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

Regular Meeting

Monday, January 27, 2020, 2:00 p.m.

Gold Coast Health Plan, 711 East Daily Drive, Community Room, Camarillo, CA 93010

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENT

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

Persons wishing to address VCMMCC are limited to three (3) minutes unless the Chair of the Commission extends time for good cause shown. Comments regarding items not on the agenda must be within the subject matter jurisdiction of the Commission.

CONSENT

1. **Approval of Ventura County Medi-Cal Managed Care Regular Minutes of November 18, 2019, Strategic Planning Retreat Minutes of December 9, 2019 and Special Commission Meeting Minutes of December 20, 2019.**

   Staff: Maddie Gutierrez, CMC – Clerk of the Commission

   RECOMMENDATION: Approve the minutes for November, 18, 2019, December 9, 2019 and December 20, 2019.

2. Optum Contract Amendments

Staff: Nancy Wharfield, M.D., Chief Medical Officer
Anne Freese, PharmD, Director of Pharmacy

RECOMMENDATION: Approve signing of the Pharmacy Benefits Manager (PBM) amendments to bring GCHP into compliance with regulatory requirements and enhance Delegation Oversight.

3. Approve recruitment Firm Agreement ("Agreement") with Morgan Consulting Resources ("MCR") for Chief Executive Officer Recruitment Services.

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Staff recommends the Commission approve the Agreement with MCR and authorize the interim CEO to execute the Agreement.

PRESENTATION

4. Quest Laboratories Preferred Provider Contract

Staff: Steve Peiser, Sr. Director of Network Management

RECOMMENDATION: Receive and file the presentation.

FORMAL ACTION

5. Immediate Procurement of 24/7 Nurse Advice Line Services

Staff: Nancy Wharfield, Chief Medical Officer

RECOMMENDATION: The Plan recommends the Commission approve entering into a two (2) year agreement for the provision of 24/7 Nurse Advice Line services with a net-to-exceed amount of $300,000.00

6. Additional Funds Approval – Edrington Health Consulting (EHC), LLC, SOW 3

Staff: Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Approve the consolidation of EHC Statement of Worth's (SOW) 1 & 2 into SOW 3 and award SOW 3 to EHC for a twenty-four (24) month period with a not-to-exceed amount of $350,000.

7. November and December 2019 Financial Report

Staff: Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Receive, approve and file the November and December 2019 financials report.

8. AmericasHealth Plan (AHP) Plan to Plan Approval

Staff: Margaret Tatar & Patricia Tanquary, Interim CEO

RECOMMENDATION: Staff recommends the Commission approve revised parameters of the AHP Pilot.

REPORTS

9. Chief Executive Officer (CEO) Update

Staff: Margaret Tatar & Patricia Tanquary, Interim Chief Executive Officers

RECOMMENDATION: Receive and file the update.

10. Chief Medical Officer (CMO) Update

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

RECOMMENDATION: Receive and file the update.

11. Chief Diversity Officer (CDO) Update

Staff: Ted Bagley, Chief Diversity Officer

RECOMMENDATION: Receive and file the update.

CLOSED SESSION

12. PUBLIC EMPLOYMENT

Title: Deputy Chief Executive Officer, Operations Consultant and/or Management Consultant

Title: Chief Diversity Officer

13. CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Gold Coast Health Plan Commissioners

Unrepresented employee: Deputy Chief Executive Officers, Operations Consultant and/or Management Consultant

14. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: Interim Chief Executive Officer

Title: Chief Diversity Officer

COMMENTS FROM COMMISSIONERS

ADJOURNMENT

Unless otherwise determined by the Commission, the next regular meeting will be held on February 24, 2020 at Gold Coast Health Plan at 711 E. Daily Drive, Suite 106, Community Room, Camarillo, CA 93010.

Administrative Reports relating to this agenda are available at 711 East Daily Drive, Suite #106, Camarillo, California, during normal business hours and on http://goldcoasthealthplan.org. Materials related to an agenda item submitted to the Commission after distribution of the agenda packet are available for public review during normal business hours at the office of the Clerk of the Commission.

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

AGENDA ITEM NO. 1

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Maddie Gutierrez, Clerk to the Commission

DATE: January 27, 2020

SUBJECT: Meeting Minutes of November 28, 2019 Regular Commission Meeting, December 9, 2019 Strategic Planning Retreat and December 20, 2019 Special Commission Meeting.

RECOMMENDATION:

Approve the minutes.

ATTACHMENTS:

Copy of Minutes for the November 18, 2019 Regular Commission Meeting, December 9, 2019 Strategic Planning Retreat, and copy of the December 20, 2019 Special Commission Meeting minutes.

Ventura County Medi-Cal Managed Care Commission

(VCMMCC)

dba Gold Coast Health Plan (GCHP)

November 18, 2019 Regular Meeting Minutes

CALL TO ORDER

Commissioner Antonio Alatorre called the meeting to order at 2:06 p.m., in the Community Room located at Gold Coast Health Plan, 711 E. Daily Drive, Camarillo, California.

PLEDGE OF ALLEGIANCE

Commissioner Alatorre led the Pledge of Allegiance.

ROLL CALL

Present: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

Absent: Commissioners Fred Ashworth and Gagan Pawar, M.D.

PUBLIC COMMENT

1. Anthony Hipp, Vice President of Client Relationship Management and Chelsea Clarke, Account Manager assigned to Gold Coast Health Plan, appeared on behalf of Conduent. They are present to show support and re-enforce their commitment to partnership with GCHP.

Commission Chair, Antonio Alatorre, stated Item 3 listed under Consent, Chief Diversity Officer Consultant, will be moved to DISCUSSION.

CONSENT

1. Approval of Ventura County Medi-Cal Managed Care Commission Meeting Regular Minutes of October 28, 2019 and Special Meeting Minutes of November 1, 2019.

Staff: Maddie Gutierrez, CMC, Clerk of the Commission.

RECOMMENDATION: Approve the minutes.

2. Amendment of Electronic Communications Policy

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Adopt revisions to the e-mail policy to provide criteria for the use of non VCMMCC e-mail addresses.

4. Additional Funding approval Service Order 01 – Lourdes G. Campbell, Interpreting and Translation Services

Staff: Nancy Wharfield, M.D., Chief Medical Officer
Lupe Gonzalez, Ph.D., M.P.H., Director of Health Education, Cultural Linguistic Services

RECOMMENDATION: Staff recommends the addition of $48,000 to the existing agreement (service Order 02) with Lourdes G. Campbell Interpreting and Translating Services.

Commissioner Espinosa stated Agenda Item 2, Amendment to Electronic Communications Policy, had an extensive report and she requested the report be more concise. Her concern: felony offense to destroy public records. She asked if there was a retention period. General Counsel, Scott Campbell stated the retention period is different for different items. Legal Counsel must be provided a list of what is being destroyed and they must review first. Due to litigation, currently, all emails must be retained. General Counsel Campbell stated Commissioners will be allowed to use personal email due to issues with GCHP email address.

Commissioner Dial motioned to approve Consent Agenda Items 1, 2 and 4. Commissioner Pupa seconded.

AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

DISCUSSION

3. Chief Diversity Officer Consultant

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Approve the extension of the CDO contract.

Commissioner Espinosa stated she had asked for a copy of the May 2018 minutes to review the Chief Diversity Officer position. She asked about the recruitment for a permanent CDO. She believes it is timely now with the transition of the Management Team to focus on a permanent CDO.

Commissioner Espinosa motioned to begin the recruitment of a permanent CDO.

Commissioner Swenson stated this item was discussed if it was a full or part time position. She is requesting CDO Bagley's perspective. Commissioner Pupa stated Mr. Bagley had stated on several occasions it was not a fulltime position. Commissioner Swenson would like to know what the position entails and how many hours are needed. General Counsel, Scott Campbell stated in September 2018 the Commission's intention was to go to a fulltime CDO position. In December of 2018, the Commission had voted for one (1) year extension to see how it went. At the September 2019 the Commission agreed to keep the contract open at two (2) days indefinitely plus as needed hours. The Commission could approve the contract as noted or do a thirty (30) day notice and begin process for fulltime. This item is at the direction of the Commission. Commissioner Espinosa stated the reason to extend the contract was because Mr. Bagley was doing relationship building with the CEO and he wanted to continue the building of that relationship. There was not a change in philosophy, still need to seek fulltime position. Mr. Campbell stated there is no requirement for a fulltime position, the Board of Supervisors requires the position be filled, it does not state fulltime. Commissioner Espinosa stated we have not defined what diversity means. It must be clear and included in the contract. Commissioner Espinosa stated she would like to see more information, developing relationships with vendors and employees. This is a critical position. Disharmony distracts the Commissioners from their duties. General Counsel stated the employee survey includes the CDO position. Commissioner Atin stated this is a critical position. Mr. Bagley is doing an excellent job. He has stabilized concerns. He is a focal point and trusted source for employees. Commissioner Alatorre stated Mr. Bagley has offered to extend his days/hours. When he first arrived at GCHP there were more issues. The survey will tell if there is a need for a fulltime CDO.

Commissioner Espinosa amended her motion: Hire a CDO, review requirements, rather than contract. Commissioner Alatorre seconded.

AYES: Commissioners Antonio Alatorre, Theresa Cho, M.D., Laura Espinosa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: Commissioners Shawn Atin, Lanyard Dial, M.D., Dee Pupa.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

Commissioner Swenson motioned for thirty (30) days out or month to month until permanent replacement is found. Commissioner Alatorre seconded the motion.

Commissioner Dial stated this is already noted in this current contract.

General Counsel Scott Campbell noted once a permanent CDO is hired, Mr. Bagley will no longer work for GCHP with a thirty (30) day notice.

AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

REPORTS

5. Chief Executive Officer (CEO) Update

Staff: Margaret Tatar, Interim Chief Executive Officer

RECOMMENDATION: Receive and file the report.

Ms. Tatar reviewed CalAIM which represents a robust vision of Medi-Cal in the next five years. Expectations were reviewed as well as milestones and deliverables. Medi-Cal will work closely with Behavioral Health. Whole Person Care and health home pilots will be fully integrated into Managed care program and will have an Enhanced Care Management approach. Governor Newsom's approach is coordinated care. All populations will be enrolled in Managed Care. The Commission will be kept informed of updates.

Ms. Tatar reviewed the list of various local organizations GCHP awarded sponsorships in the last month. She also gave an update on Delegation Oversight efforts. Ms. Tatar stated GCHP will be joining the Opioid Class Action lawsuit.

Executive Director of Human resources, Jean Halsell reviewed full-time employees vs. contracted. She noted IT has many contractors. There are currently 191 full

time employees. Commissioner Pupa stated the listing shows 191, what was the number for last fiscal year. Ms. Halsell stated 188-189, several on leave, they are included in the number.

Commissioner Dial motioned to approve the CEO Update. Commissioner Espinosa seconded the motion.

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AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

General Counsel, Scott Campbell stated the amended agenda had an addition of three (3) words. The amended agenda was posted within the 72-hour time period and still enables discussion in Closed Session.

Commissioner Atin motioned to approve the amended agenda. Commissioner Alatorre seconded the motion.

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AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

PUBLIC COMMENT

Sandra I. Aldana, PhD, MPH stated she had a minor correction to the minutes on her title and would discuss with the Clerk for correction.

PRESENTATIONS

6. Engaging Member in Postpartum Care

Staff: Nancy Wharfield, CMO
Lupe Gonzalez, PhD, MPH, Director of Health Education, Cultural and Linguistic Services

RECOMMENDATION: Receive and file the presentation.

Dr. Gonzalez reviewed her PowerPoint presentation. The presentation is also available in Spanish per the request of the Commission.

Dr. Gonzalez addressed the physical and emotional problems women at times go through after giving birth. GCHP engaged members through a Health Navigator which moved the DHCS quality measure from 50% to 90% in one year. GCHP is working with hospital to provide post-partum care. The outline of key strategies was reviewed, which includes the need to understand cultural values, building trust and partnerships.

Dr. Gonzalez stated there are two (2) upcoming trainings: 1) working with deaf members and 2) working with gay and lesbian members.

Commissioner Espinosa asked about the Network of Champions slide, she requested a breakout between VCMC and Santa Paula, since Santa Paula has reopened the hospital. The OB unit has a low rate of C-section births, 17% and would like to see that highlighted in the future.

Commissioner Swenson asked if this program was expanding to all hospitals. Dr. Gonzalez stated St. John's has community health organizers. GCHP provides hospitals with flyers and information. Measures are being widened.

Commissioner Alatorre stated this is a great program for women.

Commissioner Pupa motioned to receive and file the presentation. Commissioner Cho seconded the motion.

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AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

FORMAL ACTION

7. Establishment of a Personnel Subcommittee

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Establish the Personnel Subcommittee at the direction of the Commission.

General Counsel, Scott Campbell stated a subcommittee could be established, just like the Strategic Planning committee. Commissioner Alatorre state that in the last twelve (12) months there have been reports received by just one commissioner if it was related to HR, CDO or personnel. He was told by the CEO it was voted unanimously that one Commissioner should be appointed as a liaison between GCHP and Personnel and he does not remember ever voting on that issue or it being discussed. Commissioner Alatorre stated he would like to see a committee established or a presentation to the full Commission instead of just one person.

Commissioner Alatorre motioned to establish a Personnel Subcommittee. Commissioner Espinosa seconded the motion.

DISCUSSION
Commissioner Alatorre stated the last two (2) allegations of harassment within the Plan did not go anywhere. The Commission found out one (1) month ago and one (1) incident that happened in 2018 and the second in early 2019.

Commissioner Swenson asked if the Bylaws Committee had met yet. It has not. The Executive Finance Committee reviews and reports to the Commission. Supervisor Zaragoza stated incidents should be brought to the entire Commission. There needs to be transparency.

Commissioner Atin asked for a review of what can be shared on personnel matters in a public forum. General Counsel Campbell stated only general discussion, staffing, recruitment can be shared, specifics must be done in Closed Session.

Commissioner Dial stated Bylaws Committee has a list of limitations. There should be a similar structure for Personnel Committee, we do not want to overlap. General Counsel Campbell stated the Commission can establish a Personnel Sub-Committee. Commissioner Atin stated legal counsel should be present at these meetings, personnel are not a matter of opinion, it is a law. Commissioner Espinosa stated she would like to see a Personnel Sub-Committee established; they can meet with Bylaws Committee.

Commissioner Alatorre amended his motion to include legal counsel. Supervisor Zaragoza seconded the amended motion.

AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

General Counsel Campbell asked for the appointment of members. Commissioners Alatorre, Atin and Pupa volunteered. Commissioner Pupa stated she was also a member of the Bylaws Sub-Committee.

Commissioner Cho motion to accept the appointed members. Commissioner Swenson seconded the motion.

AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

8. October Financials Report

Staff: Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Receive, approve and file the October Financials report.

CFO Bishop reviewed the highlights of her PowerPoint presentation. She noted progress in cost savings, decrease in dermatology expenses and finalizing a hospital contract. We are currently not seeing a savings yet but hope to see it after first of the year. Revenue is $4million higher than was budgeted. As membership increases so will revenue. We are also overbudget by approximately $4million in supplemental payments. In summary, we are overbudget by $10.4 million for the month of October.

