financial necessity in the beginning, but now Adam will look into it and see what can be done.

Chair Cho stressed how critically low office space was becoming at the Plan's current location. Offices and cubicles have been cut extremely small and many of the professionals need their private spaces. It is believed that at least double the current amount of space is needed.

Chair Cho added that he has been assessing staffing needs and the Plan is currently 4 nurses short, 1 nurse could easily save us \$1 million. We are getting hundreds of refunds right now. We currently only have 1 nurse dedicated to case management. We need to understand that expenses are justified and will save money and expedite review.

Committee Member Juarez agreed with Dr. Cho and thanked him for the information. Chair Cho noted that he does have access to the Commission as CMO and will start using that at later date. Committee Member Gonzalez added that CMO should be a regular item on the Agenda. This information is what the Commission needs to hear about. Committee Member Juarez suggested the Chief Operating Officer as well.

Dr. Cho stressed that it is difficult to find high level individuals. We were short staffed before we had open positions. We have been cut \$30 million but can make it up in managed care.

There was discussion among Commissioners about how positions were filled. Chair Cho explained that he understood their concern, but stressed that their CEO needs to have the authority, Commissioners should not take over functions of the Plan.

Chair Cho explained that Associate Medical Director Nancy Wharfield reviewed the Custodial Care cases when they were denied and appealed, we have two that have gone to State, but we have not heard the results. We are not abandoning these individuals or families, but are trying to see what proper care is needed. Since all that were rejected have appealed we are trying to see if they qualify for CCS, we are hoping to find alternatives. Paul Russell of the local CCS is assisting us. Dr. Cho continued, if these are denied we still need to assist these people. We do not want to be looked upon that we do not have compassion, we will find solutions.

Chair Cho added that there will be similar situations with CBAST adult day care we have about 1100 members, 53 of 1100 did not qualify for conversion. We felt that if they were not taken care of they would end up in the hospital; we reassessed the 53 and have enhanced medical care. Chair Cho. They believe ½ of them should be in a facility so we were relieved that only 53 did not qualify for CBAST they can do a lot of things for these people in these locations: travel, meals, doctors, therapy.

Chair Cho noted that the Plan is receiving many refunds right now. There are many things and many different problems, \$33 million. Some are over payments; some are just not able to determine which invoice was being paid.

Interim CFO DeMarta added that some providers are sending checks back. ACS is contacting other providers about overpayment and how they would like it to be addressed.

3. ACCEPT AND FILE FINANCIAL REPORT

a. February Financials

Interim CFO Demarta noted that the State had paid several weeks late. Milliman has recommended that the IBNR be changed again. BRG believes the reserves are too low so that has been increased as well. Also, long term debt to ACS is amortized over several years.

Committee Member Gonzalez asked to reconcile with Clinicas and CMH. Interim CFO DeMarta added that she believed CMH is ongoing. Ken Dixon of ACS responded that the processes have been started and they have also reached out to Los Robles and Clinicas, but without a CEO at GCHP it is on hold. Committee Member Gonzalez stressed the importance of it being done.

RECESS:

A Recess was called at 4:50 p.m. The meeting was reconvened at 5:00 p.m.

Discussion was held regarding year to date expenses. There were questions regarding catastrophic claims, to which Interim CFO DeMarta responded that GCHP has insurance coverage for that.

Committee Member Gonzalez moved to accept the Financial Report, Juarez seconded. The motion carried, **Approved 3-0.**

4. OFFICE MOVE: COUNTY LEASE

Committee Member Juarez expressed his support but said it should go to full Commission.

Committee Member Rodriguez requested the financial impact.

Chair Cho stressed the importance of looking at the full picture because staff is suffering. Interim CFO Demarta noted that with all the open positions we have we would not have places to put them.

Committee Member Gonzalez moved to authorize CFO and CEO to evaluate plan space Juarez second. Motion carried, **Approved 3-0.**

5. REVIEW COMMISSION ACTIONS AND COMMISSION

a. Roles and Authority of Commission Members and CEO

Richard Averett of RGS advised the Committee of RGS' commitment to Gold Coast. RGS serves about two dozen public agencies. RGS is enhancing their support to GCHP through this time. That is what we do and that is why you hire us. For those issues that have been raised that are confidential, we will provide feedback when needed. We provide staff and support.

Committee Member Rodriguez asked how they will ensure they get quality people for the jobs. Jennifer Bower of RGS responded that they do background checks going back seven years. They verify title, pay, education, etc. which are all routine; but can only be done after an offer. One problem with reference is that candidates will give only people that would give positive responses in recruitment. We try to do local community as well as professional. We also search as many professional organizations as possible.

There was discussion regarding excessive travel claims that the CEO had approved. Richard Averett of RGS responded that they thought employee travel was excessive. They brought it up to the CEO and felt it was taken care of, there was no cover up. Jennifer Bower added that RGS' contract directs them to the CEO.

Jennifer Bower added that she had previously believed that the HR Director went through the Policies and Procedures with staff but was not the case.

Committee Member Gonzalez asked to see the travel policies as they may need to be changed. Committee Member Juarez added that he would like to have study session of the special committee.

6. SPECIAL COMMITTEE REPORT

Committee Member Gonzalez noted that the three Committee Members present were selected for a Special Committee and have specific authority to fill inter and regular positions. They have been working every day trying to move these processes forward.

Committee Member Juarez commented that it also included the appointment of CEO.

Committee Member Gonzalez thanked Dr. Cho and Sonia DeMarta for stepping up and handling this interim, but very important time. It does seem like things are calm and more settled.

a. Possible Solutions

1. Claims Director

Committee Member Gonzalez noted that there are two individuals that will interview on Friday. Jennifer Bower added that one internal candidate looks promising.

2. CEO

Committee Member Gonzalez explained that with regard to the CEO there are two different areas, a long term interim and a permanent.

3. Recruiting Firm

Committee Member Gonzalez notated that they no longer wanted to use The Self Company. We need to try to get all of this squared away. We need resumes of all the people on video. (This is with regard to the CFO position as well.)

Chair Cho explained that Self did one search that is almost complete for the QI Director and we have four great candidates. He also advised Dr. Cho that he has a number of candidates for the CFO position. Jennifer Bower noted that she spoke with Self and if we broke the contract there would no further costs with exception of the QI position. Chair Cho added that the contract also has a two year warranty commitment.

4. Legal Counsel

Committee Member Gonzalez noted that while counsel is being sought, County Counsel will assist the Commission.

Committee Member Juarez explained that the group wants a firm instead of an individual. Interviews with two firms in Ventura County have been scheduled. Committee Member Gonzalez added that they want to try to use a local firm.

5. CFO

Committee Member Gonzalez noted that there is an internal candidate for this position as well, but he would like to see all of the resumes. (See notes under Recruiting Firm as well.)

6. ACS Nurses

Committee Member Juarez explained that the Commission discovered that the Nurses were ACS so we want to look at ACS contract and move them under RGS.

Ken Dixon of ACS stated that they are in full support however they're a rare core group that they included in the core dollars of the contract. ACS will meet with Dr. Cho later in the week.

