

**County Medi-Cal Managed Care Commission
(VCMGCC) dba Gold Coast Health Plan (GCHP)
Special Commission Meeting Minutes
November 28, 2011**

The purpose of the meeting was to obtain public comment and provide community outreach.

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

Vice-Chair Gonzalez called the Special Meeting to order at 6:15 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.
John Fankhauser, MD, Ventura County Medical Center Executive Committee
Robert Gonzalez, MD, Ventura County Health Care Agency
Rick Jarvis, Private Hospitals / Healthcare System
Roberto S. Juarez, Clinicas del Camino Real, Inc.

EXCUSED / ABSENT COMMISSIONERS

Lanyard Dial, MD, Ventura County Medical Association
Laurie Eberst, RN, Private Hospitals / Healthcare System
Kathy Long, Ventura County Board of Supervisors
Catherine Rodriguez, Ventura County Medical Health System

STAFF IN ATTENDANCE

Earl Greenia, CEO
Tin Kin Lee, Legal Counsel
Traci R. McGinley, Clerk of the Board
Brandy Armenta, Quality Improvement Specialist
Charlie Cho, MD, Chief Medical Officer
Sonia DeMarta, Accounting and Finance Manager
Andre Galvan, Project Management Specialist
Guillermo Gonzalez, Government Affairs Director
Darlane Johnsen, Chief Financial Officer

Pamela Kapustay, RN, Health Services Director
Steven Lalich, Communications Director
Audra Lucas, Administrative Assistant
Aimee Sziklai, Operations Director

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

PUBLIC COMMENT / CORRESPONDENCE

Efera Cruz noted that she worked with the community this last year and hoped Ms. Berry realized how vital her roll on the Commission is for the public.

Mark Robinson, Tri-County GLAD, stated that he was present on Julianna Fjeld's behalf. He noted that a great relationship has developed with GCHP and complimented GCHP staff. GLAD is abreast of new technology, Video Phone is what is currently be used. He stressed that the Member Services Call Center needs to be able to accept such calls.

Christina Montero, Tri-County GLAD, complimented GCHP staff on the work they have done in the community to create a smooth transition. She added that she has worked with Lupe Gonzalez, Health Educator, on information for hearing impaired Members.

Griselda Reyes, (through Translator Lourdes González Campbell of Lourdes González Campbell and Associates provided by GCHP), asked at what age a person could apply for GCHP as her relative is 62 and has no insurance and asked how she could obtain assistance.

Linda Smith, ARC, informed the Commission that ARC serves approximately 800 individuals with developmental disabilities. She added that her daughter obtains services through ARC. She noted that she is on the Consumer Advisory Committee and thanked GCHP staff for being available to answer questions. She acknowledged that the transition is a slow process and expressed hope that any problems get resolved quickly.

Marco Benitez stated that people still do not know how to get help. GCHP spent money on advertising, but he has not heard information from the community outreach program. He added that he has not heard ads in Mixteco and believes Lazer Broadcasting has 70% of the Latino market. He asked why GCHP did not use Lazer.

Ruben Juarez, Healthy Families, Ventura County Health Care Plan, explained that he works to promote available services and has worked with GCHP as well. There are many programs available for families to obtain services. Mr. Juarez added that he has heard a lot of advertisements.

Denis O'Leary, Oxnard School District Trustee, stated that he believed GCHP has the best intentions and does not want anyone to lack medical services. GCHP needs to go above and beyond and meet with people that can advise them on how to provide better services.

Norma Gomez, MICOP, (through Translator Lourdes González Campbell of Lourdes González Campbell and Associates provided by GCHP), explained that they represent the Mixteco population. She added that they speak Mixteco, not Spanish or English. She thanked Guillermo Gonzalez for assisting in obtaining contracts for coverage in other communities as the migrant workers travel from Ventura County up the State.

David Cruz, HELA President, stated that in October he requested information from GCHP and received incomplete material. He expressed his concern that GCHP does not have a marketing plan, how does staff know the effectiveness of their work. GCHP's top nine staff members earn more than \$1.4 million annually. Mr. Cruz asked if GCHP is another "business as usual" agency, and people will not come back to the Commission if they feel they are just rubber-stamping items.

Raymundo Pinedo stated that he is from Santa Paula and there are a lot of kids that need services yet he has not heard anything about GCHP. He stated that if staff is putting all that money into their pockets, where are the services, people are not being provided services. Mr. Pinedo added that he cannot afford health services and it is GCHP's job to provide for the community.

Jesus Cuervas asked who sets the rules for the doctor; he stated that they tell him they will cure him in six months then a year later he is still not cured. He is afraid to go to doctors that do not cure him and only maintain him.