Commissioner Pupa stated supplemental payments are showing higher than revenue versus costs. Commissioner Pupa stated the financials are concerning. Commissioner Atin asked about administrative expenses versus the size of the Plan. He asked what should be the target /average. CFO Bishop stated we are in

line with funding. Ranges vary. Ms. Tatar stated a chart will be presented at the next meeting showing administrative cost ranges.

Commissioner Alatorre motion to accept the October Financials. Commissioner Swenson seconded the motion.

AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

REPORTS

9. Chief Medical Officer (CMO) Update

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

RECOMMENDATION: Receive and file the update.

CMO Wharfield stated GCHP received two (2) Quality Awards: 1) Most Improved and 2) DHCS Quality Award.

Commissioner Alatorre noted GCHP needs to work with providers and capture data. He noted there are monthly meetings. CMO Wharfield stated we need to engage with all. Commissioner Alatorre stated raw data is help.

Diabetes Prevention Update: 40-50 people enrolled in classes. There has been an uptick with on-line classes.

Dr. Anne Freese gave a pharmacy update. She reviewed the carve-out on pharmacy benefits. Medi-CalRx is moving forward and currently looking for PBM. The award will be soon. The Commission will be updated as the transition goes forward. GCHP is joing the opioid lawsuit. It has been noted there are lower dosage for pain treatment.

There will also be provider training and the State will issue member notices at 30 days and 90 days. Once Carve-Out happens, there will be a transition period of 90 days.

Commissioner Dial asked if the PBM process is out of GCHP's hands. Dr. Freese responded yes, more detail is pending. Commissioner Dial noted when State ran

pharmacy there were limitations and the process was difficult. Dr. Freese stated when carve-out happens the State will have prior authorization process and PBM will be involved.

10. Chief Diversity Officer (CDO) Update

Staff: Ted Bagley, Chief Diversity Officer

RECOMMENDATION: Receive and file the update.

Commissioner Espinosa motioned to receive and file the CMO and CDO Updates. Commissioner Dial seconded the motion.

AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Alatorre declared the motions carried.

Commissioner Alatorre asked for a five (5) minute break before moving on to Closed Session.

Break was given at 3:44 p.m.

The Commissioner reconvened for Closed Session at 3:51 p.m.

CLOSED SESSION

11. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: Two (2) cases

12. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (4) of Section 54956.9: One (1) case

13. PUBLIC EMPLOYEE APPOINTMENT
Title: Interim Chief Executive Officer

14. PUBLIC EMPLOYEE PERFORMANCE EVALUATIONS
Title: Interim Chief Executive Officer

Commissioner Alatorre left the meeting at 6:22.

OPEN SESSION

The regular meeting reconvened at 6:23 p.m.

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

15. Approval of HMA Contract for Interim CEO Services

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Find that the criteria for sole source contracting exists and award contract to HMA.

Commissioner Dial motioned to approve the contract. Interim CEO will be present at GCHP five (5) days per week. There will be no more than two (2) HMA representatives present at the location. Commissioner Pupa seconded the motion.

AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Ashworth and Pawar.

Commissioner Swenson declared the motions carried.

COMMENTS FROM COMMISSIONERS

None.

ADJOURNMENT

Commissioner Swenson adjourned the meeting at 6:24 p.m.

Approved:

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Maddie Gutierrez, CMC
Clerk to the Commission

Ventura County Medi-Cal Managed Care Commission

(VCMMCC)

dba Gold Coast Health Plan (GCHP)

Strategic Planning Retreat Minutes

Monday, December 9, 2019 2:00 p.m.
The Tower Club, 300 East Esplanade Drive, Oxnard, CA 93036

CALL TO ORDER

Commissioner Antonio Alatorre called the meeting to order at 2:10 p.m., in the Tower Club located at 300 East Esplanade Drive, Oxnard, California.

PLEDGE OF ALLEGIANCE

Commissioner Alatorre led the Pledge of Allegiance.

ROLL CALL

Present: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

Commissioner Gagan Pawar, M.D. was not present at Roll Call. Commissioner Pawar arrived at 2:34 p.m.

Absent: Commissioner Fred Ashworth

PUBLIC COMMENT

1. Ronnie Necessary appeared on behalf of himself. Ronnie is a 15-year-old member who was recently hospitalized with heart failure and is in need of a transplant. Ronnie stated it is difficult to get the supplies he needs. It took three weeks to get his prescription for oxygen, six (6) small tanks which run out quickly. He has missed a lot of school because he needs his supplies to be able to attend classes.

2. Monica Gray, mother of Ronnie Necessary, appeared and made public comment. Ronnie has a congenital heart defect. Ms. Gray thanks Kathy Neal, RN, DNP, Executive Director of Health Services for her assistance over the weekend in getting Ronnie the oxygen he needed. Ms. Gray is asking for the Commission to consider

more streamline policies to make the insurance process easier for Medi-Cal patients to get the prescriptions they need.

Commissioner Alatorre asked for follow-up with the family and a report back to the Commission.

CONSENT

1. Department of Health Care Services (DHCS) contract amendment 30.

Staff: Brandy Armenta, Chief Compliance Officer

RECOMMENDATION: Approve and authorize the Interim Chief Executive Officer (CEO) to execute the DHCS contract amendment A30.

CCO Armenta added a footnote: DHCS issued a communication, some language was omitted and will be reissued along with the signature page.

2. Department of Health Care Services (DHCS) contract amendment 33.

Staff: Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Approve and authorize the Interim Chief Executive Officer (CEO) to execute the DHCS contract amendment 33.

Commissioner Dial motioned to approve Consent Items 1 and 2. Commissioner Alatorre seconded.

AYES: Commissioners Antonio Alatorre, Shawn Atin, Theresa Cho, M.D.,Lanyard Dial, M.D., Laura Espinosa, Dee Pupa, Jennifer Swenson and Supervisor John Zaragoza.

NOES: None.

ABSENT: Commissioners Fred Ashworth and Gagan Pawar, M.D.

Commissioner Alatorre declared the motion carried.

STRATEGIC PLANNING SESSION

Margaret Tatar, Interim CEO, welcomed all to the event. She stated the plan for GCHP for the next few years has been formed by the State, CalAIM. She noted a trifold document could be found on the tables. This document listed deadlines/requirements outlined for the CalAIM process.

Chief Administrative Officer, Melissa Scrymgeour, reviewed the strategic planning process summary. She walked through the agenda which will be both informative and interactive.

CalAIM objectives and goals were reviewed. The Goals Plan is in draft form only.

The three (3) primary objectives were reviewed:

- Common understanding of CalAIM goals and proposal components
- Implications of CalAIM for Ventura County and Gold Coast Health Plan
- Alignment of GCHP strategic goals plan to successfully deliver CalAIM

CAO Scrymgeour noted there have been five (5) strategic planning session with staff. She called attention to the strategic planning process summary timeline as well as the strategic objectives. The strategic goals framework is:

- Objectives – What we aim to do
- Strategies - Broad concepts of approaches to achieve objectives
- Tactics - Specific undertaking to fulfill strategies
- SMART Goals – Specific, Measurable, Achievable, Relevant, Time-bound

Marlen Torres, Director of Government and Community Relations gave a CalAIM overview. As well as an overview of the following:

- Impact to managed care
- NCQA accreditation
- Population health management
- Enhanced care management and
- In Lieu of Services.

Ms. Torres also reviewed next steps for the CalAIM process as well as deadlines and requirements.

Commissioner Gagan Pawar, M.D. arrived at 2:34 p.m.

Commissioner Alatorre asked if there was open enrollment for two-plan models or if COHS counties are left out. Ms. Torres stated the objective is to streamline to one month instead of a monthly shift. Commissioner Espinosa asked how many external meetings

will be done. Ms. Torres responded that has not been determined yet but will start in January/February. Commissioner Alatorre asked who the delegates are and who is NCQA accredited. Ms. Tatar suggested goal to be primary, as well as delegates, such as other plans, IPA and medical groups. When the plan and schedule are developed, we will publish and share with Commissioners.

Commissioner Espinosa stated the County was planning Town Hall meetings and suggested it be a combined effort. Ms. Tatar stated she was hoping that would work.

Ms. Patricia Tanquary, Interim CEO, introduced herself. Ms. Tanquary introduced the next topic: Pharmacy Carve Out & D-SNP. The goal is to improve the overall experience for the member by working together and coordinating care. The Governor wants the state to save money with the Pharmacy Care-Out which will change by 2021.

Dr. Anne Freese, Director of Pharmacy reviewed the PowerPoint section focusing on the Pharmacy carve-Out. She noted GCHP may need a pharmacy manager / PBM, the State is still currently unclear on this issue. Financial impacts to the plan are currently unknown. There will also be transition challenges as well as opportunities, such as member disruption, provider challenges and State pharmacy entity liaisons. There will be data challenges – data sharing and real time access. Care coordination and drug therapy management needs will stay with the Plan. The state will manage some opioid programs and the State will add on pieces to lock in members to pharmacies.

Dual Eligible Special Needs Plan (D-SNP) – all managed care is required to have D-SNP by January 1, 2023. There will be a new regulator: Centers for Medicare and Medicaid services. There is an extended timeline – CMS call letter will be issued in January 2021. Benefit Administration was reviewed. The challenge is: Knox-Keene license must be in place before Medicare application implementation.

Commissioner Alatorre stated there is a concern by 2023 might not have GCHP D-SNP members. Ms. Tatar stated growth in D-SNP has not been great.

Ms. Tatar moved onto the Population Health section of the PowerPoint. The State is saying Plans are responsible for population health management. By the middle of 2020, the first requirements will be due. A Population Health assessment will be done soon.

Pauline Preciado, Director of Population Health reviewed the opportunities: building upon the existing Population Health Management (PHM) framework. Promoting alignment with internal and external stakeholders and provider/community engagement.

Anticipated Next Steps are: strengthening the existing PHM framework, Health Information Exchange to share data and improve care coordination and Ventura County Population Health Alignment seminar (August 2020).

Ms. Preciado noted we are working closely with the Analytics department; templates are being developed. There will also be a standardization across Plans which will include social determinates of health, food insecurity and homelessness. The outcomes will be seen in awards. Health information exchange will support our providers. The Population Health strategy and CalAIM will help support efforts in Ventura County.

Ms. Tanquary went on to review the Enhanced Care Management / In Lieu of Services section. Ms. Tanquary noted the State has realized there are two (2) sets of services patients and plans' need – this adds complex benefit to see if intensive work can change multiple ER visits to save money.

In Lieu of Services is not a benefit but does give flexibility in order to track carefully and can perhaps have the right cost offsets.

Kathy Neal, Executive Director of Health Services stated Medi-Cal is complicated. GCHP focuses on V.C. relationships paid through Medi-Cal, HUD, and Whole Person Care. GCHP relationships that are currently in place were reviewed. Opportunities were also reviewed – this includes continuing to build relationships with various agencies such as Ventura County behavioral health, Substance Use Disorder providers, the foster care system and National health Foundation as well as community-based organizations. Infrastructure development will include health information exchange in order to share data, analytics to identify and intervene with high risk members, member activation tools and Enhanced Care Management.

Commissioner Dial stated Palliative Care is a huge opportunity and should be added to the list.

At 3:35 p.m. Commissioner Alatorre requested a brief break before continuing with the session.

The session began at 3:48 p.m.

Ms. Tatar reviewed the information in the tri-fold pamphlet:

- In January 2021 – there will be significant changes in rates due to the pharmacy carve-out. Money will be taken out for the carve-out
- Concurrent rates and funding for new benefits

Supervisor Zaragoza stated we need to prepare to have money set aside. Ms. Tatar stated we will need to advocate for clarity to demonstrate coverage. We need to show what has been spent/ rate process and watch out for risk. Therefore, we and might want to think about Enhanced Care Management. When the State has new benefit, it does interim payment and then reconciles with the Plan.

Chief Financial Officer, Kashina Bishop stated there is a definite risk. Critical investment is needed and necessary to ensure the future. The State will underfund GCHP. The Stated has a small rate workgroup, we will work with DHCS and meet monthly with them.

Commissioner Dial stated there may be enough money in the system to better utilize and give better case management. Palliative Care programs have saved money. Commissioner Dial stated breaking silos will be hard but needs to get funding. There is a sequence that needs to happen in order to make the break.

Goals Discussion

Chief Administrative Officer, Melissa Scrymgeour noted draft goals plan can be found in the commission packet. Thirty (30) minutes time will be allotted to review and discuss the goals listed. CAO Scrymgeour requested a notetaker be identified for each table and at the end of the thirty (30) minute time period, each table will report out to the entire group.

Break Out Session began at 3:55p.m. Report Out time began at 4:26 p.m.

Table 3: Jeff Yarges, Privacy Officer, stated his table focused on:

- The promotion of D-SNP in the County. Providers are key to quality. We need to find a way that works and consistent standards.
- Quality metrics should be built into contracts – with a possible subcommittee created to oversee contracts.
- Great place to work: Recognition for employees is missing.

Table 6: Helen Miller, Senior Director of IT, stated her table discussed:

- CalAIM and Population Health– it will be a huge learning curve for the organization;
- Pharmacy change – will the State give us the old data to incorporate in the change.
- Focus on developing the right infrastructure – which will reduce costs and increase efficiencies;
- HIPPA insecurities were discussed – need universal consent, and Collaboration on standardization.

Table 5: Anne Freese, Director of Pharmacy, stated her table started at the back and went forward:

- HIE is missing advocacy, the word "leveraging" should be changed to "partnering".
- Identify cost savings programs – 2 items missing: develop leadership at the top and transparency from the top down. There needs to be department communications as well as cross-communication;
- In order to meet future demands, we need to work across all departments and include partners within the County

Table 4: Pauline Preciado, Director of Population Health, presented for her table:

- GCHP needs partnership to be engaged early
- Staffing concerns: how can staff meet mandates?
- CalAIM Website- Emphasis needs to be on workgroups and public meetings
- Cultural Diversity – bring in experts
- Look at other plans to see what works
- Role of Conduent needs to be defined

Table 1: Commissioner Shawn Atin reported for his table:

- Building a consensus might be difficult – there is a need to prioritize
- Invest in resources to get things done in a timely manner. Data-driven is the key
- Build trust and improve transparency
- More contracts should go to the Commission – this goes with transparency
- There are issues with budgeting process/ we are a smaller plan. Possibly use consultants when looking at projections
- Softer Skills – listen to employees, employee survey. Tough conversations have been divisive.
- Management at GCHP needs to build executive leadership going forward
- Build a virtue cycle not a vicious cycle. Shift to culture of inclusion

Table 2: CAO Melissa Scrymgeour reported for her table:

- Communication/stakeholder strategies need to be made meaningful for providers and members
- Leverage partnerships. Facilitate specific discussion with larger health plan systems in the County to get information out (possibly February of 2020)
- Put together a strategy engagement calendar on the website

- Consider providing member transportation to informational meetings

Supervisor Zaragoza asked if the timeline was going to be extended. CAO Scrymgeour stated it was subject to change. Ms. Tatar stated the waiver expires in December of 2020.