Jennifer Bower of RGS said it would be fairly easy. Chair Cho added that he would have the proposal on Thursday.

7. Consultants – Contract for Services Not to Exceed \$150,000

Committee Member Gonzalez announced that they are looking at a consulting firm that can come in overnight and go about setting up improvements. Consulting could be here as early as next Wednesday. They have also acted as a monitor for the State previously.

Committee Member Juarez added that they want to contact at least several organizations.

Committee Member Gonzalez added that on Thursday mornings there is a conference call with State, COHS's CEO's and CAHIO. There seems like there has been lot of progress. He hopes by next week to have interim solution in place.

Committee Member Juarez stated that as a Special Committee they need to look at interim, permanent and regular staffing. They want to make sure we do what is best.

COMMENTS FROM COMMITTEE MEMBERS

Committee Member Juarez stated that there was a breach of confidentiality about the investigation. Several times he reported that he never discussed this with GCHP staff. We never mentioned the name of the person. There was breach of confidentiality and that name should not have been out there. The investigation has been tainted. The meeting with investigator and the report is not privy to Commission but only RGS.

Jennifer Bower of RGS commented that she believed he was talking about her and she disagreed. She listened to his comments at the Commission Meeting; the investigation job is private because it is a personnel report and is usually not privy to a body.

ADJOURNMENT

Chair Cho adjourned the meeting at 7:05 p.m.

**Ventura County Medi-Cal Managed Care Commission (VCMMCC)
dba Gold Coast Health Plan (GCHP) Executive / Finance
Committee Meeting Minutes**

April 3, 2012

(Not official until approved)

CALL TO ORDER

Chair Cho called the meeting to order at 3:05 p.m. in Suite 280 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

ROLL CALL

COMMITTEE MEMBERS PRESENT

David Glycer, Private Hospitals / Healthcare System
Robert Gonzalez, MD, Ventura County Health Care Agency
Roberto S. Juarez, Clinicas del Camino Real, Inc.
Catherine Rodriguez, Ventura County Medical Health System

EXCUSED / ABSENT MEMBERS

Vacant Seat

STAFF EX OFFICIO COMMITTEE MEMBERS

Charles Cho, Chair, Interim CEO & Chief Medical Officer

ADDITIONAL STAFF IN ATTENDANCE

Traci R. McGinley, Clerk of the Board
Lyndon Turner, Sr. Financial Analyst
Steven Lalich, Communication Director

PUBLIC COMMENT

None.

1. LEGAL REPRESENTATION

A Special Committee consisting of Commissioner Committee Member Gonzalez, Committee Member Juarez and Committee Member Rodriguez were charged with multiple tasks, one being obtaining legal services. The Special Committee reached out to multiple large firms in Ventura County and received several responses back. Discussion was held regarding the different responses received.

Items were reviewed further; however it was discovered that some items needed to be printed and / or copied so the item will be brought up later in the meeting.

2. ACCEPT AND FILE FINANCIAL REPORT

Lyndon Turner, Senior Financial Analyst, highlighted that we started with \$21.4 Million and now have \$53.4 million. We had two months cap come in from the State and then two weeks after that March's payment was received.

\$52 Million Deposit	\$14.1 Million in Claims
\$14,000 in Interest	\$3.3 Million in Pharmacy
	\$3.3 Million in Administration, not including ACS and ScriptCare

3. CONTRACT REVIEW

RGS Contract Amendment Jennifer Bower of RGS explained that this Amendment would allow the Commission to have a special contract with an executive firm to manage the Plan but the executive firm would not be able to make changes in staffing, etc. without it going before the CMO or Jennifer Bower. Counsel Polich noted that he would need to see the current contract to determine how the wording was changing.

Committee Member Juarez moved approval of the amendment in concept if legal counsel approved, Committee Member Gonzalez seconded, motion carried.

Approved 4-0.

4. TRANSFER OF NURSES FROM ACS TO RGS UPDATE

Interim CEO Cho noted that the salary of the Nurses should be the same. Ken Dixon of ACS explained that they should have the figures later in the week; once figures are agreed upon it will move quickly.

Jennifer Bower explained that some Nurses would like to have their leaves transferred. Committee Member Gonzalez suggested they could get paid and then GCHP could allow time off at no pay.

Committee Member Rodriguez asked if their hire dates would be the same. Jennifer Bower responded that it would have to be reviewed.

5. ACS PRIORITY WORK PLAN REVIEW

ACS Services were highlighted from the priority levels list, estimated additional costs were listed for these projects as they are outside the original contract.

Ken Dixon of ACS noted that there are 23 items at this time. He added that they are doing adjudication separately as they have 4,000 that need adjudication. Further discussion was held regarding adjudication. Ken Dixon explained that they started

reviewing some of the back log to see why - some has been because GCHP was not the primary insurance.

Ken Dixon reported that a question had been raised at a previous meeting that an LTC was owed \$800,000. ACS researched LTC's claims; they had received an advance however their claims were not being accepted because their billing agent was no longer billing in the correct format.

Adam Blodgett of ACS asked GCHP to work with ACS as they have 20 billing companies that have not done anything to start working on the new State required format. It was suggested that possibly the newspaper could publish if they are not getting paid to check with their billing company to make sure their billing is being accepted.

Item #7, Urgent Care Policy, Dr. Cho stressed that this was a big issue. Claims were researched back claims because it has been difficult to reconcile. He was not aware that it was not being done. All back claims will be paid but in the future they will not unless there is a time of service seen.

Chair Cho stressed his frustration that ACS was unable to provide reports to GCHP and that he had not heard of it six months prior. Dr. Cho asked the Chief Operations Officer for reports and what he got was useless so that is why GCHP obtained the contract with Milliman.

Committee Member Gonzalez stated that the Commission will want reports. Our expectation is that there will be specific reports. Committee Member Rodriguez added that the information is available, just reports need to be programmed.

Ken Dixon responded that is the benefit of using companies like Milliman.

Mark Abernathy of BRG noted that Dr. Cho will not get that from Claims which is what is being authorized; he needs a solution and Milliman is not that solution.

Discussion was held regarding the lack of communication between the computer systems.

Committee Member Gonzalez voiced that the Committee was hearing about a lot of things for the first time and they hope to get it turned around. These are serious issues when medical management does not communicate.

Chair Cho advised the Committee that these items were being brought before the CEO however it was not going forward to the Committee or Commission.

RECESS:

A Recess was called at 4:55 p.m. The meeting was reconvened at 5:05 p.m.

Medical Management Item was further discussed. Committee Member Gonzalez asked if they could get reassurance of when it could get resolved. Chair Cho added that he felt the Plan needed an IT Director; there are five other COHS that can get these reports.

Ken Dixon asked to resolve this problem with Dr. Cho at a later date.

Committee Member Gonzalez stated that it may be that ACS can get someone or maybe GCHP can get someone. Committee Member Juarez noted that Cen Cal has offered to come in as well.

Mark Abernathy of BRG noted that the other Plans have people that program in sequel. Milliman has reports they will generate and he noted that Dr. Cho seemed to want more than that.

6. SPACE PLAN UPDATE

After discussion there was consensus that there be an RFQ for a Real Estate Broker and that the area be broadened to include Camarillo.