Maria Lourdes Cordova, stated that she did not believe enough time was provided for the change. The first time she went to the doctor after the switch they didn't want to see her because they could not locate her information even though she had been going there for 10 years. She asked about members that did not choose a PCP. She lives in Ventura and if she got assigned to Oxnard she would have a transportation problem. She expressed her concern about the amount of money that GCHP spent; she received 2 packets (an English and Spanish copy) for each of the 6 people in her family instead of only 1 packet for the entire family.

Alfredo Plascencia, Lazer Broadcasting, stated that GCHP purchased radio time from Lazer stations via Gold Coast Broadcasting. He added that Lazer provides many Public Service Announcements; they ask many doctors and nurses to participate.

Roberto Cuellar explained that he is a cancer survivor of 11 years and must get shots every month. With GCHP he gets his shots, but there's a lot of red tape. He added that he is currently not working, his coverage will not become effective again until December 1st. His children have vision and dental problems and they are not covered.

1. APPROVAL OF MINUTES

a. Meeting of September 26, 2011

Vice-Chair Gonzalez noted the spelling of his name needed to be corrected on page 2. Vice-Chair Gonzalez and Commission Juarez requested that the last paragraph on page 4 of the minutes read as follows:

“Commissioner Juarez noted that this type of issue is typically discussed at the Executive Finance Committee and believes this is really looking at a model, not the CEO’s authority. Vice-Chair Gonzalez agreed that the discussion should have taken place at the Executive Finance Committee Meeting. Commissioner Araujo added that the Commission needs feedback, reports of contracts executed and model contracts need to be provided to the Commission. CEO Greenia noted that contract information is provided in the CEO Report to Commission.”

Commissioner Berry moved to approve the September 26, 2011 Meeting Minutes as amended; Commissioner Juarez seconded. The motion carried. **Approved 7-0.**

2. MANAGEMENT UPDATE

CEO Greenia acknowledged that GCHP has been operational for almost six months. He noted that GCHP received the updated capitation rates from the State, reflecting reductions mandated by AB 97; he reduction was less than anticipated and is 2.19%, a \$7 million reduction.

3. FINANCIAL REPORT

a. Re-forecasted Budget

CFO Johnsen noted the rate reduction from the State and reported that the budget has been revised. The impact has been less than expected; however, this does not reflect the changes in provider compensation. There were previous questions on the General & Administrative expenses so a schedule of salaries and benefits has been included in the packet. There has been an increase in staffing; the majority in health services.

Questions were raised regarding the impact of cuts, to which CFO Johnsen responded that GCHP hopes to minimize the impact to Providers. However, until claims processing stabilizes staff cannot determine the extent of impact.

Commissioner Araujo moved to approve the re-forecasted budget, Commissioner Berry seconded. The motion carried. **Approved 7-0.**

b. September Financials

CFO Johnsen noted that this would be reviewed in 3c as October Financials include September figures.

c. October Financials

CFO Johnsen noted revenue continues to exceed the budget given increased membership and the member premium mix. The California Department of Health Care Services (CDHCS) announced the premium reduction retroactive to July as a result of the approval of the provider rate reductions by CMS. The impact on Plan Premium is \$560,000 per month. Year to date \$2.3 million has been accrued.

Health Care costs year to date are \$84.2 million. This compares to the forecast of \$21.4 million. We are coming in close to budget as the pharmacy costs are lower than budgeted.

There were questions regarding the increase in salaries and benefits, to which CFO Johnsen responded that positions were added, especially to the Health Services division.

David Cruz, HELA, questioned whether employees receive \$1,000 per month for medical insurance and 10% for 401 contributions. CEO Greenia clarified that the cost for medical benefits is \$1,000 per month per employee and 10% is contributed to 401k accounts since Regional Government Services (RGS) does not contribute to Social Security.

CFO Johnsen continued explaining that it was originally forecasted that we would receive the premium ahead, but it is received in arrears.

d. State Rate Reduction

CFO Johnsen noted that this was reviewed in 3c. *October Financials*.

4. MANAGEMENT RECOMMENDATIONS AND REPORTS

a. Community Outreach Presentation

Steve Lalich, Communications Director, gave a PowerPoint presentation. He explained that there was a “kick-off” information campaign directed to the public and media. The Plan addressed expected questions regarding the transition to managed care. He added that there were a number of events with the County and that many organizations, such as Clinicas that assisted. The media campaign utilized newspaper, radio and television. The first media phase began in May, the second concluded November 18. There is a plan to have a third phase next year.

Director Lalich noted that GCHP partnered with several entities. We reviewed Arbitron ratings to determine the best buy for the Plan. He reviewed specific criteria of Phase 1 of the Campaign as outlined in the presentation. The first phase reached 430,400 unique listeners and 265,500 in the second phase which emphasized the necessity of maintaining a Medical Home for members.