COMMENTS FROM COMMISSIONERS

None.

ADJOURNMENT

Commissioner Alatorre adjourned the open session at 4:52 p.m.

General Counsel, Scott Campbell, announced Closed Session would be held in the BBK offices located on the 12th floor of the building.

General Counsel, Scott Campbell stated there will be no reportable action.

CLOSED SESSION

3. PUBLIC EMPLOYEE APPOINTMENT
Title: Chief Executive Officer

Approved:

_____
Maddie Gutierrez, CMC
Clerk to the Commission

Ventura County Medi-Cal Managed Care Commission

(VCMMCC)

dba Gold Coast Health Plan (GCHP)

December 20, 2019 via Phone Conference Call

Special Meeting Minutes

CALL TO ORDER

Commissioner Antonio Alatorre called the meeting to order via phone conference line at 2:02 p.m., in the Community Room located at Gold Coast Health Plan, 711 E. Daily Drive, Camarillo, California.

ROLL CALL

Present via Phone: Commissioners Antonio Alatorre, Fred Ashworth, Theresa Cho, M.D., Lanyard Dial, M.D., Laura Espinosa, Jennifer Swenson and Supervisor John Zaragoza.

Present in Person: Commissioners Shawn Atin and Dee Pupa.

Absent: Commissioner Gagan Pawar, M.D.

PUBLIC COMMENT

None.

The Commission adjourned to Closed Session at 2:04 p.m. regarding the following items:

CLOSED SESSION

1. PUBLIC EMPLOYEE APPOINTMENT

Title: Chief Executive Officer
Title: Associate Medical Director
Title: Senior Director Population Health and Equity
Title: Utilization Management Director
Title: Care Management Director
Title: Utilization Management Manager
Title: Care Management Manager

OPEN SESSION

The regular meeting reconvened at 6:24 p.m.
General Counsel, Scott Campbell, stated there was no reportable action.

COMMENTS FROM COMMISSIONERS

None.

ADJOURNMENT

Commissioner Alatorre adjourned the meeting at 3:03 p.m.

Approved:

_____
Maddie Gutierrez, CMC
Clerk to the Commission

AGENDA ITEM NO. 2

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nancy Wharfield, Chief Medical Officer
Anne Freese, PharmD, Director of Pharmacy

DATE: January 27, 2020

SUBJECT: Pharmacy Benefits Manager (PBM) Contract Amendments

SUMMARY:

Gold Coast Health Plan contracts with a PBM in order to provide pharmacy benefit services to its members. In November 2016, GCHP signed a contract with OptumRx, Inc. These contract amendments add additional language and provisions to the PBM contract to clarify delegation requirements and conform to the requirements set forth by CMS in the Medicaid final rule published in May 2016, known as the MegaRule. These amendments are consistent with changes made with other contractors.

DISCUSSION:

Amendment #2: "MegaRule Amendment"
This amendment adds the following regulatory required provisions to the PBM contract and requires that the same provisions be included in the network provider agreements:

1. Monitoring by DHCS and other regulators
2. Transfer of Care and Care Coordination
3. Contract Changes and/or Delegation
4. Hold Harmless
5. Provision of Information/Data
6. Interpreter Services and Language Assistance
7. Access to Grievance and Dispute Resolution Process
8. Participate/Cooperate in QI Activities
9. Notice of Additional Regulatory Requirements
10. Prohibition of Balance Billing
11. Health Care Provider Bill of Rights
12. Requirement to be Equal Opportunity Employer
13. Overpayment/Duplicate Payment Notice and Repayment
14. Prohibition Against Discrimination
15. Prohibition Against Conflicts of Interest
16. Fraud, Waste and Abuse Reporting

Amendment #3: "Delegation Amendment"
This amendment adds the following provisions regarding delegated activities and oversight responsibilities of GCHP:

1. Fraud, Waste and Abuse Reporting
2. Notification of Material Changes
3. Subcontractors
4. Participation in Related Activities
5. Corrective Actions
6. De-delegation
7. Monetary Penalties

FISCAL IMPACT:

No additional cost anticipated in current fiscal year.

RECOMMENDATION:

Staff recommends the Commission authorize the signing of the amendments reflecting the items discussed in this report.

AGENDA ITEM NO. 3

TO: Ventura County Medi-Cal Manager Care Commission

FROM: Scott Campbell, General Counsel

DATE: January 27, 2020

SUBJECT: Approve Recruitment Firm Agreement ("Agreement") with Morgan Consulting Resources ("MCR") for Chief Executive Officer Recruitment Services

SUMMARY:

At the November 1, 2019 meeting, the Gold Coast Health Plan Commission ("Commission") appointed Health Management Associates ("HMA") as interim Chief Executive Officer ("CEO") until the Plan selects a permanent CEO. The Commission solicited three potential bidders for executive recruitment services for the position of CEO, and now wish to consider the award of a contract to Morgan Consulting Resources ("MCR").

Following negotiations, MCR has agreed to the following terms, subject to approval by the Commission: (1) Recruitment Firm Fee of 25% (with a cap of $100,000) of the candidate's first year base salary; and (2) Initial payment of one-third of the Recruitment Firm Fee ($33,333) due upon initiation of services. The proposed Recruitment Firm Agreement is attached hereto as Exhibit 1.

Pursuant to the Scope of Services, MCR will actively participate in the recruitment and placement of prospective job candidates for CEO, including, without limitation, arranging interview appointments, supplying and checking applicants' references, providing Plan with all pertinent information regarding the candidate(s) and conveying a favorable impression of Plan to each candidate.

This contract has two phases. Phase 1, with a not-to-exceed of amount of $33,333, commenced earlier this month upon execution of the Agreement by the Interim CEO pursuant to its signing authority of up to $100,000.00 annually (See Exhibit 2, the Delineation of Authority). Phase 2 is contingent upon the Commission's approval and will remain in effect until the Commission selects a permanent CEO, or is terminated upon 15 days' notice.

BACKGROUND/DISCUSSION:

Three proposals were solicited for executive recruitment services for the position of CEO pursuant to Section 2.5(a) of the Commission's Procurement Policy: MCR, Korn Ferry, and

WittKieffer, Inc. Proposals were received from MCR and Korn Ferry. WittKieffer declined to provide a proposal due to a conflict of interest. Summary of the proposals are provided below:

Term(s)	Korn Ferry	MCR
Proposed Fee	Fees are equal to one third (1/3) of the total first year compensation (base salary, target or guaranteed incentive bonus, and all other compensation including sign-on bonus). Based on an estimated first year compensation, we will bill a minimum professional fee of $125,000 (the "Minimum Professional Fee"). We will invoice the Minimum Professional Fee in three (3) monthly installments of thirty four percent (34%) ("First Installment"), thirty three percent (33%) ("Second Installment"), and thirty three percent (33%) ("Third Installment"). The First Installment is due and payable upon your acceptance of this Agreement. Invoices for the Second and Third Installments will be rendered thirty (30) and sixty (60) days respectively after the date of your acceptance of this Agreement. All invoices are due and payable upon receipt.	25% (with a cap of $100,000) of the candidate's first year base salary. A retainer amounting to one-third of the anticipated fee is due upon initiation of the search. The balance of the fee is billed upon candidate acceptance of an employment offer and is due no later than one week following the date of hire, but one third of the remaining fee is considered earned when candidates are submitted to the Commission.
Administrative Services charges	Korn Ferry assesses an administrative charge for such items as database services, search assessment services, research services, and administrative support (the "Administrative Service Charge"). The Administrative Service Charge will be billed at a total of twelve percent (12%) of the Minimum Professional Fee.	N/A
Expenses	Any direct, out-of-pocket expenses such as candidate and consultant travel, accommodation, and video conferencing will be billed monthly as incurred.	Out-of-pocket expenses that have prior Plan approval will be billed. Expenses typically include interview and travel costs for candidates, travel expenses for MCR to travel for on-site visits and to conduct interviews.

MCR is familiar with Medi-Cal, is well known in California and nationwide. Staff is confident that they can be successful in the recruitment of a permanent CEO.

FISCAL IMPACT:

Approximately $100,000 in recruitment fee, plus expenses.

RECOMMENDATION:

Staff recommends the Commission approve the Agreement with MCR and authorize the interim CEO to execute the Agreement.

CONCURRENCE:

N/A

ATTACHMENT:

Exhibit 1: Recruitment Firm Agreement with Morgan Consulting Resources
Exhibit 2: Delineation of Authority

RECRUITMENT FIRM AGREEMENT

The following defines the terms and conditions under which Ventura County Medi-Cal Managed Care Commission doing business as Gold Coast Health Plan, a California public entity established under the laws of the State of California, (hereinafter "GCHP"), will do business with Morgan Consulting Resources, the organization in the business of referring applicants for employment for the Chief Executive Officer ("CEO") position ("Recruitment Firm").

TERMS:

1. Services to be Provided by Recruitment Firm.

(a) Recruitment Firm hereby agrees to provide CEO recruiting services to GCHP, including referring applicants for employment to GCHP, more particularly described in Recruitment Firm's Executive Search Proposal and Exhibit "A" attached hereto and incorporated herein by reference.

(b) At the request of an Authorized GCHP Representative, the interim CEO or his or her designee, Recruitment Firm will actively participate in the recruitment and placement of prospective job candidates (including, without limitation, arranging interview appointments, supplying and checking applicants' references, providing GCHP with all pertinent information regarding the candidate(s) and conveying a favorable impression of GCHP to each candidate). Upon the selection of Recruitment Firm's candidate(s), Recruitment Firm will produce in writing all references deemed appropriate by GCHP.

2. Recruitment Firm Fee.

(a) GCHP will pay Recruitment Firm a fee calculated in accordance with the terms outlined in Exhibit "B" attached hereto and incorporated herein by reference. Recruitment Firm will only be reimbursed for out-of-pocket expenses that have prior GCHP written approval.

i. Initial Payment. Upon execution of this Agreement and commencement of services, GCHP shall pay to Consultant the amount of $33,333.00, which shall constitute consideration for Phase 1 services.

ii. Final Payment. Two weeks upon the date of candidate hire of employment and submittal of a proper invoice, GCHP shall pay to Consultant the remainder of the Recruitment Fee as final payment for Phase 2 services.

(b) In the event the employment of any Recruitment Firm candidate hired by GCHP is terminated, for any reason whatsoever, within one (1) year, Recruitment Firm shall conduct a successful replacement search for the same position for no additional fee. The replacement search shall be initiated within a reasonable period, but no later than thirty (30) calendar days from the departure date of the placement.

(c) Invoices shall be mailed or emailed, to GCHP at the following address:

GOLD COAST HEALTH PLAN
711 E DAILY DRIVE
SUITE 106
CAMARILLO, CA 93010
Attention: Accounts Payable

Accountspayable@goldchp.org

(d) GCHP shall provide Recruitment Firm a Purchase Order number within two (2) days of execution of the Agreement. Each invoice shall show the GCHP Purchase Order number and the specific items billed. GCHP, at its sole discretion, may refuse to pay any invoice not containing the required detail and return the invoice to Recruitment Firm within thirty (30) days of receipt. In such event, GCHP shall not be obligated to pay any sums billed by such returned invoice until thirty (30) calendar days after GCHP receives a properly corrected invoice.

3. Procedure for Referral of Candidates.

(a) Resumes must be submitted to, and interviews must be scheduled by, an Authorized GCHP Representative.

(b) A candidate will not be deemed referred to GCHP until the candidate's current and complete resume (meeting the requirements of Section 4) has been submitted in response to a specific job order and actually received by the Authorized GCHP Representative.

(c) A resume of interest to GCHP will be retained in an active recruitment file for a period of 120 days following the date actually received by GCHP. Resumes received by GCHP from Recruitment Firm that are not in response to a job order issued by an Authorized GCHP Representative will be destroyed.

(d) Recruitment Firm shall not make a job offer to any prospective candidate unless authorized to do so and unless provided with the exact terms of such job offer by an Authorized GCHP Representative.

4. Form of Resumes. Resumes will be accepted by and will be deemed submitted

to GCHP only if they conform to the following requirements and contain the following information:

(a) the candidate's name;
(b) a summary of the candidate's experience and technical qualifications;
(c) a description of the candidate's educational background;
(d) the candidate's employment history, including date of employment with, and the identity of, candidate's current employer; and
(e) if possible, the candidate's current or latest salary and salary history; and

Each resume submitted must be presented on Recruitment Firm's letterhead or have imprinted on its face the source of the resume. The requisition number of the job opening for which the resume is submitted must be written in the upper right-hand corner of the resume.

5. Relationship of Parties.

(a) Recruitment Firm is an independent contractor. Nothing in this agreement shall create, or be construed to create, a relationship of employer and employee or principal and agent between GCHP and Recruitment Firm. Recruitment Firm will be deemed an agent of each candidate it refers to GCHP.

(b) For the CEO position, the relationship between GCHP and Recruitment Firm is exclusive. For other positions, GCHP reserves the right to enter into similar relationships with other persons and firms to solicit and hire applicants as well as to solicit and hire applicants directly on its own behalf.

6. Equal Opportunity Employer. Recruitment Firm acknowledges that GCHP is an equal opportunity employer. Recruitment Firm does not discriminate on the basis of, and warrants that it will refer qualified candidates to GCHP without regard to, race, religion, color, age, sex, national origin, disability or veteran status. Recruitment Firm complies with Section 3012 of the Vietnam Era Veteran Readjustment Assistance Act of 1974 and Section 60-250.4 of Title 41 of the Code of Federal Regulations relating to employment and advancement in employment of qualified handicapped individuals, disabled veterans and veterans of the Vietnam era, the implementing rules and regulations of the Secretary of Labor, and all contract clauses and requirements which are applicable and set forth therein are incorporated herein by this reference.

7. Term. This Agreement will be executed in two phases. Phase 1 will commence upon execution of the Agreement by GCHP Interim CEO and services shall not exceed thirty-three thousand three hundred thirty-three dollars ($33,333). Phase 2 will commence upon GCHP Commission approval of Phase 2 of the Agreement and will remain in effect unless terminated by 15 days prior written notice by either party to the other. Such termination shall not void the right of the Recruitment Firm to recover

fees pursuant to Exhibit "B" provided Recruitment Firm becomes entitled to fees in accordance with all conditions in this Agreement. Likewise, such termination shall not affect any obligation of GCHP for any amounts due and owing to Recruitment Firm at the time of termination.

8. Governing Law. This agreement shall be governed by and construed in accordance with the laws of the State of California without reference to the conflicts or choice-of-law principles thereof.

9. Debarment or Exclusion. Recruitment Firm represents and warrants that to the best of its knowledge neither it nor any of its officers, directors, professional staff, subcontractors or employees will ever have been listed by a federal or state agency (www.sam.gov) as debarred, excluded or otherwise ineligible for participation in any federal or state program or been convicted of an offense related to any federal or state law or health care program. Recruitment Firm will promptly notify GCHP in the event it is so convicted, debarred or disqualified from participating in any state or federal program or it obtains knowledge that any officer, director or employee (including any personnel) is listed by a federal or state agency as debarred, excluded or otherwise ineligible for participation in any federal or state program. In the event that Recruitment Firm is excluded from participation in any federally or state funded program during the term of this Agreement, or if at any time after the Effective Date of this Agreement it is determined that Recruitment Firm is in breach of this Section, this Agreement shall, as of the effective date of such exclusion or breach, automatically terminate and no fee will be payable notwithstanding any other provision of this Agreement.