1. LEGAL REPRESENTATION *(continued)*

Committee Member Juarez moved to hire Nordman Cormany Hair & Compton LLP, and have Counsel Polich review any weaknesses and outsourcing requirements. Committee Member Glyer seconded. Motion Carried. **Approved 4-0.**

7. LINE OF CREDIT

Lyndon Turner, Senior Accounting Analyst noted that the Plan does have a line-of-credit with the County for \$2.2 Million. If used, it would be due in 20 years. It also expires 12/31/2014. This line of credit is for TNE requirement because there was original concern about meeting the requirement.

There was, a question raised about the Rabobank line of credit. Chair Cho noted that he and Interim CFO Sonia DeMarta met with Rabobank last week and it will be further pursued by CFO DeMarta.

ADJOURN TO CLOSED SESSION – GC § 54957 **Interview Candidate for Interim CEO**

The Committee adjourned to Closed Session at 5:40 p.m.

RETURN TO OPEN SESSION

The Regular Meeting reconvened at 7:07 p.m. Legal Counsel John Polich announced that the Executive Finance Committee voted unanimously to appoint Cassandra Undlin and contract with Tatum Executive.

Cassie Undlin stated that she was excited to be chosen and felt it would be fun and rewarding.

ADJOURN TO CLOSED SESSION – GC § 54957 – CEO Position
Present Permanent Position Resumes

The Committee adjourned to Closed Session at 7:09 p.m.

RETURN TO OPEN SESSION

The Regular Meeting reconvened at 7:55 p.m. Committee Member Gonzalez noted that they reviewed resumes and selected three individuals to interview for permanent CEO the following week.

COMMITTEE MEMBER COMMENTS

None.

ADJOURNMENT

The meeting adjourned at 7:59 p.m.

**Ventura County Medi-Cal Managed Care Commission
(VCOMMCC) dba Gold Coast Health Plan (GCHP)
Special Executive / Finance Committee Meeting Minutes
April 19, 2012
(Not official until approved)**

The purpose of the meeting was to approve the Legal Services Contract.

Notice of said meeting was duly given in the time and manner prescribed by law. Affidavit of compliance is on file in the Clerk of the Board's Office.

CALL TO ORDER

Chair Undlin called the Special meeting to order at 2:51 p.m. in Suite 230 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

COMMITTEE MEMBERS PRESENT

David Glycer, Private Hospitals / Healthcare System
Robert Gonzalez, MD, Ventura County Health Care Agency
Roberto S. Juarez, Clinicas del Camino Real, Inc.
Catherine Rodriguez, Ventura County Medical Health System

EXCUSED / ABSENT MEMBERS

Seat Vacant

STAFF EX OFFICIO COMMITTEE MEMBERS

Cassie Undlin, Chair, CEO
Sonia DeMarta, Vice-Chair, Interim CFO
Nancy Kierstyn Schreiner, Legal Counsel

ADDITIONAL STAFF IN ATTENDANCE

Traci R. McGinley, Clerk of the Board
Lorraine Kor, Administrative Assistant
Steve Lalich, Communications Director
Lyndon Turner, Sr. Financial Analyst

PUBLIC COMMENT

Nancy Schreiner introduced herself to the Members of the Committee.

1. APPROVAL OF LEGAL CONTRACT

Member Juarez moved to accept the contract and rates as presented. Member Glycer seconded. The Motion carried. **Approved 4-0.**

COMMENTS FROM COMMITTEE MEMBERS

Member Juarez asked about documents received by the Plan that had the Commissioners copied on the document. CEO Undlin indicated that she was not aware of what he was discussing. Member Juarez noted that the Members would like to be copied. Member Gonzalez wants copies if it shows that we should have received copies.

ADJOURNMENT

Chair Undlin adjourned the meeting at 3:00 p.m.

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

April 19, 2012

(Not official until approved)

Notice of said meeting was duly given in the time and manner prescribed by law. Affidavit of compliance is on file in the Clerk of the Board's Office.

CALL TO ORDER

Chair Interim CEO Undlin called the Special meeting to order at 3:00 p.m. in Suite 230 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

COMMITTEE MEMBERS PRESENT

David Glycer, Private Hospitals / Healthcare System

Robert Gonzalez, MD, Ventura County Health Care Agency

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

Catherine Rodriguez, Ventura County Medical Health System

EXCUSED / ABSENT MEMBERS

Seat Vacant

STAFF EX OFFICIO COMMITTEE MEMBERS

Cassie Undlin, Chair, CEO

Sonia DeMarta, Vice-Chair, Interim CFO

Nancy Kierstyn Schreiner, Legal Counsel

ADDITIONAL STAFF IN ATTENDANCE

Traci R. McGinley, Clerk of the Board

Lorraine Kor, Administrative Assistant

Steve Lalich, Communications Director

Lyndon Turner, Sr. Financial Analyst

The Pledge of Allegiance was recited.

PUBLIC COMMENT

None.

1. APPROVAL OF MINUTES

None at this time.

2. Accept and File CEO Update

Chair Undlin thanked the Committee for the opportunity, it is a challenge, but there are a lot of good people that want to do the right thing and get this plan working.

Chair Undlin noted that there was a lot of work that needed to be done, what BRG has done has been a big help for her and her colleagues they are working on a Financing, Operations and Technology project and BRG's report will be a major lead.

The Plan needs to be following the Auto Assignment Policy that was approved by the State. The Special Auto Assignment Group met and reviewed everything. The State will not accept a system that does not assign to all.

Chair Undlin noted that she was in the process of evaluating the website, what was currently being used and see if what we bought will work for members.

Committee Member Rodriguez asked how Undlin's partners in Tatum would come and do assessments. If it would collaborate with BRG's report? Would the findings be published? Chair Undlin responded that the Committee would be informed but expressed her concern about whether it would slow the speed of the process. They have gone to one level and Tatum expects to go one step further.

Committee Member Rodriguez asked about the Auto Assignment Committee. Chair Undlin responded that reconciliations are in process. She may have someone from Tatum Group pull that together. It will be harder than she anticipated. Because it is retro and not current it is a little lower concern than claims.

It appears that the system will not allow the Auto Assignment policy as was approved by the Commission. Committee Member Glyer noted that the policy allowed the CEO to make changes.

3. Accept and File Financial Report

a. March Financials

Interim CFO DeMarta reviewed the March Financials as was provided in the packet.

Committee Member Gonzalez voiced his appreciation for this type of presentation.

Counsel Schreiner left (3:36 p.m.)

Interim CFO DeMarta noted that Outside Services Other includes BRG Phase 1 project.

Committee Member Rodriguez asked what three month retro was. Interim CFO DeMarta explained that ACS is going back and reviewing retro payments and billing GCHP. Committee Member Rodriguez asked how we were capturing it. Interim CFO DeMarta responded that we know because the State information shows.

There was consensus that the full reports go before the Commission; however the Committee will advise the Commission that the information was fully discussed and reviewed at the Committee Meeting and a short summary will be provided to the Commission during the Commission Meeting.

Committee Member Rodriguez noted that we have \$53 million in the bank and we are able to afford our liabilities, she did not see any question about insolvency. And that would be a good point to relay.