When Gold Coast Broadcasting was selected as the vendor they were directed to use various stations to ensure that the broad base of Medi-Cal beneficiaries was reached.

Commissioner Juarez inquired about Gold Coast Broadcasting’s ability to reach the Hispanic market, to which Director Lalich responded that was taken into consideration when the media buy was made, the only data that could be verified was Arbitron.

b. Delineation of Authority

CEO Greenia noted that this was assigned to the Executive Finance Committee and went before them at the November 9, 2011 meeting. Commissioner Juarez noted that “not” is missing from 4b-2 and Vice-Chair Gonzalez. Commissioner Araujo commented that an approval date should be added to the document.

Commissioner Fankhauser asked if this was presented to the Executive Finance Committee to which Vice-Chair Gonzalez confirmed that the bullets were discussed and agreed to; however not specifically regarding General and Inclusive, etc. Commissioner Araujo recommended “including, but not limited to #1”

There is dialogue regarding delineation of authority from the Commission to the CEO.

Commissioner Juarez moved to accept the proposed Delineation of Authority with the deletion of Category #1 "...subject to Commission approval:...", and the first two bullets of what is Category #2 to read as follows:

- "Negotiation, execution and termination of provider contracts. As new model contracts are developed, Management will present such models to the Executive-Finance Committee as an information item.
- Negotiation and execution of vendor contracts, subject to thresholds established by the Commission (See Attached: VCMMCC CEO Signing Authority for Contractual Agreements for Administrative Goods and Services, approved on June 28, 2010)."

Commissioner Chawla seconded and the motion carried. **Approved 6-1.**

c. Vision Benefit Managed Vendor Selection

CEO Greenia informed the Commission that several proposals from vision benefit management vendors were received and reviewed. He noted that if the Commission approves the item it would also be subject to State approval and that the Vendor will be expected to preserve the existing provider network.

Commissioner Fankhauser moved to approve the Vision Benefit Vendor Selection, Commissioner Berry seconded. The motion carried. **Approved 4-3**, with Commissioners Gonzalez, Juarez and Chawla voting no.

Discussion was held regarding the effect on the budget to which CFO Johnsen announced that this would be a cost savings to the Plan from what was budgeted.

Concern was raised regarding complications and timeliness of obtaining lenses through the State Prison system to which CMO Cho advised the Commission that it is State Law that Medi-Cal use Prison System lenses.

d. Claims Management Report

CEO Greenia announced tremendous progress had been made on processing pended claims. Claims can be "pended" for many different reasons, about 80% fall into five broad categories. Multiple system enhancements have been developed and entered into production by ACS to reduce the volume. This will have a positive impact going forward; however, the manual review of the existing claims residing in pend queues remain, and is a priority for both parties. Working with ACS, we expect the pend queues to be significantly reduced no later than mid-January.

Adam Blodgett, ACS Operations, noted that most of focus for the past six weeks has been on these issues. The proposed timeframe is the "worst case" and staff is working around the clock to resolve the problem.

Commissioners expressed their concern regarding ACS' attention and competency to this issue.

e. Commission 2012 Meeting Schedule

CEO Greenia highlighted staff's recommendation to not schedule meetings in September and December. Also, now that the Plan is "live" it is challenging to present finance reports by the second week of the month.

Commissioner Araujo moved to accept the 2012 Meeting calendar as amended: the Executive / Finance Meetings will be held on the Tuesday prior to the Commission Meetings. March and October to be evening meetings, the regular Commission and Executive / Finance Meetings will start at 3:00 p.m., Meetings remain scheduled in September, the November Executive / Finance Meeting be moved up one week due to the holiday. Commissioner Juarez seconded. The motion carried. **Approved 7-0.**

COMMENTS FROM COMMISSIONERS

Commissioner Berry announced that she would not review her report at this time, but will file it with the Clerk of the Board given the late hour. She also introduced Katherine Raley of the Consumer Advisory Committee.

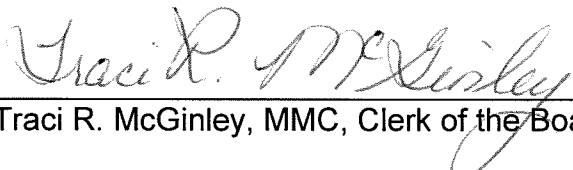
Katherine Raley noted that her organization had received three minor complaints which were quickly addressed by Andre Galvan.

Commissioner Juarez stressed the need to initiate the external audit process.

ADJOURNMENT

The meeting adjourned at 8:52 p.m.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board