10. Arbitration. Any dispute between the parties hereto concerning the rights and obligations under this Agreement, if not resolved by the parties themselves, will be resolved by binding arbitration in accordance with the Commercial Rules of the American Arbitration Association. Arbitration will be initiated by either party's giving the other written notice of intent to arbitrate. Arbitration will be conducted in the County of Ventura, California.

11. Confidentiality.

(a) Recruitment Firm acknowledges that, in the performance of services pursuant to this Agreement, Recruitment Firm may have access to information that is not available to the general public. All such information shall be considered confidential to, or a trade secret of, GCHP. Recruitment Firm agrees not to disclose such information regardless of the form or format in which or means by which Recruitment Firm becomes aware of such information to any third party without the prior specific written authorization of GCHP.

(b) Recruitment Firm agrees to take whatever measures are reasonably necessary, by notice, agreement or otherwise, to insure that any employee or agent of Recruitment Firm shall be personally bound to maintain the confidentiality of any and all information acquired or provided in the course of providing services to

GCHP. Each such employee of Recruitment Firm to the extent used by Recruitment Firm to provide services to GCHP hereunder shall personally agree to comply fully with the provisions of this Section. Recruitment Firm agrees that it will be liable for any failure of its employees or agents to comply with the provisions of this Section.

12. Indemnification.

(a) Recruitment Firm shall, and hereby does, indemnify and hold harmless GCHP and their respective officers, directors, employees and agents from and against any and all losses, damages, injuries, causes of action, claims, demands and expenses (whether based upon tort, breach of contract, or otherwise), including legal fees and expenses, of whatever kind or nature arising out of or on account of, or resulting from third-party claims related to any act, omission or default in the performance of Recruitment Firm's obligations pursuant to this Agreement by Recruitment Firm, its affiliates, officers, directors, employees.

(b) GCHP shall, and hereby does, indemnify and hold harmless Recruitment Firm and their respective officers, directors, employees and agents from and against any and all losses, damages, injuries, causes of action, claims, demands and expenses (whether based upon tort, breach of contract, or otherwise), including legal fees and expenses, of whatever kind or nature arising out of or on account of, or resulting from third-party claims related to any act, omission or default in the performance of this Agreement by GCHP, its affiliates, officers, directors, employees.

13. Gratuities or Kickbacks. GCHP may, by written notice to Recruitment Firm, terminate this Agreement and all rights of Recruitment Firm hereunder if GCHP has a reasonable cause to believe that gratuities (in the form of entertainment, gifts or otherwise that were of inappropriate value in excess of that which is reasonable and customary in GCHP's industry, or which would not be considered in good taste if publicly scrutinized) were offered or given by Recruitment Firm, or any employee or other representative of Recruitment firm, to an officer or employee of GCHP in a position to secure or influence the awarding or amendment of this Agreement, or any determination with respect to Recruitment Firm's performance hereunder, or any decision or action favorable to Recruitment Firm. Recruitment Firm represents that it is in compliance with federal Anti-Kickback Acts and similar laws. If GCHP terminates this Agreement pursuant to this Section 14, GCHP shall be entitled to pursue the same remedies against Recruitment Firm as GCHP would be entitled to pursue against Recruitment Firm for a material breach of the Agreement. Such rights and remedies of GCHP shall not be exclusive and shall be in addition to any other rights and remedies provided by law or this Agreement.

14. Recruitment from GCHP. During the term of this Agreement and for a period of one (1) year thereafter, Recruitment Firm agrees that it will not solicit, recruit or hire, nor attempt to solicit, recruit or hire, any employee of GCHP to perform services for Recruitment Firm or any third party (in an employed or any other capacity) without

the prior written consent of QCHP.

13. Entire Agreement, Amendment. This Agreement is the entire contract between the parties and supersedes any and all prior understandings or agreements between the parties, whether oral or in writing. No amendment of this Agreement shall be effective unless it is in writing, attached to and made part of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives on the date(s) set forth below, effective as of the Effective Date.

Ventura County Medi-Cal Managed Care Commission d.b.a. Gold Coast Health Plan	**Morgan Consulting Resources**
BY: _____	BY: _____
NAME: _____	NAME: Lisa Coyne
TITLE: _____	TITLE: President
DATE: _____	DATE: 1/17/20

Exhibit A

Recruitment Firm Scope of Services

Recruitment Firm Services:

- Actively participate in the recruitment and placement of prospective CEO job candidate.
- Be available for on-site visit to GCHP.
- Develop marketing material and assist GCHP in developing or finalizing the position description.
- Advertise in appropriate publications as needed.
- Provide a weekly written status report to GCHP.
- Be available for weekly phone calls to review progress and status of the search.
- Coordinate interview scheduling and travel of candidates.
- Supplying and checking candidates' references.
- Provide GCHP with all pertinent information regarding the candidates.
- Assist in the negotiation of an employment offer to selected candidate.
- Meet with GCHP Commissioners to determine qualifications of candidates.
- Review candidates with GCHP Executive Finance Committee.
- Attend GCHP Commission meetings to discuss candidates.

GCHP Obligations:

- Identify key stakeholders and make available for site visit and phone interviews to complete the intake process.
- Provide documentation relevant to the search to include position information, organization charts, benefits summary and other relevant materials.
- Background and/or credit check for candidates if required.
- Provided signed candidate offer letter to Recruitment Firm.
- Will make best effort to:
    - Be available for weekly phone call.
    - When slate is presented, respond within five business days and provide feedback.
    - When candidates are selected to be interviewed, make time to conduct interviews within fifteen (15) business days.
    - Post interviews, respond to Recruitment Firm within 72 hours either via email or phone call with feedback.
    - Follow up interviews scheduled in a timely manner within three weeks of initial interview.

Sample Deliverables by Recruitment Firm:

Candidate Job Description: Recruitment Firm will assist in developing job description and provide marketing materials.

Candidate Presentation: Once a candidate is selected by the Recruitment Firm, a package is prepared with pertinent information including a profile based on the conversations the Executive Recruiter will have had with the candidate, resume, completed reference checks, and degree and license verifications as applicable.

Candidate Comparison: Recruitment Firm will develop a candidate comparison based on the key components GCHP would want included. On an ongoing basis, Recruitment Firm will share to GCHP what they are hearing/learning from the marketplace that may be of interest to the search and selection of a candidate.

Exhibit "B"

Recruitment Firm Fee

1. **Name of Recruitment Firm:**

   Morgan Consulting Resources

2. **Recruitment Fee:**

   When a Recruitment Firm fee is due in accordance with the terms of this Agreement, it shall be calculated as a percentage of the candidate's annualized starting base salary (i.e., the monthly salary at which the candidate begins work multiplied by 12).

   The percentage to be applied shall be as stated in the following table based on the aggregate number of full-time employees hired by GCHP as a result of Recruiting Firm's efforts pursuant to this Agreement during the twelve-month period ending on the date of hire of the candidate who is the subject of the fee calculation.

   Recruitment Firm will receive an initial payment of $33,333.00 for the CEO candidate in accordance with the terms of this Agreement. Once candidates have been developed and presented, two thirds of the fee shall be considered owed. The final payment for the CEO candidate (up to $66,667.00) will be the remainder of the fee due calculated in accordance with the following table capped at $100,000.00 and will be paid two weeks after the date of hire of the CEO candidate.

Type of Candidates Hired by GCHP	**Percentage of Employee's Annualized Base Salary**
CEO	25% (capped at $100,000)
Recruitment Firm Candidate hired by GCHP as an employee in a different position	22% (capped at $100,000) per position
Recruitment Firm Candidate hired by GCHP as a Consultant	20% (capped at $100,000) per position

3. **Expenses:** Recruitment Firm will only be reimbursed for out-of-pocket expenses that have prior GCHP written approval. Normally, these expenses will include interview and travel costs for candidates and travel expenses for two Principals of the Recruitment Firm to travel to GCHP as well as travel for interviews.

AGENDA ITEM NO. 4

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Steve Peiser, Sr. Director of Network Management

DATE: January 27, 2020

SUBJECT: **Quest Laboratories Preferred Provider Contract**

RECOMMENDATION: Receive and file the presentation.

AGENDA ITEM NO. 5

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nancy Wharfield, MD, Chief Medical Officer

DATE: January 27, 2020

SUBJECT: Immediate Procurement of 24/7 Nurse Advice Line Services

SUMMARY:

GCHP staff seek approval to enter into a contract with a 24/7 Nurse Advice Line vendor to achieve regulatory compliance with DHCS.

BACKGROUND/DISCUSSION:

Historically, Gold Coast Health Plan (GCHP) understood that since the Plan is not Knox Keene licensed, a 24/7 Nurse Advice Line is not required.

In December of 2019, the Department of Health Care Services (DHCS) clarified that GCHP is not in compliance with this contractual requirement. DHCS has requested GCHP staff immediately procure a 24/7 Nurse Advice Line service to satisfy this regulatory requirement. DHCS does not expect GCHP to engage in a formal 4 to 6-month Request for Proposal (RFP) process but rather, anticipates expeditious action to bring the plan into compliance. Accordingly, GCHP seeks authority to exercise authority to conduct a sole source procurement.

GCHP staff surveyed other Medi-Cal Managed Care Plans regarding their experience and satisfaction with Nurse Advice Line Vendors. We seek to engage a vendor with the following qualifications/capabilities:

- Medi-Cal Managed Care experience
- Evidenced-based triage/advice guidelines
- Translations services
- Health education library capability
- Call center reporting on standard metrics
- Reporting on UC/ED diversion

FISCAL IMPACT:

The projected dollar amount for a two-year engagement should not exceed $300,000.00. The current fiscal year would be impacted because this amount was not budgeted.

RECOMMENDATION:

The Plan recommends the Commission approve entering into a two-year agreement for the provision of 24/7 Nurse Advice Line services with a not-to-exceed amount of $300,000.00.

If the Commission desires to review this contract, it will be available at Gold Coast Health Plan's Finance Department.

AGENDA ITEM NO. 6

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Kashina Bishop, Chief Financial Officer

DATE: January 27, 2020

SUBJECT: Additional Funds Approval – Edrington Health Consulting, LLC, SOW 3

SUMMARY:

GCHP staff seeks approval to extend and consolidate current work being performed by Edrington Health Consulting, LLC ("EHC") including professional services to evaluate and support GCHP's Incurred but Not Paid (IBNP) medical claims reserve methodology and the development of GCHP's Rate Development Template, ("RDT") in order to meet the Department of Health Care Services ("DHCS") requirements.

BACKGROUND/DISCUSSION:

EHC is a health consulting firm with a focus on custom analytics and financial models. EHC operates as a strategic partner by being proactive with the DHCS through the attendance of key meetings and staying informed on issues that may have an operational or financial impact on their clients. EHC provides consulting services to several of the Local Initiative plans that contract with DHCS. In addition, EHC is an Association for Community Affiliated Health Plans (ACAP) preferred vendor. Services offered by EHC include:

- Capitation rate development and review;
- Forecasting and reporting;
- IBNP and Reserve Estimation; and
- Data Warehousing and analytics.

Under Statement of Work (SOW) 1 in 2018, GCHP contracted with EHC for professional services for IBNP service development and support, and under SOW 2 GCHP in 2019, GCHP contracted with EHC for RDT services. Under both initiatives, EHC has continually delivered high quality results. GCHP is requesting approval to consolidate both SOW's into one (SOW 3) which is inclusive of the work performed related to IBNP, RDT, and other services as necessary, and to extend the term an additional 24 months. The services being performed by EHC are critical to GCHP. They have improved financial reporting, optimized the potential for future increases to revenue and increased credibility with DHCS. Once key positions are filled, there will be internal bandwidth to transition back some of the work in a prioritized and strategic manner.

This contract was awarded as a sole source due to the unique knowledge and partnership provided by EHC and the economies of scale achieved with their involvement with DHCS and other local initiatives. The appropriate documentation in accordance with the procurement policy will be kept on file which substantiates the award as a sole source.

FISCAL IMPACT:

SOW and Contract Term	Amount	Period	Budgeted
SOW 1 – Actuary Services, Actual Spend	$83,422	12/17/18 to 12/31/2019	Yes
SOW 2 – RDT Services, Actual Spend	$42,479	7/1/2019 to 6/30/2020	Yes
SOW 3 – Combined Services Projected Spend	$350,000	1/1/2020 to 12/31/2022	Yes
Total Projected Cumulative Spend	**$475,901**	**Ending on 12/31/2022**	

Note: The total amount on an annualized basis is within the approved budget.

RECOMMENDATION:

The Plan recommends the Commission approve the consolidation of EHC SOW's 1&2 into SOW 3 and award SOW 3 to EHC for a twenty-four (24) month period with a not-to-exceed amount of $350,000.

If the Commission desires to review this contract, it is available in the Gold Coast Health Plan's Finance Department.

AGENDA ITEM NO. 7

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Kashina Bishop, Chief Financial Officer

DATE: January 27, 2020

SUBJECT: November and December 2019 Fiscal Year to Date Financials

SUMMARY:

Staff is presenting the attached November and December 2019 fiscal year-to-date (FYTD) financial statements of Gold Coast Health Plan ("Plan") for the Commission to accept and file.

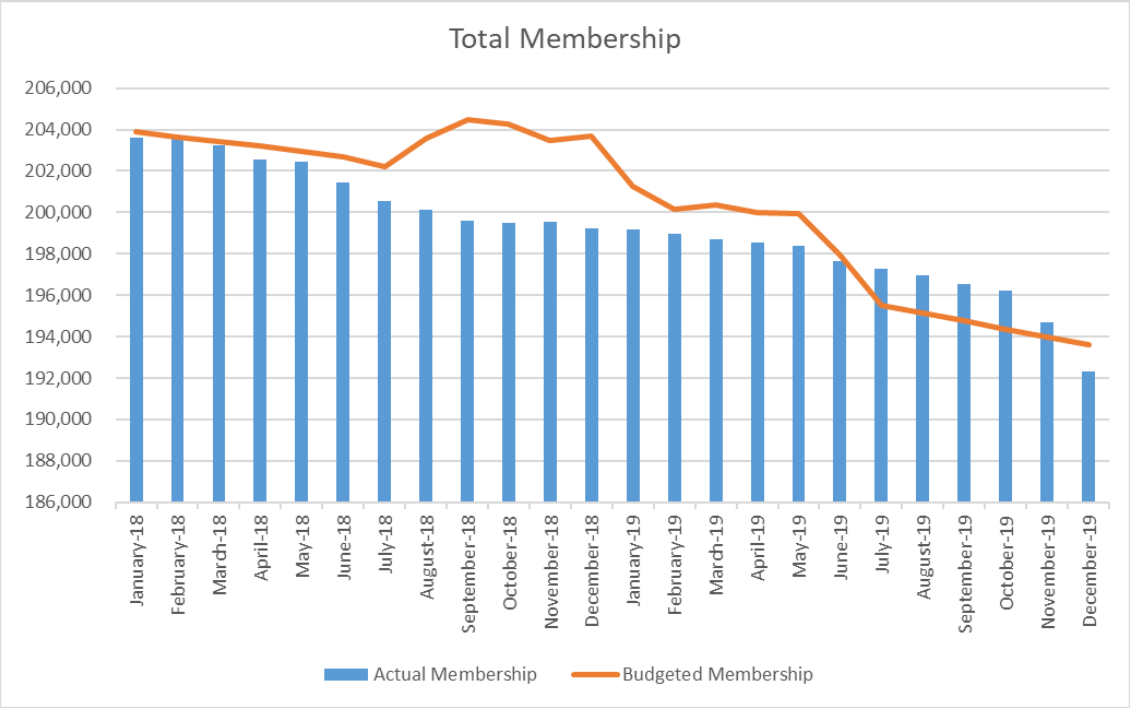
BACKGROUND/DISCUSSION:

The staff has prepared the unaudited November and December 2019 FYTD financial package, including statements of financial position, statement of revenues, expenses and changes in net assets, and statement of cash flows.