4. Contract Review

Chair Undlin highlighted that there were two contracts for review: 1) The HEDIS package is quality measures and is over \$100,000; 2) ACS contract. We have received a request for a rate increase.

Committee Member Rodriguez asked if a reopener was included. Interim CFO DeMarta responded that it was a 5 year contract, but ACS wanted to do an amendment.

Committee Member Gonzalez noted that the Commission will really want to review this.

Committee Member Rodriguez asked about a formal evaluation of how their performance has been. Chair Undlin responded stating that she believed they had some SLA. Interim CFO DeMarta noted that there were SLAs that were not met.

Ken Dixon of ACS noted that the contract and business model is a 45 day and you now want a 30 day so we have to restructure. Chair Undlin added that Tatum will review the request adding that they have reviewed the vendor contract.

5. Transfer of Nurses from ACS to RGS Update

Chair Undlin advised the Committee that the target is to get it completed by the end of the month. Nurses are very excited.

6. ACS Priority Work Plan Review

Ken Dixon of ACS noted that the only thing they missed was the IT policy and procedure.

Committee Member Gonzalez stated that the Commission wants to know if we are not meeting deadlines. Chair Undlin added that we had a go live date delay.

Discussion was held regarding electronic payments.

Committee Member Juarez noted that he had asked for the ACS contract and received it, some work was done that was more than \$100,000 so it needs to come back to the Commission. Chair Undlin responded that she is working on those issues.

7. Space Plan Update

Interim CFO DeMarta stated that the RFQ has been posted, they have until tomorrow to supply questions and they must get it to us at the end of month. We should be able to bring it forward at next meeting.

Chair Undlin added that she would like the process in place. It is a big and costly project.

COMMENTS FROM COMMITTEE MEMBERS

Committee Member Gonzalez noted that they had LTC folks coming in. We asked for summary information on where we are. We will need something with that.

ADJOURNMENT

Chair Undlin adjourned the meeting at 4:30 p.m.

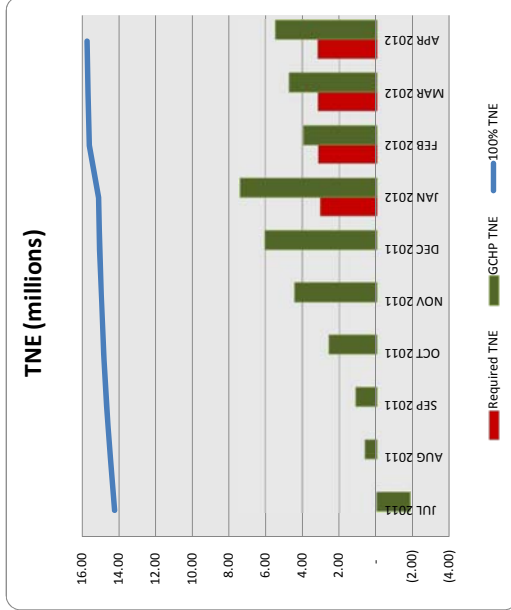
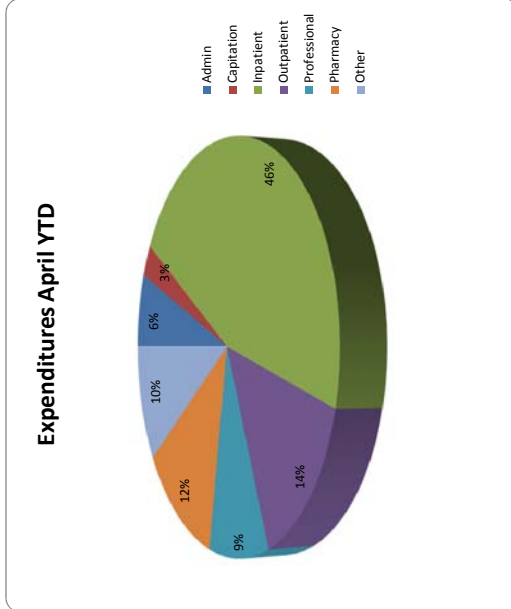
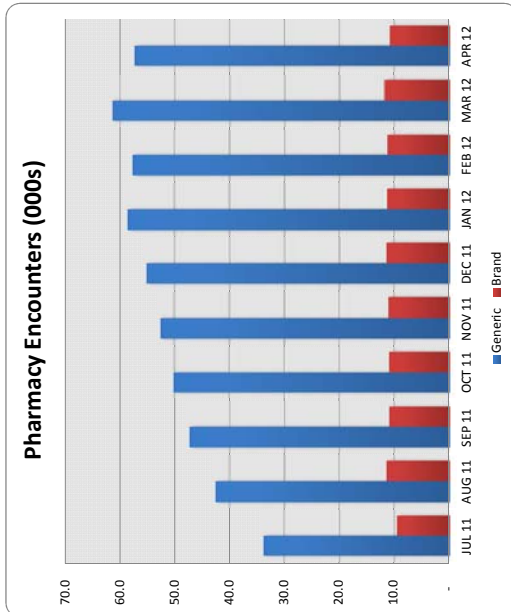
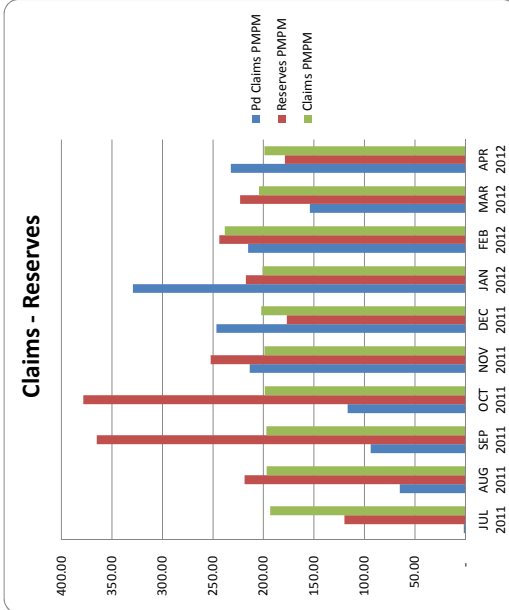
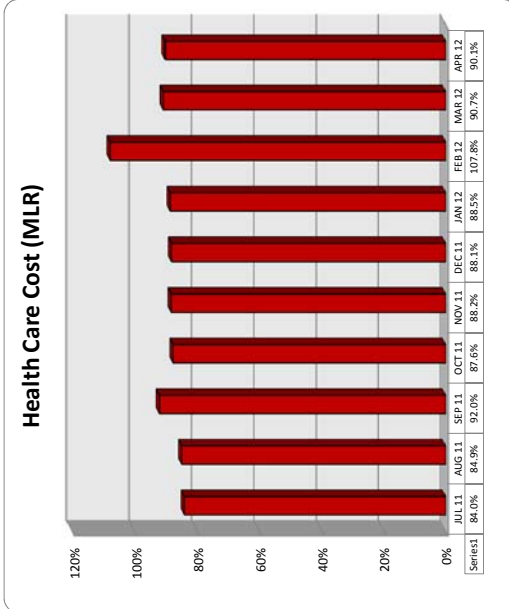
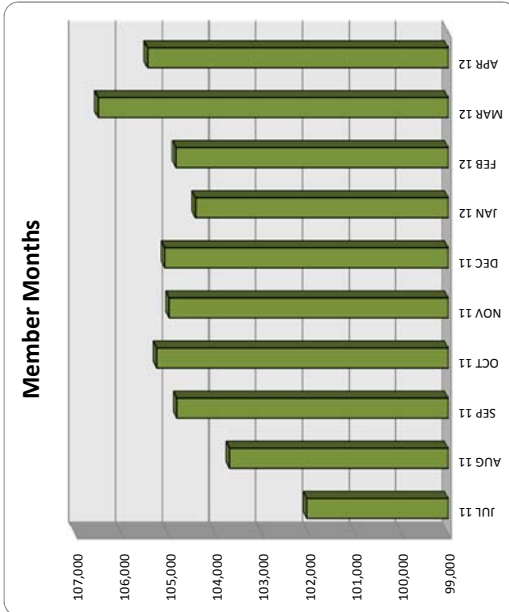
GOLD COAST HEALTH PLAN