FISCAL IMPACT:

FYTD Financial Highlights

- Net loss of $1.6 million; a $1.6 million budget variance.
- December FYTD net revenue is $409.7 million, $19.4 million higher than budget.
- FYTD Cost of health care is $388.4 million, $27.3 million higher than budget.
- The medical loss ratio is 94.8% of revenue, which is 2.3% higher than the budget.
- The administrative cost ratio is 5.9%, 1.7% lower than budget.
- Current membership for December is 192,306. Member months for the year are at 1,173,987 which 1% greater than budget.
- Tangible Net Equity is $74.0 million which represents approximately 33 days of operating expenses in reserve and 223% of the required amount by the State.



Financial Report:

In the month of November 2019 Gold Coast Health Plan is reporting a net loss of $309,346 and a net gain of $188,182 in December 2019. Overall revenue and expense in aggregate are consistent with the prior months, noting the following variance:

- The Department of Health Care Services (DHCS) notified the Plan that approximately $1.4 million would be recouped from capitation revenue related to payments made for members after their date of death going back to 2011. This is a result of an investigation conducted by the Office of the Inspector General (OIG) which was reported in May 2019. The Plan was alerted months ago that there would be a recovery of the funds, but the State had indicated the amounts would be insignificant. Particularly concerning is that over $500,000 of this amount was related to payments for Adult Expansion members in which the Plan has paid back revenue related to the Medical Loss Ratio requirement. This amount was accrued and reduced capitation revenue.

- The impact of the revenue recoupment from the State was offset by pharmacy expense which was lower both due to decreased utilization and a $625,000 rebate.

Revenue

Net Premium revenue is over budget by $19.4 million and 5%. The budget variance is being driven by the following:

- Membership is over budget by 1%.
- Due to increasing risk of the population, GCHP received revised draft capitation rates from the State which were 1.7% higher than budgeted.
- Due to increased utilization, supplemental payments for Behavioral Health services is $4.1 million higher than budgeted.
- Capitation revenue attributable to Proposition 56 and Ground Emergency Transportation Payment (GEMT) are over budget by $4.8 million due to updated rates for the additional programs explained below.

The Plan received updated capitation rates from the State which were inclusive of incremental rates related to the MCO tax and Proposition 56. In 2016, California voters approved Proposition 56 to increase the excise tax rate on cigarettes and tobacco products. A portion of this revenue is allocated to DHCS for use as the nonfederal share of health care expenditures. The initial Proposition 56 directed payment was implemented for dates of service in FY 2017-18 with additional amounts being paid to providers with encounter data related to certain CPT codes.

The program was expanded for dates of service beginning July 1, 2019 to include supplemental payments for specified family planning codes and a value-based payment program which requires additional payments for qualifying services related to prenatal/postpartum care, early childhood visits, chronic disease management, and behavioral health integration. The program was further expanded for dates of service beginning January 1, 2020 for developmental screening services and adverse childhood event screening services.

The Plan has continued to make payments under Proposition 56 related to the continued physician services; and will process payments for the new programs once the final All Plan Letters are issued and the Plan receives the appropriate funding.

GEMT is a Quality Assurance Fee program which provides for an enhanced reimbursement rate for emergency medical transports by non-contracted providers.

Health Care Costs

FYTD Health care costs are $388.4; over budget by $27.3 million and 8%.

Notable variances from the budget are as follows:

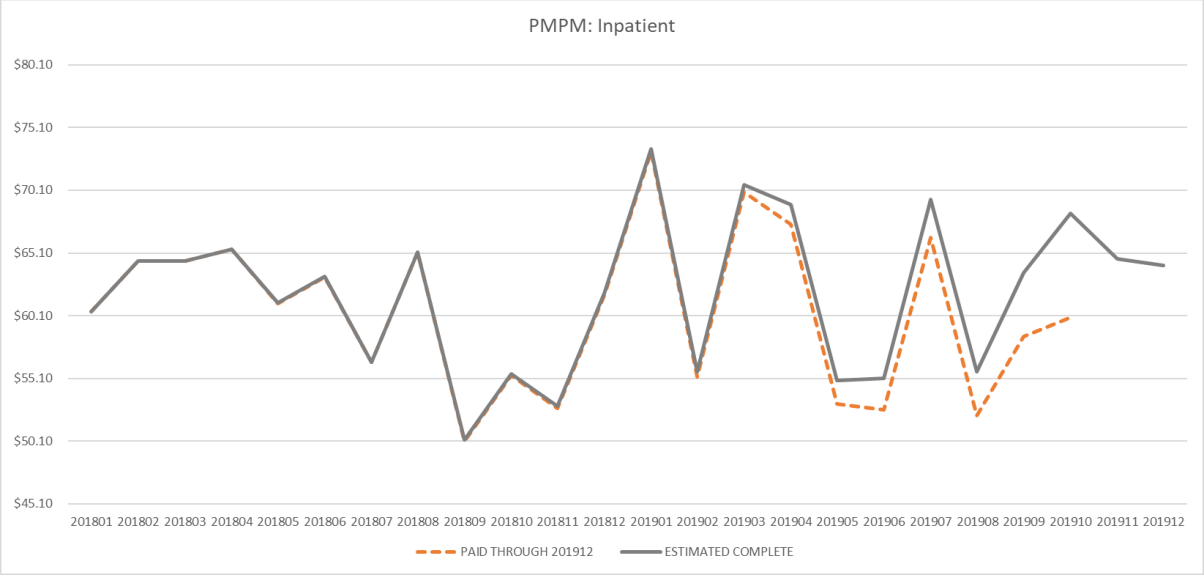
- Membership is over budget by 1% which will impact the anticipated medical expenses, this is offset by revenue.

- The State validated the assertion that as the membership declines, it is the healthier population that are disenrolled, increasing the overall per member per month costs of the remaining membership. The State gave us an additional 1.7% in the capitation rates to offset this increased expense.

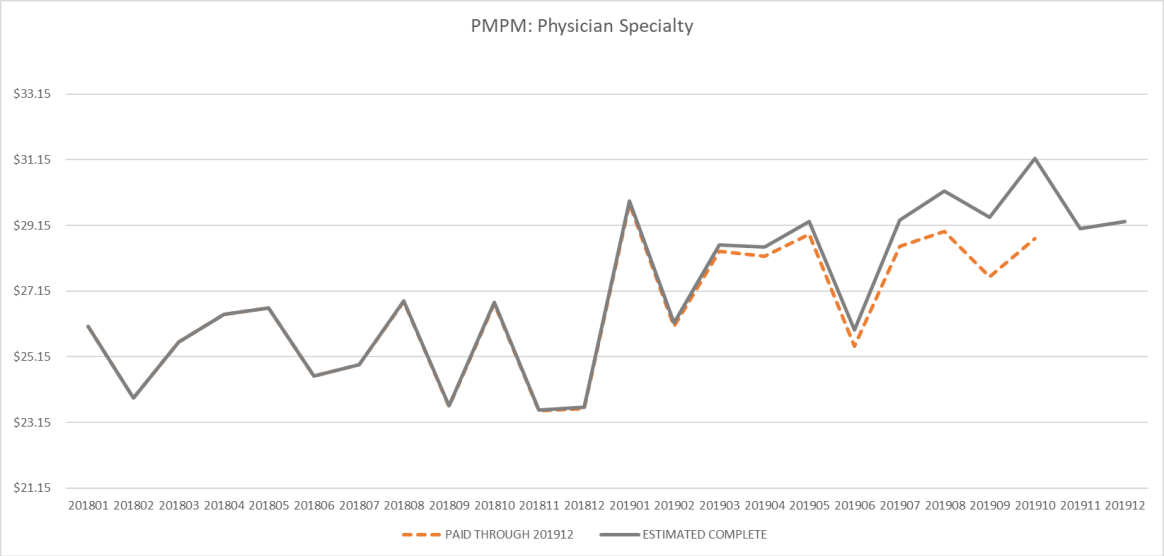
- Capitation is over budget by $2.3 million. There is a provider contract for which a withholding arrangement was removed, so the provider reserve expense line item is under budget by $1.2 million and capitation expense is over budget. The balance of the budget variance is related to correcting capitation payments related to prior periods.

- Directed payments (for Proposition 56) are over budget by $6.7 million. GCHP is accruing a directed payment expense equal to 100% of the current year revenue attributable to Proposition 56. Approximately $4.8 million of the variance is due to updated rates from the State. The additional variance is driven by prior year changes in estimate.

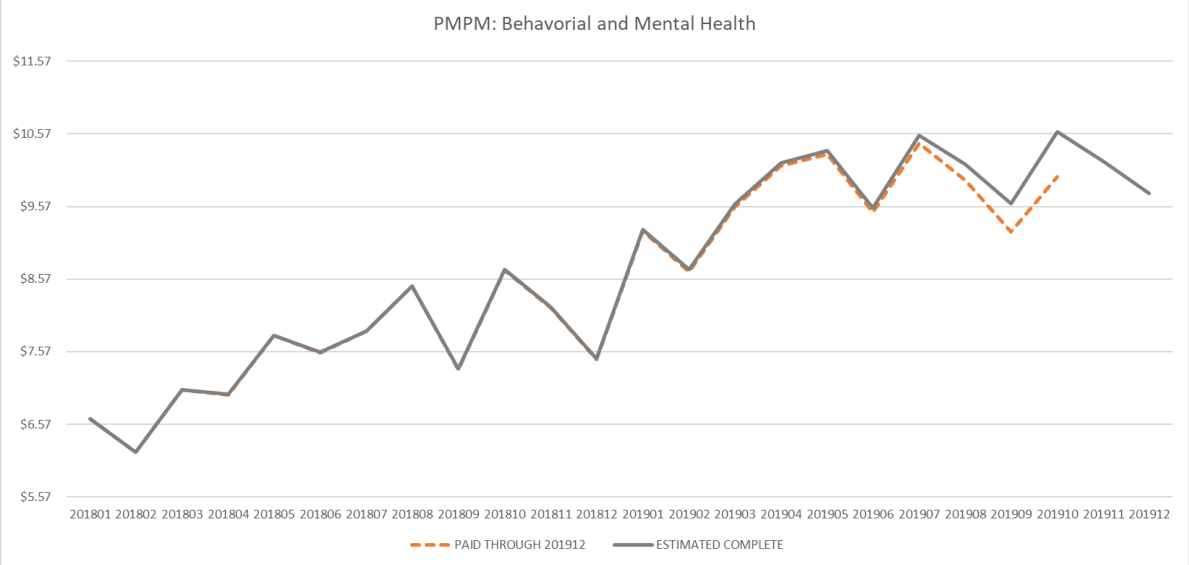
- Inpatient is over budget by $4.4 million primarily due to high dollar cases increasing with dates of services in July and October of 2019.



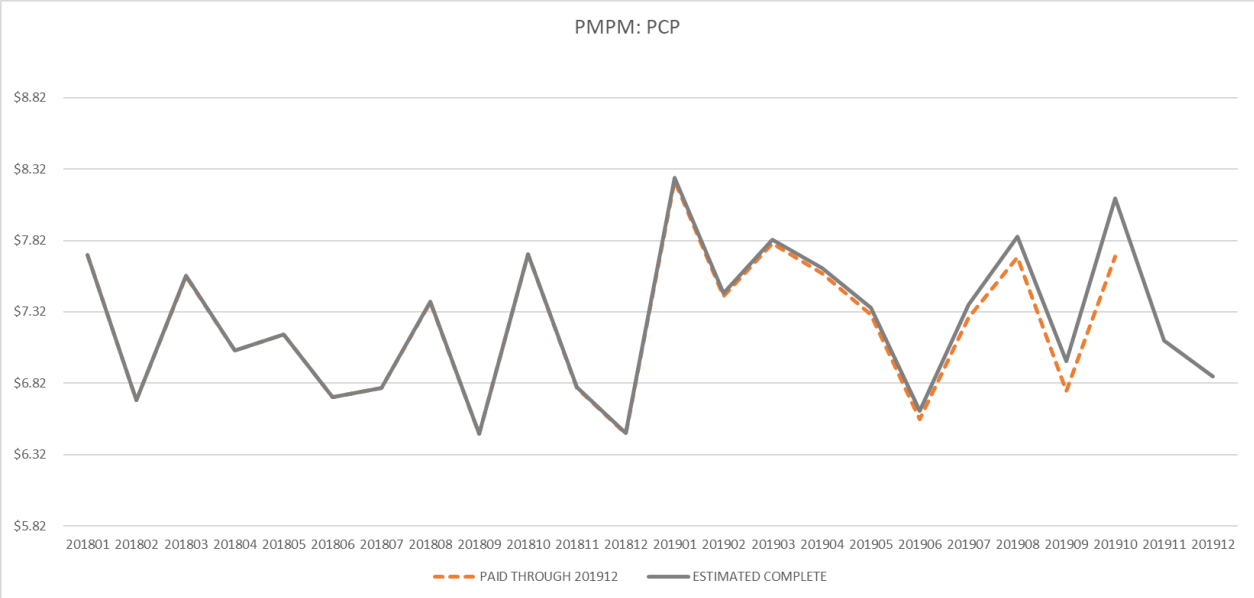
- Physician Specialty is over budget by $6.2 million. Additional research is needed to fully explain this variance, and it is a priority for the Decision Support and Finance departments. I had anticipated that as the IBNP model ran out from the seasonal increase in early 2019, we would see decreasing PMPM costs. The costs appear to still be on an upward trend.



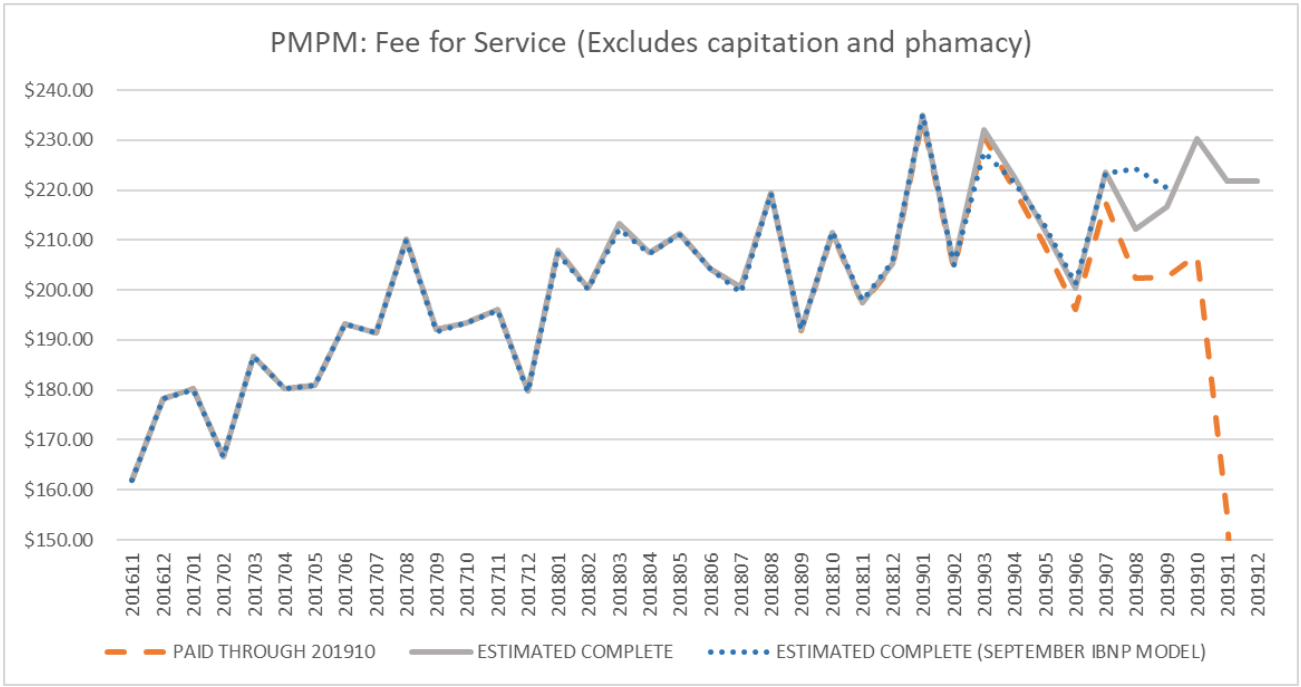
- Behavioral and mental health utilization has increased significantly in the most recent months which could indicate a need to revise per member per month cost expectations for the current fiscal year. The budget is $8.16 per member per month and the average expense in the first quarter of FY 19-20 $10.14 per member per month. If it continues at this rate, the annual increase in cost would be approximately $4.5 million. The increased cost is offset by supplemental payments from the State for Behavioral Health treatment.

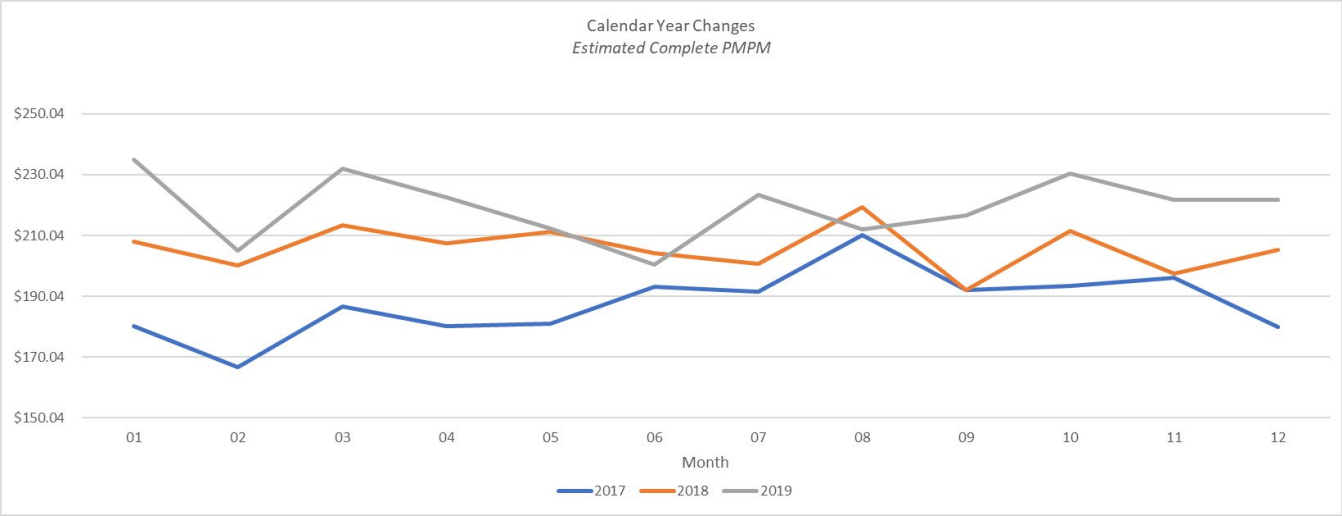


- Primary Care Physician is over budget by $1.47 pmpm (26%). This is due to a classification issue with the non-pbm pharmacy expenses within the budget. Non-pbm pharmacy expense was budgeted under pharmacy but the expense is being reflected in the Primary Care Physician line item. As noted below, the actual expense has remained stable.



- Total fee for service health care costs, considering date of service, are over budget by $5.67 pmpm (3%). As noted in the next graph, we typically see variances in overall medical expense on a month to month basis. The Incurred But Not Paid model is assuming that medical expenses increase slightly in July and October and then remain stable. The spikes in July and October dates of service are primarily driven by high dollar inpatient cases, with one claim of $1.4 million related to a heart failure case.

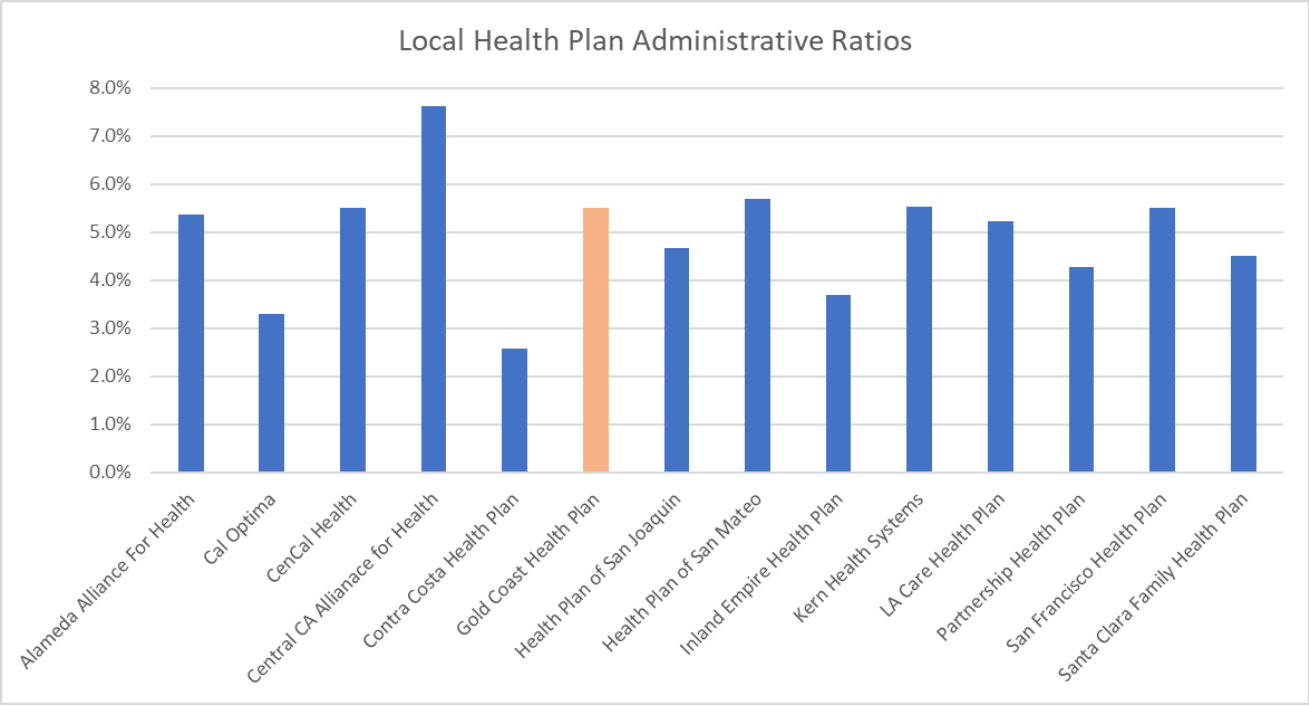




Note: Medical expenses are considered a significant estimate due to the delay between the time the medical service is provided and when the claim is paid. This is calculated through a predictive model which is referred to as "Incurred But Not Paid" (IBNP) and is a liability on the balance sheet. On the balance sheet, this calculation is a combination of the IBNR and Claims Payable. The total liability is the difference between the estimated costs (the orange line above) and the paid amounts (in grey above).

Administrative Expenses – For the fiscal year to date through December, administrative costs were $24.1 million and $5.6 million below budget. As a percentage of revenue, the administrative cost ratio (or ACR) was 5.9% versus 7.6% for budget.

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



Cash and Short-Term Investment Portfolio – At December 31st, the Plan had $78.3 million in cash and short-term investments. The investment portfolio included Ventura County Investment Pool $42.2 million; LAIF CA State 5.1 million; the portfolio yielded a rate of 2.5%.

Medi-Cal Receivable – At December 31st, the Plan had $159.5 million in Medi-Cal Receivables due from the DHCS. This increased significantly from October due to receipt of draft capitation rates from the State inclusive of the MCO tax.

Looking Forward:

There is currently no change to the year-end projection in which we would have a slight net gain for the year. While medical expenses are higher than budgeted, it is being offset by higher than budgeted revenue. In addition, most of the cost savings initiatives discussed with the Commission, which have an annual savings estimated at approximately $7 million, have yet to impact medical expenses.

RECOMMENDATION:

Staff requests that the Commission accept and file the November and December 2019 financial package.

CONCURRENCE:

N/A

ATTACHMENT:

November and December 2019 Financial Package

Gold Coast Health Plan℠
A Public Entity

FINANCIAL PACKAGE
For the month ended December 2019

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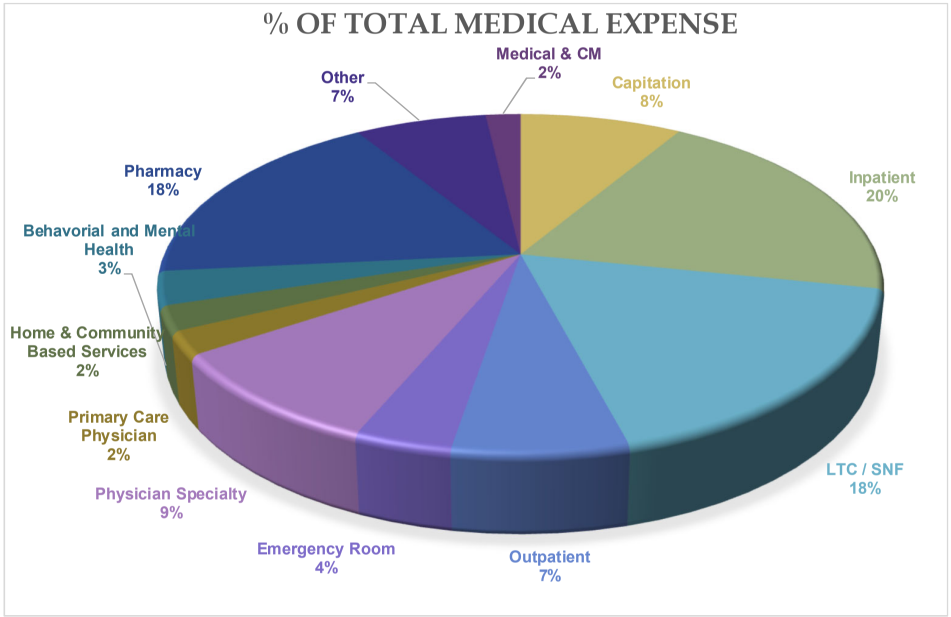
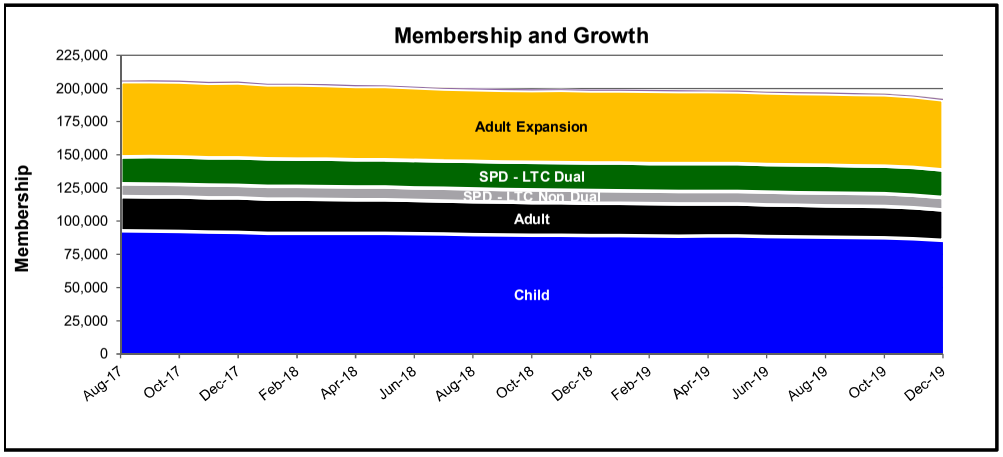
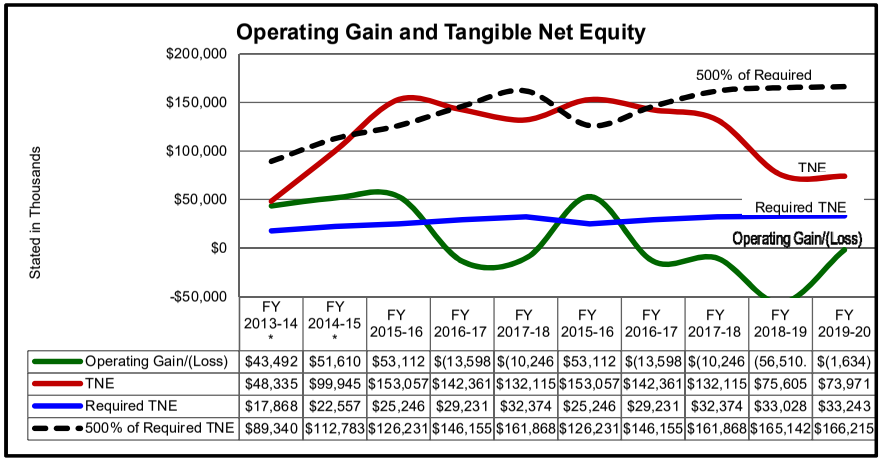
Gold Coast Health Plan