SUMMARY FINANCIAL RESULTS

Ten Months & Year-to-Date

Ventura County Medi-Cal Monthly Results												YTD
	JUL 11	AUG 11	SEP 11	OCT 11	NOV 11	DEC 11	JAN 12	FEB 12	MAR 12	APR 12	YTD	
Member Months	102,033	103,689	104,821	105,245	104,979	105,079	104,418	104,839	106,503	105,446	1,047,052	
Revenue	24,678,298	25,035,423	23,740,361	25,199,998	24,946,694	25,440,875	24,990,447	24,231,927	25,411,162	25,427,262	249,102,446	
<i>pmpm</i>	241.87	241.45	226.48	239.44	237.64	242.11	239.33	231.13	238.60	241.14	237.91	
Health Care Costs	20,722,297	21,245,838	21,839,899	22,065,987	22,003,480	22,415,249	22,121,202	26,111,143	23,045,202	22,917,433	224,487,731	
<i>pmpm</i>	203.09	204.90	208.35	209.66	209.60	213.32	211.85	249.06	216.38	217.34	214.40	
% of Revenue	84.0%	84.9%	92.0%	87.6%	88.2%	88.1%	88.5%	107.8%	90.7%	90.1%	90.1%	
Admin Exp	1,341,729	1,354,008	1,413,721	1,672,837	1,084,862	1,440,127	1,529,225	1,516,129	1,615,365	1,774,156	14,742,160	
<i>pmpm</i>	13.15	13.06	13.49	15.89	10.33	13.71	14.65	14.46	15.17	16.83	14.08	
% of Revenue	5.4%	5.4%	6.0%	6.6%	4.3%	5.7%	6.1%	6.3%	6.4%	7.0%	5.9%	
Net Income	2,614,273	2,435,577	486,741	1,461,174	1,858,351	1,585,499	1,340,019	(3,395,346)	750,595	735,673	9,872,556	
<i>pmpm</i>	25.62	23.49	4.64	13.88	17.70	15.09	12.83	(32.39)	7.05	6.98	9.43	
% of Revenue	10.6%	9.7%	2.1%	5.8%	7.4%	6.2%	5.4%	-14.0%	3.0%	2.9%	4.0%	
100% TNE	14,242,618	14,455,522	14,671,236	14,837,677	14,925,890	15,048,230	15,101,073	15,615,661	15,685,187	15,730,289	157,302,899	
Required TNE	-	-	-	-	-	-	3,020,215	3,123,132	3,137,037	3,146,058	31,460,558	
GCHP TNE	(1,808,546)	627,031	1,113,773	2,574,946	4,433,298	6,018,797	7,358,815	3,963,469	4,714,065	5,449,737	54,449,737	

GOLD COAST HEALTH PLAN
Financial Scorecard - April 2012



GOLD COAST HEALTH PLAN

Comparison of Key Metrics

By Enrollment, in Ascending Order

Health Plan Name	Total Enrollees	Total Assets pmpm	Total Current Assets pmpm	Total Current Liabilities pmpm	Total Revenue pmpm	Net Income pmpm	Total Administrative Expenses pmpm	Administrative Cost Ratio	Total Medical Expenses pmpm	Medical Loss Ratio
San Mateo Health Commission	80,569	1,977.86	1,911.10	1,183.02	472.77	4.14	35.12	7.44	433.50	93.20
Contra Costa County Medical Services	100,327	554.39	554.35	466.54	227.40	2.22	7.01	3.00	218.17	117.27
GOLD COAST HEALTH PLAN	105,446	512.27	511.39	445.72	241.14	6.98	16.83	6.98	217.34	90.13
Santa Barbara San Luis Obispo Regional Health Auth	105,651	724.98	711.89	536.03	270.54	7.50	12.77	4.73	243.92	90.70
Kern Health Systems	112,853	1,075.16	963.23	241.72	162.23	7.90	10.79	6.94	139.84	106.23
San Joaquin County Health Commission	118,280	647.71	511.02	222.91	131.10	4.77	9.64	7.35	113.53	89.57
Alameda Alliance for Health	131,437	622.76	570.44	410.57	200.01	(0.19)	16.59	8.30	183.62	91.91
Santa Clara County Health Authority	132,197	461.28	451.26	204.10	178.99	3.25	45.30	22.05	130.44	90.24
Fresno-Kings-Madera Regional Health Authority	164,675	227.11	225.12	203.25	134.78	1.48	10.49	8.35	119.64	88.63
Partnership HealthPlan of California	187,864	1,340.12	1,244.68	664.08	269.46	13.28	11.13	4.16	237.84	88.31
Santa Cruz-Monterey-Merced Managed Med Care Comm	205,927	1,171.63	1,072.94	511.73	235.80	12.66	11.86	5.90	211.28	101.19
Inland Empire Health Plan	507,980	348.37	325.57	191.55	141.14	7.08	7.43	5.27	123.61	87.79
Mean	162,767	805.30	754.41	440.10	222.11	5.92	16.25	7.54	197.73	94.60
Median	124,859	635.24	562.39	428.15	213.70	5.87	11.49	6.96	197.45	90.47

Note: Gold Coast Health Plan data is from most recent month (April 2012)

Data from other plans is an average of quarterly filings in 2011

**Gold Coast Health Plan
Balance Sheet
April 30, 2012**

ASSETS

Current Assets

Total Cash and Cash Equivalents	50,798,092
Medi-Cal Receivable	1,872,926
Provider Receivable	362,537
Other Receivables	36,187
Total Accounts Receivable	2,271,650
Total Prepaid Accounts	201,778
Total Other Current Assets	757,500
Total Current Assets	54,029,020

Total Fixed Assets	93,417
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Total Assets	54,122,437
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LIABILITIES & FUND BALANCE

Current Liabilities

Incurred But Not Reported	18,854,780
Claims Payable	18,577,451
Capitation Payable	631,706
Accrued Premium Reduction	5,569,642
Accounts Payable	319,893
Accrued ACS	500,905
Accrued RGS	438,619
Accrued Premium Tax	1,238,037
Current Portion of Deferred Revenue	460,000
Current Portion Of Long Term Debt	500,000
Total Current Liabilities	47,091,034