Executive Dashboard as of December 31, 2019

	FYTD 19/20 Budget	FYTD 19/20 Actual	FY 18/19 Actual	FY 17/18 Actual
Average Enrollment	194,558	195,684	198,140	202,748
Revenue	$ 334.34	$ 348.91	$ 303.88	$ 284.60
Capitation	$ 26.53	$ 28.34	$ 25.14	$ 13.90
Inpatient	$ 61.64	$ 65.07	$ 62.09	$ 58.98
LTC / SNF	$ 57.09	$ 58.39	$ 56.06	$ 51.30
Outpatient	$ 25.69	$ 22.27	$ 25.88	$ 25.74
Emergency Room	$ 11.91	$ 12.44	$ 12.14	$ 12.77
Physician Specialty	$ 25.51	$ 30.61	$ 26.71	$ 23.82
Primary Care Physician	$ 5.85	$ 7.32	$ 7.36	$ 6.78
Home & Community Based Services	$ 8.05	$ 7.79	$ 8.14	$ 6.88
Behavorial and Mental Health	$ 8.15	$ 10.64	$ 8.69	$ 6.37
Pharmacy	$ 57.09	$ 58.76	$ 56.60	$ 49.76
Other	$ 14.85	$ 23.07	$ 13.33	$ 9.48
Medical & CM	$ 6.94	$ 6.11	$ 5.92	$ 4.79
Total Per Member Per Month	$ 309.31	$ 330.80	$ 308.05	$ 270.57
% of Revenue	92.5%	94.8%	101.4%	95.1%
Total Administrative Expenses	$ 29,740,201	$ 24,110,401	$ 46,655,880	$ 49,015,352
% of Revenue	7.6%	5.9%	6.5%	7.1%
TNE	$ 93,700,000	$ 73,970,925	$ 80,207,972	$ 132,115,371
Required TNE	$ 33,464,286	$ 33,242,928	$ 32,802,236	$ 32,373,536
% of Required	280%	223%	245%	408%







	FY 2013-14 *	FY 2014-15 *	FY 2015-16	FY 2016-17	FY 2017-18	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Operating Gain/(Loss)	$43,492	$51,610	$53,112	$(13,598	$(10,246	$53,112	$(13,598	$(10,246	(56,510.	$(1,634)
TNE	$48,335	$99,945	$153,057	$142,361	$132,115	$153,057	$142,361	$132,115	$75,605	$73,971
Required TNE	$17,868	$22,557	$25,246	$29,231	$32,374	$25,246	$29,231	$32,374	$33,028	$33,243
500% of Required TNE	$89,340	$112,783	$126,231	$146,155	$161,868	$126,231	$146,155	$161,868	$165,142	$166,215

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STATEMENT OF FINANCIAL POSITION

	12/31/19	11/30/19	10/31/19
ASSETS			
Current Assets:			
Total Cash and Cash Equivalents	**$ 30,781,631**	**$ 58,047,373**	**52,317,686**
Total Short-Term Investments	**47,551,780**	**47,421,651**	**47,421,645**
Medi-Cal Receivable	159,541,028	144,289,232	95,298,896
Interest Receivable	411,817	446,896	359,599
Provider Receivable	568,996	574,765	442,704
Other Receivables	7,825,511	7,826,204	7,826,204
Total Accounts Receivable	**168,347,351**	**153,137,097**	**103,927,403**
Total Prepaid Accounts	1,689,915	1,638,839	2,031,705
Total Other Current Assets	237,891	153,789	153,789
Total Current Assets	**248,608,568**	**260,398,750**	**205,852,229**
Total Fixed Assets	**1,745,134**	**1,772,501**	**1,812,848**
Total Assets	**$ 250,353,702**	**$ 262,171,251**	**$ 207,665,077**
LIABILITIES & NET ASSETS			
Current Liabilities:			
Incurred But Not Reported	$ 55,788,322	$ 54,827,508	51,577,047
Claims Payable	6,223,563	8,575,964	9,558,471
Capitation Payable	26,303,504	26,264,879	26,181,539
Physician Payable	10,795,540	9,286,801	4,867,814
DHCS - Reserve for Capitation Recoup	5,503,491	18,148,939	18,442,789
Accounts Payable	438,717	322,349	472,934
Accrued ACS	1,520,143	6,490,717	5,099,512
Accrued Provider Reserve	-	1,700,000	1,700,000
Accrued Pharmacy	17,011,004	18,298,286	12,670,778
Accrued Expenses	476,377	851,071	886,816
Accrued Premium Tax	49,659,940	41,360,895	-
Accrued Payroll Expense	1,558,346	1,154,380	1,005,684
Total Current Liabilities	**175,278,946**	**187,281,791**	**132,463,384**
Long-Term Liabilities:			
Other Long-term Liability-Deferred Rent	1,103,831	1,106,718	1,109,605
Total Long-Term Liabilities	**1,103,831**	**1,106,718**	**1,109,605**
Total Liabilities	**176,382,777**	**188,388,509**	**133,572,989**
Net Assets:			
Beginning Net Assets	75,604,947.77	75,604,947.77	75,604,948
Total Increase / (Decrease in Unrestricted Net Assets)	(1,634,023)	(1,822,205)	(1,512,859)
Total Net Assets	**73,970,925**	**73,782,743**	**74,092,089**
Total Liabilities & Net Assets	**$ 250,353,702**	**$ 262,171,251**	**$ 207,665,077**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR MONTH ENDED December 31, 2019

	Nov 2019	Dec 2019	Dec 2019 Year-To-Date		Variance	Variance	Dec 2019 Year-To-Date		Variance
	Actual	Actual	Actual	Budget	Fav / (Unfav)	%	Actual	Budget	Fav / (Unfav)
Membership (includes retro members)	193,727	194,695	1,174,105	1,167,345	6,760	1%	PMPM - FYTD		
Revenue									
Premium	112,516,598	$ 75,418,357	$ 459,017,951	$ 390,290,260	$ 68,727,691	18%	$ 390.95	$ 334.34	$ 56.61
Reserve for Cap Requirements	293,850	-	293,850	-	293,850	0%	0.25	-	0.25
MCO Premium Tax	(41,360,895)	(8,299,045)	(49,659,940)	-	(49,659,940)	0%	(42.30)	-	(42.30)
Total Net Premium	**71,449,553**	**67,119,312**	**409,651,861**	**390,290,260**	**19,361,601**	**5%**	**348.91**	**334.34**	**14.57**
Other Revenue:									
Miscellaneous Income	-	-	10,589	-	10,589	0%	0.01	-	0.01
Total Other Revenue	-	-	10,589	-	10,589	0%	0.01	-	0.01
Total Revenue	**71,449,553**	**67,119,312**	**409,662,450**	**390,290,260**	**19,372,191**	**5%**	**348.91**	**334.34**	**14.57**
Medical Expenses:									
Capitation (PCP, Specialty, Kaiser, NEMT & Vision)	5,418,877	5,186,163	33,274,173	30,970,399	(2,303,774)	-7%	28.34	26.53	(1.81)
FFS Claims Expenses:									
Inpatient	13,062,699	14,057,558	76,394,241	71,956,545	(4,437,696)	-6%	65.07	61.64	(3.42)
LTC / SNF	11,764,284	11,574,798	68,556,342	66,642,566	(1,913,776)	-3%	58.39	57.09	(1.30)
Outpatient	3,723,884	4,119,868	26,142,713	29,985,418	3,842,706	13%	22.27	25.69	3.42
Laboratory and Radiology	542,220	592,077	2,712,356	1,994,507	(717,848)	-36%	2.31	1.71	(0.60)
Directed Payments - Provider	5,492,382	2,196,776	15,727,319	9,039,570	(6,687,749)	-74%	13.40	7.74	(5.65)
Emergency Room	2,293,006	2,793,210	14,609,833	13,908,094	(701,738)	-5%	12.44	11.91	(0.53)
Physician Specialty	6,382,509	5,721,936	35,934,481	29,778,076	(6,156,405)	-21%	30.61	25.51	(5.10)
Primary Care Physician	1,580,995	1,211,181	8,589,556	6,828,841	(1,760,715)	-26%	7.32	5.85	(1.47)
Home & Community Based Services	1,413,143	1,375,727	9,151,606	9,396,513	244,907	3%	7.79	8.05	0.25
Applied Behavioral Analysis/Mental Health Services	1,872,073	1,754,101	12,489,576	9,517,755	(2,971,821)	-31%	10.64	8.15	(2.48)
Pharmacy	11,900,390	10,143,141	68,987,277	66,641,409	(2,345,868)	-4%	58.76	57.09	(1.67)
Provider Reserve	-	-	(295,681)	905,650	1,201,330	133%	(0.25)	0.78	1.03
Other Medical Professional	448,997	267,650	2,171,473	1,906,334	(265,139)	-14%	1.85	1.63	(0.22)
Other Medical Care	8,120	6,140	27,811	-	(27,811)	0%	0.02	-	(0.02)
Other Fee For Service	995,433	683,991	5,222,229	4,666,825	(555,404)	-12%	4.45	4.00	(0.45)
Transportation	128,071	143,346	883,360	847,236	(36,124)	-4%	0.75	0.73	(0.03)
Total Claims	61,608,205	56,641,499	347,304,491	324,015,339	(23,289,152)	-7%	295.80	277.57	(18.24)
Medical & Care Management Expense	1,068,829	934,298	7,174,048	8,102,531	928,483	11%	6.11	6.94	0.83
Reinsurance	280,635	278,304	1,688,746	480,570	(1,208,176)	-251%	1.44	0.41	(1.03)
Claims Recoveries/Budget Reduction	(366,584)	(85,156)	(1,047,556)	(2,500,000)	(1,452,444)	58%	(0.89)	(2.14)	(1.25)
Sub-total	982,880	1,127,445	7,815,238	6,083,101	(1,732,137)	-28%	6.66	5.21	(1.45)
Total Cost of Health Care	**68,009,962**	**62,955,107**	**388,393,903**	**361,068,839**	**(27,325,063)**	**-8%**	**330.80**	**309.31**	**(21.49)**
Contribution Margin	**3,439,591**	**4,164,205**	**21,268,548**	**29,221,420**	**(7,952,873)**	**-27%**	**18.11**	**25.03**	**(6.93)**
General & Administrative Expenses:									
Salaries, Wages & Employee Benefits	1,949,499	2,152,314	12,853,187	13,636,414	783,228	6%	10.95	11.68	0.73
Training, Conference & Travel	18,463	32,797	132,062	358,825	226,763	63%	0.11	0.31	0.19
Outside Services	1,713,326	2,086,360	12,220,594	13,667,797	1,447,203	11%	10.41	11.71	1.30
Professional Services	396,260	102,620	1,429,676	1,928,608	498,932	26%	1.22	1.65	0.43
Occupancy, Supplies, Insurance & Others	601,565	657,636	3,930,416	4,625,712	695,296	15%	3.35	3.96	0.62
Care Management Credit	(1,068,829)	(934,298)	(7,174,048)	(8,102,531)	(928,483)	11%	(6.11)	(6.94)	(0.83)
G&A Expenses	3,610,285	4,097,430	23,391,886	26,114,824	2,722,938	10%	19.92	22.37	2.45
Project Portfolio	293,263	38,947	718,514	3,625,377	2,906,863	80%	0.61	3.11	2.49
Total G&A Expenses	**3,903,548**	**4,136,377**	**24,110,401**	**29,740,201**	**5,629,801**	**19%**	**20.54**	**25.48**	**4.94**
Total Operating Gain / (Loss)	**(463,957)**	**27,828**	**(2,841,853)**	**(518,781)**	**(2,323,072)**	**448%**	**(2.43)**	**(0.44)**	**(1.99)**
Non Operating									
Revenues - Interest	154,611	160,354	1,207,830	520,387	687,443	132%	1.03	0.45	0.58
Total Non-Operating	154,611	160,354	1,207,830	520,387	687,443	132%	1.03	0.45	0.58
Total Increase / (Decrease) in Unrestricted Net Assets	**$ (309,346)**	**$ 188,182**	**$ (1,634,023)**	**$ 1,606**	**$ (1,635,629)**	**-101848%**	**$ (1.40)**	**$ 0.00**	**$ (1.40)**

Return to Agenda

STATEMENT OF CASH FLOWS	Nov 2019	Dec 2019	FYTD 19-20
Cash Flows Provided By Operating Activities			
Net Income (Loss)	(309,346)	$ 188,182	$ (1,634,023)
Adjustments to reconciled net income to net cash provided by operating activities			
Depreciation on fixed assets	46,995	40,700	210,187
Amortization of discounts and premium	-	-	-
Changes in Operating Assets and Liabilites			-
Accounts Receivable	(49,209,694)	(15,210,254)	(88,588,148)
Prepaid Expenses	392,866	(135,178)	270,053
Accounts Payable	6,684,343	(20,460,552)	(14,956,514)
Claims Payable	3,519,820	(805,037)	(2,670,591)
MCO Tax liablity	41,360,895	8,299,045	26,033,694
IBNR	3,250,461	960,813	4,030,410
Net Cash Provided by (Used in) Operating Activities	5,736,341	(27,122,282)	(77,304,933)
Cash Flow Provided By Investing Activities			
Proceeds from Restricted Cash & Other Assets			
Proceeds from Investments	-	-	-
Proceeds for Sales of Property, Plant and Equipment			-
Payments for Restricted Cash and Other Assets			-
Purchase of Investments plus Interest reinvested	(6)	(130,128)	(525,874)
Purchase of Property and Equipment	(6,648)	(13,332)	(287,551)
Net Cash (Used In) Provided by Investing Activities	(6,654)	(143,461)	(813,425)
Increase/(Decrease) in Cash and Cash Equivalents	5,729,687	(27,265,743)	(78,118,358)
Cash and Cash Equivalents, Beginning of Period	75,674,645	81,404,332	132,256,947
Cash and Cash Equivalents, End of Period	81,404,332	54,138,589	54,138,589

AGENDA ITEM NO. 8

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Margaret Tatar, Interim GCHP CEO

DATE: January 27, 2020

SUBJECT: Approve submission of revised AmericasHealth Plan ("AHP") Plan-to-Plan Proposal ("Proposal") to the Department of Health Care Services ("DHCS")

SUMMARY:

At the July 22, 2019 meeting, the Gold Coast Health Plan Commission ("Commission") approved the development of a Plan-to-Plan Pilot program with the America's Health Plan ("AHP"). Accordingly, staff submitted the pilot program proposal ("Proposal") to the Department of Health Care Services (DHCS).

DHCS has reviewed GCHP's previous submissions and made several suggestions to GCHP management with regard the Proposal.