Long-Term Liabilities

Other Long-term Liability	125,000
Deferred Revenue - Long Term Portion	1,456,667
Notes Payable	-
Total Long-Term Liabilities	1,581,667

Total Liabilities	48,672,700
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Beginning Fund Balance	(4,422,819)
Net Income Current Year	9,872,556

Total Fund Balance	5,449,737
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Total Liabilities & Fund Balance	54,122,437
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**Gold Coast Health Plan
Income Statement
Period Ended April 30, 2012**

	<u>FEB 2012</u>	<u>MAR 2012</u>	<u>APR 2012</u>	<u>Budget</u>	<u>Variance Fav/(Unfav)</u>	<u>YTD</u>	<u>% of Rev</u>	<u>Budget</u>	<u>Variance Fav/(Unfav)</u>
Members (Member/Months)	100,768	101,439	101,272	101,772	(500)	1,013,141		1,016,857	(3,716)
Revenues									
Premium	25,423,527	26,551,649	26,558,134	24,756,307	1,801,827	260,267,730	101.98%	248,115,090	12,152,640
Reserve for Retro-Active Rate Reduction	(553,821)	(561,704)	(563,998)	-	(563,998)	(5,569,642)	-2.18%	(1,658,225)	(3,911,417)
Interest Income	21,284	13,833	18,908	14,854	4,054	137,317	0.05%	120,966	16,351
Miscellaneous Income	38,333	38,333	38,333	38,333	0	383,333	0.15%	383,330	3
Total Revenues	24,929,324	26,042,112	26,051,378	24,809,494	1,241,884	255,218,738	100.00%	246,961,161	8,257,577
MCO Tax	697,397	630,949	624,116	569,395	(54,721)	6,116,292	2.40%	5,705,680	410,612
Net Revenue	24,231,927	25,411,162	25,427,262	24,240,099	1,187,163	249,102,446	97.60%	241,255,481	7,846,965
Cost of Health Care									
<u>Capitation</u>	620,892	631,179	631,706	735,965	104,259	6,266,777	2.46%	6,983,573	716,796
<u>Claims</u>									
Inpatient FFS Expense	8,633,321	4,461,281	4,414,111	3,717,714	(696,397)	44,185,257	17.31%	37,310,574	(6,874,683)
LTC/SNF Expense	2,310,147	6,530,526	6,540,243	6,851,259	311,016	64,542,288	25.29%	68,766,810	4,224,522
Outpatient FFS Expense	5,665,031	2,687,937	2,659,531	2,180,964	(478,567)	26,662,056	10.45%	22,546,658	(4,115,398)
Laboratory and Radiology Expense	126,753	227,068	224,241	233,057	8,816	2,250,367	0.88%	2,243,282	(7,085)
Emergency Room Facility Services FFS	1,234,941	522,102	516,532	406,068	(110,464)	5,187,328	2.03%	4,857,994	(329,334)
Physician Specialty Services FFS	2,108,578	2,038,710	2,014,947	1,950,960	(63,987)	20,199,493	7.91%	19,608,610	(590,883)
Professional FFS Expense	-	-	-	-	-	121	0.00%	-	(121)
Other Medical Professional	260,562	285,034	281,320	203,543	(77,777)	2,291,419	0.90%	2,035,804	(255,615)
Pharmacy	3,053,291	3,257,618	3,244,925	3,562,003	317,078	29,399,723	11.52%	32,640,638	3,240,915
Reinsurance	91,579	91,244	92,309	92,612	303	924,480	0.36%	925,340	860
Other Medical Care Expenses	-	916	-	-	-	916	0.00%	-	(916)
Other Fee For Service Expense	1,328,009	1,510,761	1,496,864	1,485,864	(11,000)	14,969,234	5.87%	13,838,682	(1,130,552)
Transportation FFS	190,317	293,805	290,339	297,173	6,834	2,920,738	1.14%	2,840,556	(80,182)
Medical & Care Management	487,722	507,022	510,364	559,062	48,698	4,687,534	1.84%	4,983,116	295,582
<u>Total Claims</u>	<u>25,490,251</u>	<u>22,414,023</u>	<u>22,285,727</u>	<u>21,540,279</u>	<u>(745,448)</u>	<u>218,220,953</u>	<u>85.50%</u>	<u>212,598,064</u>	<u>(5,622,889)</u>
Total Cost of Health Care	26,111,143	23,045,202	22,917,433	22,276,244	(641,189)	224,487,731	87.96%	219,581,637	(4,906,094)
Administrative Expenses									
Salaries and Wages	240,262	207,163	239,560	324,326	84,766	2,371,795	0.93%	2,749,947	378,152
Payroll Taxes and Benefits	102,090	110,151	83,567	111,955	28,388	866,095	0.34%	949,924	83,829
Total Travel and Training	6,710	4,932	8,954	9,680	726	46,354	0.02%	88,489	42,135
Outside Service - ACS	951,390	1,084,489	885,274	940,676	55,402	9,550,387	3.74%	9,373,504	(176,883)
Outside Service - CQS	-	-	625	-	(625)	625	0.00%	50,956	50,331
Outside Service - RGS	9,628	9,314	9,056	12,173	3,117	93,164	0.04%	106,777	13,613
Outside Services - Other	56,099	73,973	266,888	29,887	(237,001)	435,184	0.17%	161,429	(273,755)
Accounting & Actuarial Services	7,127	0	52,750	5,000	(47,750)	82,003	0.03%	128,445	46,442
Legal Expense	11,172	418	33,002	3,000	(30,002)	65,761	0.03%	38,667	(27,094)
Insurance	2,959	2,959	2,959	2,959	0	32,048	0.01%	32,052	4
Lease Expense -Office	11,869	13,469	10,269	26,080	15,811	126,936	0.05%	182,560	55,624
Consulting Services Expense	9,460	56,675	44,007	1,600	(42,407)	114,871	0.05%	44,230	(70,641)
Translation Services	12	1,106	550	1,397	847	6,735	0.00%	11,254	4,519
Advertising and Promotion Expense	15,793	1,484	8,384	496	(7,888)	179,263	0.07%	232,732	53,469
General Office Expenses	40,867	28,463	106,594	83,058	(23,536)	408,260	0.16%	444,308	36,049
Depreciation & Amortization Expense	1,461	1,461	1,461	1,461	0	14,952	0.01%	14,610	(342)
Printing Expense	2,344	1,353	1,995	24,250	22,255	22,067	0.01%	189,464	167,397
Shipping & Postage Expense	13,034	412	1,500	8,075	6,575	16,394	0.01%	68,124	51,730
Interest Exp	33,852	17,543	16,761	-	(16,761)	309,268	0.12%	5,175	(304,093)
Total Administrative Expenses	1,516,129	1,615,365	1,774,156	1,586,073	(188,083)	14,742,160	5.78%	14,872,647	130,487
Net Income / (Loss)	(3,395,346)	750,595	735,673	377,782	357,891	9,872,556	3.87%	6,801,197	3,071,359

**Gold Coast Health Plan
Income Statement PMPM
Period Ended April 30, 2012**

	<u>FEB 2012</u>	<u>MAR 2012</u>	<u>APR 2012</u>	<u>Budget</u>	<u>Variance Fav/(Unfav)</u>	<u>YTD</u>	<u>Budget</u>	<u>Variance Fav/(Unfav)</u>
Members (Member/Months)	100,768	101,439	101,272	101,772	(500)	1,013,141	1,016,857	(3,716)
Revenues								
Premium	252.30	261.75	262.25	243.25	18.99	256.89	244.00	12.89
Reserve for Retro-Active Rate Reduction	(5.50)	(5.54)	(5.57)	-	(5.57)	(5.50)	(1.63)	(3.87)
Interest Income	0.21	0.14	0.19	0.15	0.04	0.14	0.12	0.02
Miscellaneous Income	0.38	0.38	0.38	0.38	0.00	0.38	0.38	0.00
Total Revenues	247.39	256.73	257.24	243.78	13.47	251.91	242.87	9.04
MCO Tax	6.92	6.22	6.16	5.59	(0.57)	6.04	5.61	0.43
Net Revenue	240.47	250.51	251.08	238.18	12.90	245.87	237.26	8.62
Cost of Health Care								
<u>Capitation</u>	6.16	6.22	6.24	7.23	0.99	6.19	6.87	0.68
<u>Claims</u>								
Inpatient FFS Expense	85.68	43.98	43.59	36.53	(7.06)	43.61	36.69	(6.92)
LTC/SNF Expense	22.93	64.38	64.58	67.32	2.74	63.71	67.63	3.92
Outpatient FFS Expense	56.22	26.50	26.26	21.43	(4.83)	26.32	22.17	(4.14)
Laboratory and Radiology Expense	1.26	2.24	2.21	2.29	0.08	2.22	2.21	(0.02)
Emergency Room Facility Services FFS	12.26	5.15	5.10	3.99	(1.11)	5.12	4.78	(0.34)
Physician Specialty Services FFS	20.93	20.10	19.90	19.17	(0.73)	19.94	19.28	(0.65)
Professional FFS Expense	-	-	-	-	-	0.00	-	(0.00)
Other Medical Professional	2.59	2.81	2.78	2.00	(0.78)	2.26	2.00	(0.26)
Pharmacy	30.30	32.11	32.04	35.00	2.96	29.02	32.10	3.08
Reinsurance	0.91	0.90	0.91	0.91	(0.00)	0.91	0.91	(0.00)
Other Medical Care Expenses	-	0.01	-	-	-	0.00	-	(0.00)
Other Fee For Service Expense	13.18	14.89	14.78	14.60	(0.18)	14.78	13.61	(1.17)
Transportation FFS	1.89	2.90	2.87	2.92	0.05	2.88	2.79	(0.09)
Medical & Care Management	4.84	5.00	5.04	5.49	0.45	4.63	4.90	0.27
<u>Total Claims</u>	<u>252.96</u>	<u>220.96</u>	<u>220.06</u>	<u>211.65</u>	<u>(8.41)</u>	<u>215.39</u>	<u>209.07</u>	<u>(6.32)</u>
Total Cost of Health Care	259.12	227.18	226.30	218.88	(7.41)	221.58	215.94	(5.63)
Administrative Expenses								
Salaries and Wages	2.38	2.04	2.37	3.19	0.82	2.34	2.70	0.36
Payroll Taxes and Benefits	1.01	1.09	0.83	1.10	0.27	0.85	0.93	0.08
Total Travel and Training	0.07	0.05	0.09	0.10	0.01	0.05	0.09	0.04
Outside Service - ACS	9.44	10.69	8.74	9.24	0.50	9.43	9.22	(0.21)
Outside Service - CQS	-	-	0.01	-	(0.01)	0.00	0.05	0.05
Outside Service - RGS	0.10	0.09	0.09	0.12	0.03	0.09	0.11	0.01
Outside Services - Other	0.56	0.73	2.64	0.29	(2.34)	0.43	0.16	(0.27)
Accounting & Actuarial Services	0.07	-	0.52	0.05	(0.47)	0.08	0.13	0.05
Legal Expense	0.11	0.00	0.33	0.03	(0.30)	0.06	0.04	(0.03)
Insurance	0.03	0.03	0.03	0.03	(0.00)	0.03	0.03	(0.00)
Lease Expense -Office	0.12	0.13	0.10	0.26	0.15	0.13	0.18	0.05
Consulting Services Expense	0.09	0.56	0.43	0.02	(0.42)	0.11	0.04	(0.07)
Translation Services	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.00
Advertising and Promotion Expense	0.16	0.01	0.08	0.00	(0.08)	0.18	0.23	0.05
General Office Expenses	0.41	0.28	1.05	0.82	(0.24)	0.40	0.44	0.03
Depreciation Expense	0.01	0.01	0.01	0.01	(0.00)	0.01	0.01	(0.00)
Depreciation & Amortization Expense	0.01	0.01	0.01	0.01	(0.00)	0.01	0.01	(0.00)
Printing Expense	0.02	0.01	0.02	0.24	0.22	0.02	0.19	0.16
Shipping & Postage Expense	0.13	0.00	0.01	0.08	0.06	0.02	0.07	0.05
Interest Exp	0.34	0.17	0.17	-	(0.17)	0.31	0.01	(0.30)
Total Administrative Expenses	15.05	15.92	17.52	15.58	(1.93)	14.55	14.63	0.08
Net Income / (Loss)	(33.69)	7.40	7.26	3.71	3.55	9.74	6.69	3.06

**Gold Coast Health Plan
Income Statement
Current Month vs. Prior Month**

	<u>MAR 2012</u>	<u>APR 2012</u>	<u>Variance</u> Fav/(Unfav)	<u>% Variance</u> Fav/(Unfav)	<u>Variance Explanation</u>
Members (Member/Months)	<u>101,439</u>	<u>101,272</u>	<u>(167)</u>		
Revenues					
Premium	26,551,649	26,558,134	6,485	0.02%	
Reserve for Retro-Active Rate Reduction	(561,704)	(563,998)	(2,293)	-0.41%	
Interest Income	13,833	18,908	5,075	36.68%	Add'l interest from sweep account
Miscellaneous Income	38,333	38,333	-	0.00%	
Total Revenues	<u>26,042,112</u>	<u>26,051,378</u>	<u>9,266</u>	<u>0.04%</u>	
MCO Tax	630,949	624,116	6,833	1.08%	
Net Revenue	<u>25,411,162</u>	<u>25,427,262</u>	<u>16,099</u>	<u>0.06%</u>	
Cost of Health Care					
<u>Capitation</u>	631,179	631,706	(526)	-0.08%	
<u>Claims</u>					
Inpatient FFS Expense	4,461,281	4,414,111	47,170	1.06%	
LTC/SNF Expense	6,530,526	6,540,243	(9,717)	-0.15%	
Outpatient FFS Expense	2,687,937	2,659,531	28,406	1.06%	
Laboratory and Radiology Expense	227,068	224,241	2,827	1.25%	
Emergency Room Facility Services FFS	522,102	516,532	5,570	1.07%	
Physician Specialty Services FFS	2,038,710	2,014,947	23,763	1.17%	
Other Medical Professional	285,034	281,320	3,713	1.30%	
Pharmacy	3,257,618	3,244,925	12,693	0.39%	
Reinsurance	91,244	92,309	(1,066)	-1.17%	
Other Medical Care Expenses	916	-	916	100.00%	
Other Fee For Service Expense	1,510,761	1,496,864	13,897	0.92%	
Transportation FFS	293,805	290,339	3,466	1.18%	
Medical & Care Management	507,022	510,364	(3,342)	-0.66%	
<u>Total Claims</u>	<u>22,414,023</u>	<u>22,285,727</u>	<u>128,296</u>	<u>0.57%</u>	
Total Cost of Health Care	<u>23,045,202</u>	<u>22,917,433</u>	<u>127,769</u>	<u>0.55%</u>	

**Gold Coast Health Plan
Income Statement
Current Month vs. Prior Month**

	<u>MAR 2012</u>	<u>APR 2012</u>	<u>Variance</u> Fav/(Unfav)	<u>% Variance</u> Fav/(Unfav)	<u>Variance Explanation</u>
Administrative Expenses					
Salaries and Wages	207,163	239,560	(32,397)	-15.64%	
Payroll Taxes and Benefits	110,151	83,567	26,584	24.13%	
Total Travel and Training	4,932	8,954	(4,022)	-81.55%	
Outside Service - ACS	1,084,489	885,274	199,215	18.37%	
Outside Service - CQS	-	625	(625)	0.00%	
Outside Service - RGS	9,314	9,056	258	2.77%	
Outside Services - Other	73,973	266,888	(192,915)	-260.79%	BRG 256K
Accounting & Actuarial Services	-	52,750	(52,750)	-100.00%	
Legal Expense	418	33,002	(32,584)	-7792.19%	
Insurance	2,959	2,959	-	0.00%	
Lease Expense -Office	13,469	10,269	3,200	23.76%	
Consulting Services Expense	56,675	44,007	12,667	22.35%	RGS 44K
Translation Services	1,106	550	555	50.22%	
Advertising and Promotion Expense	1,484	8,384	(6,900)	-464.93%	
General Office Expenses	28,463	106,594	(78,131)	-274.50%	Workstations 25K; computers 13K; EE
Depreciation & Amortization Expense	1,461	1,461	-	0.00%	
Printing Expense	1,353	1,995	(642)	-47.44%	
Shipping & Postage Expense	412	1,500	(1,088)	-264.02%	
Interest Exp	17,543	16,761	781	4.45%	
Total Administrative Expenses	1,615,365	1,774,156	(158,791)	-9.83%	
Net Income / (Loss)	750,595	735,673	(14,923)	1.99%	

**Gold Coast Health Plan
General Office Expense
Period Ended April 30, 2012**

	<u>MAR 2012</u>	<u>APR 2012</u>
Non-Capital - Furniture & Equip.	3,040	25,621
Non-Capital Equipment - Computer	895	13,477
Software Licenses	4,887	7,103
Repairs & Maintenance	236	1,096
Telephone Services/ Internet Charges	4,724	1,115
Lease Expense -Equipment	-	4,751
Office & Operating Supplies	3,216	3,553
Bank Service Fees Expense	30	-
EE Recruitment	4,784	43,479
Prof Dues, Fees and Licenses	6,651	6,399
General Office Expenses	28,463	106,594

**Gold Coast Health Plan
Statement of Cash Flows
Month Ended April 30, 2012**

Cash Flow From Operating Activities	
Collected Premium	26,696,569
Miscellaneous Income	18,908
<u>Paid Claims</u>	
Medical & Hospital Expenses	(21,589,188)
Pharmacy	(3,429,297)
Capitation	(631,179)
Reinsurance of Claims	(92,309)
Reinsurance Recoveries	-
Payment of Withhold / Risk Sharing Incentive	-
Paid Administration	(2,012,399)
Repay Initial Net Liabilities	-
MCO Taxes Expense	(1,237,731)
Net Cash Provided/(Used) by Operating Activities	(2,276,627)
Cash Flow From Investing/Financing Activities	
Proceeds from Paid in Surplus/Issuance of Stock	-
Costs of Capitalization	-
Net Acquisition of Property/Equipment	-
Net Cash Provided/(Used) by Investing/Financing	-
Net Cash Flow	(2,276,627)
Cash and Cash Equivalents (Beg. of Period)	53,074,719
Cash and Cash Equivalents (End of Period)	50,798,092
	(2,276,627)
Adjustment to Reconcile Net Income to Net Cash Flow	
Net Income/(Loss)	735,673
Depreciation & Amortization	1,461
Decrease/(Increase) in Receivables	554,645
Decrease/(Increase) in Prepaids & Other Current Assets	5,326
(Decrease)/Increase in Payables	60,587
(Decrease)/Increase in LT Liabilities	(80,000)
Purchase of fixed Assets	-
Changes in Withhold / Risk Incentive Pool	-
Change in MCO Tax Liability	(613,615)
Changes in Claims and Capitation Payable	1,952,939
Changes in IBNR	(4,893,642)
	(2,276,627)
Net Cash Flow from Operating Activities	(2,276,627)

**Gold Coast Health Plan
Statement of Cash Flows
Ten Months Ended April 30, 2012**

Cash Flow From Operating Activities	
Collected Premium	258,395,549
Miscellaneous Income	158,556
<u>Paid Claims</u>	
Medical & Hospital Expenses	(150,171,119)
Pharmacy	(27,267,243)
Capitation	(6,264,705)
Reinsurance of Claims	(832,349)
Reinsurance Recoveries	
Payment of Withhold / Risk Sharing Incentive	
Paid Administration	(18,982,309)
Repay Initial Net Liabilities	
MCO Taxes Expense	(4,878,254)
Net Cash Provided by Operating Activities	50,158,126
Cash Flow From Investing/Financing Activities	
Proceeds from Paid in Surplus/Issuance of Stock	-
Costs of Capitalization	-
Net Acquisition of Property/Equipment	(20,731)
Net Cash Provided/(Used) by Investing/Financing	(20,731)
Net Cash Flow	50,137,395
Cash and Cash Equivalents (Beg. of Period)	660,697
Cash and Cash Equivalents (End of Period)	50,798,092
	50,137,395
Adjustment to Reconcile Net Income to Net Cash Flow	
Net (Loss) Income	9,872,556
Depreciation & Amortization	14,952
Decrease/(Increase) in Receivables	(2,262,495)
Decrease/(Increase) in Prepaids & Other Current Assets	(919,151)
(Decrease)/Increase in Payables	(661,019)
(Decrease)/Increase in LT Liabilities	(758,333)
Purchase of fixed Assets	
Changes in Withhold / Risk Incentive Pool	-
Change in MCO Tax Liability	1,238,037
Changes in Claims and Capitation Payable	24,778,799
Changes in IBNR	18,854,780
	50,158,126
Net Cash Flow from Operating Activities	50,158,126