BACKGROUND/DISCUSSION:

DHCS has indicated that it needs the final Proposal for the Pilot to be submitted to DHCS as a proposal from GCHP directly, and not only on behalf of AHP. Further, DHCS has rendered a decision that all GCHP members would need to be given the choice to participate in the Pilot, not just current CDCR members, as set forth in the original Proposal. Lastly, DHCS has requested that, along with the final Proposal, GCHP submits such a proposal with all the following issues addressed therein. Per DHCS, the revised Proposal needs to include:

1. That GCHP is responsible for initiating contact with members about the Pilot and that no member information will be relayed to AHP until GCHP receives back the signed release form from the member allowing GCHP to release the members information to AHP;
2. That it is the member's choice to Opt-in and that a member will not be randomly selected for the Pilot;
3. That a member can make a choice to opt out at any time and not just within the 30-day period. Per GCHP Contract 10-87128, Exhibit A, Attachment 16, Provision 2: If, at any time, a Member notifies the Contractor of a Primary Care Physician or Subcontracting Health Plan choice, such choice shall override the Member Assignment to a Primary Care Physician or Subcontracting Health

Plan. (GCHP Contract 10-87128, Exhibit A, Attachment 16, Provision 2);

4. An example of the notices that will be going out to members relating to the Pilot (i.e. Pilot Program Notices from GCHP, Opt-In Option Letter).

DHCS, of course, reserves the right to pose additional questions based upon the GCHP submission in accordance with the terms and conditions set forth above.

FISCAL IMPACT:
None

RECOMMENDATION:

Staff recommends the Commission approve revised parameters of the AHP Pilot.

SUBMISSION REVIEW FORM
DHCS MCOD Operations Section

TO REVIEWER: Katie Fific **DATE:** 8/12/2019

UNIT: Contract Compliance & Policy Support Unit

RETURN TO: Katie Fific **DUE DATE:** 8/30/2019

NAME OF PLAN: Gold Coast Health Plan (GCHP)

COUNTY: Ventura County

SUBMISSIOM ITEM: AmericasHealth Plan (AHP) / Gold Coast Health Plan (GCHP) Plan-to-Plan Project Proposal

☐ APPROVED AS SUBMITTED

☒ ADDITIONAL INFORMATION REQUESTED (LIST BELOW) SUBMIT TO DHCS BY:

☐ DENIED (LIST BELOW) SUBMIT TO DHCS BY: 8/30/2019

REVIEWER: Katie Fific (signature) DATE: 8/22/19

SUPERVISOR I: Brenda (signature) DATE: 8/22/19

SUPERVISOR II: _____ (signature) DATE: _____

REVIEW FINDINGS:

- The proposal needs to be updated to include that GCHP is responsible for initiating contact with members about the Pilot Program and that no member information will be relayed to AHP until GCHP receives back the signed release form from the member allowing GCHP to release the members information to AHP.
- The proposal needs to include that, it is the member's choice to Opt-in and they will not be randomly selected for the Pilot Program. The proposal also needs to include that members can make a choice to opt out at any time and not just within the 30-day period. Per GCHP Contract 10-87128, Exhibit A, Attachment 16, Provision 2: If, at any time, a Member notifies the Contractor of a Primary Care Physician or Subcontracting Health Plan choice, such choice shall override the Member Assignment to a Primary Care Physician or Subcontracting Health Plan. (GCHP Contract 10-87128, Exhibit A, Attachment 16, Provision 2).
- Please provide an example of the notices that will be going out to members in regards to the Pilot Program. (i.e. Pilot Program Notices from GCHP, Opt-In Option Letter)

AGENDA ITEM NO. 9

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Maraget Tatar & Patricia Tanquary, Interim CEO

DATE: January 27, 2020

SUBJECT: Chief Executive Officer Update

CEO SUMMARY: Verbal Update.

Government and Community Relations Update

State Budget Overview

On Friday, January 10, Governor Newsom released his proposed FY 2020-21 budget. The proposals in the Governor's Budget signal another year of fiscal health for California, with substantial investments in education, health, housing, and emergency preparedness. The following highlights provide a snapshot of California's overall State Budget:

- *Total Budget*: $222.2 billion ($153.1 billion General Fund ("GF"))
  - Total budget growth: 2.3% increase from 2019-20 Budget
- *Projected surplus:* $5.6 billion
- *Rainy Day Fund*: $18 billion in 2021, growing to $19.4 billion over forecast period

Overarching Health Priorities

The proposed Budget sets forth the Administration's primary healthcare priorities, including:

1) Addressing health care costs
2) Strengthening California's existing public option
3) Lowering prescription drug costs
4) Making progress towards universal coverage

Health Care Costs & Affordability

The Governor proposes addressing health care costs by establishing a statewide Office of Health Care Affordability which will be responsible with strategies to reduce costs and increase transparency. Specifics regarding this proposal will be provided in spring 2020.

Public Option

The Governor's ambitious health care priorities include specific mention of California's local plans. The Budget notes that the Administration plans to leverage California's public Medi-Cal managed care plans ("MCPs") and Covered California to "build an even more robust public option in California". More information will be provided in the coming months.

Prescription Drugs

The Budget significantly expands on the Governor's priority to address the rising cost of prescription drugs. The Medi-Cal proposals, including the Medi-Cal Pharmacy Carve-Out, are detailed in the following section. Other pharmacy proposals include:

- *Golden State Drug Pricing Schedule*: The Budget proposes the development of a single cross-sector market for drug pricing in California, including Medi-Cal, CalPERS, Covered California, private insurers, and others. More details about the proposal will be forthcoming in spring 2020.
- *Generic Contracting Program*: The Governor proposes to establish a California generic drug label, wherein the state will directly contract with drug manufacturers to manufacture generic drugs. More details on this proposal are forthcoming in spring 2020.
- *Expand bulk purchasing*: The Budget proposes to build on Governor's Executive Order on pharmacy from January 2019, indicating that the Department of General Services will increase partnerships with local purchasers of pharmacy to leverage the newly formed purchasing program.

Significant Medi-Cal Budget Items

Overall Medi-Cal Budget

- *Total Budget*: $107.4 billion ($26.4 billion GF)
  - Assumes a caseload increase of 0.4% from 2019-20 to 2020-21
- *Total projected enrollment*: 12.9 million Californians

MCO Tax

While the Governor expressed the Administration's confidence that CMS will approve California's MCO tax waiver request, the proposed 2020-21 Budget does not include revenues from the tax. However, the forecast period assumes revenues will begin to accrue in 2021-22.

Medi-Cal Healthier California for All (formerly CalAIM)

The Budget proposes $695 million in 2020-21 for implementation of the Medi-Cal Healthier California for All proposals. Funding will primarily support the implementation of enhanced care management and MCP incentive payments to implement in lieu of services ("ILOS"). The funds allocated to infrastructure will phase out beginning in 2023-24.

- *Total funding:* $695 million ($348 million GF) for January 1, 2021-June 30, 2021 growing to $1.4 billion total funds in 2021-22 and 2022-23
  - *Enhanced care management:* $224 million ($112.5 million GF)
  - *MCP incentive payments to infrastructure for ILOS:* $300 million total funds
  - *Funding existing ILOS currently being provided in WPC:* $57.5 million total funds
  - *Dental Transformation Initiative:* $112.5 million ($56.3 million GF)

- *Out-year funding:* $790 million ($395 million GF) beginning in 2023-24 as incentive payments for ILOS infrastructure are phased out

Pharmacy Carve-Out, "Medi-Cal Rx"
The Budget includes a revised estimate of the savings attributed to the Medi-Cal pharmacy carve-out which has an effective date of January 1, 2021. Additionally, it proposes funding for community health centers to mitigate the loss of 340B funding under the pharmacy carve-out.

Pharmacy carve-out projected savings: $178.3 million ($69.5 million GF)

- *Supplemental Payment Pool for Non-Hospital 340B Clinics:* $52.5 million ($26.3 million GF) for January-June 2021, $105 million ($52.5 million GF) ongoing

Additionally, the Budget proposes two statutory changes in FFS related to the pharmacy carve- out:

- Eliminate the six-prescription limit
- Eliminate co-pays for pharmacy services

Additional information will be provided as the respective budget subcommittees begin to meet to discuss the proposals stated above as well as other proposals put forth by the Legislature.

Medi-Cal Healthier California for All formerly known as Cal-AIM

Earlier this month, the Department of Health Care Services (DHCS) announced that effective immediately, the broad-based effort to transform the Medi-Cal delivery system, program and payment structure will be known as Medi-Cal Healthier California for All. The change reflects the initiative's alignment with Governor Newsom's platform to build a "California for All," as well as the long history and public familiarity with the Medi-Cal name for California's version of the Medicaid program.

Additionally, GCHP has convened two meetings with outside stakeholders to discuss the proposed program objectives. The first meeting convenes the CEOs of the major health systems in Ventura County. The second meeting convenes the County of Ventura Health Care Agency leadership along with other county leaders to discuss the programs implications.

Finally, in Spring 2020, GCHP will convene townhall meetings across the county to share with the community the new proposal and hear their input.

Community Relations Update

Gold Coast Health Plan in the Community

In the last month, GCHP awarded sponsorships to the following organizations:

- **Food Share**: A sponsorship was awarded to their annual fundraising event "Can-Tree Drive". Proceeds of the event will continue to provide food for over 75,000 Ventura County residents every month.

Community Relations Events:

GCHP participated in MICOP's Annual Health Fair Meeting, held in the City of Oxnard. This is an event aimed at raising health awareness in the Mixteco community. The event included cold/ flu vaccinations and a disscussion about the Medi-Cal young adult expansion coverage, public charge, and the importance of Census 2020 for the community. Nearly half of the attendees were GCHP members. Several GCHP members approached GCHP staff and thanked the plan for the all the services provided in the community.

The Community Relations team participated in The Southwinds Neighborhood Council meeting in the City of Oxnard. Approxiemtly half the participants were GCHP members. GCHP staff had an opportunity to educate participants on how to access the transportation and care management benefit. Members were also provided with information about the grivance process and with their rights and responsibilities..

On December 7, for the first time, Gold Coast Health Plan participated in the 2019 Oxnard Christmas Parade. GCHP's parade theme was "Celebrate the Gift of Health." GCHP Staff and their families walked through downtown Oxnard. Throughout the parade route GCHP staff handed pencils and pens to community members. The Oxnard community warmly welcomed GCHP, parade goers cheered on the Plan as they made their way around the route. In addition, GCHP sponsored the City of Oxnard's Tamale Festival. The Community Relations team held a booth at the Festival which gave them the opportunity to engage members and share with them important benefit information. GCHP staff is looking forward to participating in next year's festivities.

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Compliance Update

DHCS Annual Medical Audit:

Audits and Investigation (A&I) conducted the annual medical audit June 3, 2019 through June 7, 2019. Staff received the final report from A&I on September 13, 2019. The Plan submitted our CAP responses to DHCS on October 14, 2019 and the response is currently under review by DHCS. The Plan's goal is to resolve the findings timely. The Plan will continue to keep the commission apprised. **January 2020** – The CAP remains open and GCHP have not received an update from A&I.

The Joint Legislative Audit released the final audit report on August 15, 2019. The Audit report has two recommendations:

1) To ensure that the public clearly understands the Commission's decisions, the commission should report its reasoning for awarding contracts or the legal basis, if any, for choosing not to do so.
2) To ensure that it addresses any significant performance issues by its contractors in a timely manner, Gold Coast should establish a process to immediately require contractors to take necessary corrective action to resolve issues and ensure that they do not recur.

The Plan is required to respond in 60 days, 6 months and 1 year about the steps it took to implement the recommendations that are within statutory authority. Per the direction by JLAC the response included timelines and who or whom is the responsible party for implementing the recommendations. The Plan submitted the response to JLAC on October 14, 2019 with both items classified as partially implemented.
For item number one, a policy and procedure tailored towards the Commission was approved at the October 28, 2019 Commission meeting.
For item number two, a policy and procedure specific to Pharmacy Benefit Manager oversight was submitted to JLAC for review. Concurrently the policy was also submitted to DHCS for review and approval as it encompasses elements of the Plans DHCS contract requirements. Once approved by DHCS, JLAC will consider it implemented. The Plan will continue to keep the commission apprised. **January 2020** – GCHP received approval of the submitted Pharmacy Benefit Manager Oversight Policy from DHCS on 12/30/2020 and is pending submission to JLAC for final consideration.

DHCS conducted facility site review audits on 11 provider sites September 9, 2019 through September 12, 2019. DHCS issued the Plan a CAP on October 14, 2019. Eight (8) findings were on the facility side component and five (5) findings were on the medical record review component. The CAP response is due to DHCS on November 18, 2019. The Plan will keep the commission apprised of the status. **January 2020** – On December 17, 2019 GCHP received notice from DHCS that all items of the CAP has been corrected and the review is now considered closed.

DHCS Contract Amendments:

The draft DHCS contract amendment has included multiple revisions based on CMS review. The contract amendment is still pending approval by CMS and the Plan is pending the final amendment for signature. GCHP has received additional requirements from the Mega Reg via All Plan Letters and has had multiple deliverables due to DHCS to ensure compliance. GCHP is operating under the requirements of the draft amendment as required by DHCS and GCHP is audited by DHCS to those standards. **January 2020** – On January 13, 2020, following the approval of the Commission, GCHP submitted the signed contract amendment to DHCS. GCHP is awaiting the final signed contract amendment from DHCS. The Plan will keep the commission apprised of the status.

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Delegation Oversight:

Delegate	Audit Year/Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes
Conduent	2017 Annual Claims Audit	Open	December 28, 2017		Issue will not be resolved until new claims platform conversion
Kaiser	2018 Annual Claims Audit	Open	9/23/2018	Under CAP	
Conduent	2018 Annual Claims Audit	Open	6/20/2018	Under CAP	Pending ongoing monitoring
Beacon Health Options	2018 Annual Claims Audit	Closed	6/26/2018		
Beacon Health Options	2018 6 month Claims (focused) Audit	Closed	11/21/2018		
Clinicas del Camino Real, Inc.	2018 Annual Claims Audit	*Open	12/28/2018	Under CAP	Ongoing monitoring imposed
Cedars	2019 Annual Credentialing	Closed	July 11, 2019	November 27, 2019	
Children's Hospital	2019 Annual Credentialing	Closed	July 16, 2019	October 29, 2019	
City of Hope	2019 Annual Credentialing	Closed	June 10, 2019	October 29, 2019	
Optum	2019 Annual Audit (C&L, FWA, HIPAA, UM, Credentialing)	Closed	March 4, 2019	December 11, 2019	

Kaiser	2019 Annual Claims Audit	Open	September 23, 2019	Under CAP	
Beacon Health Options	2019 Annual Call Center Audit	Open	May 23, 2019	Under CAP	
VTS	2019 Annual Call Center Audit	Open	April 26, 2019	Under CAP	
CDCR	2019 Concurrent UM Quarterly Audit	Closed	August 29, 2019	N/A (CAP not issued)	
Beacon Health Options	2019 Concurrent UM Quarterly Audit	Closed	October 11, 2019	November 15, 2019	
VSP	2019 Annual Claims Audit	Open	October 29, 2019	Under CAP	
Conduent	2019 Call Center Audit	Open	January 14, 2020	Under CAP	

Gold Coast Health Plan (GCHP) is contractually required to perform oversight of all functions delegated through subcontracting arrangements. Oversight includes but is not limited to:

- Monitoring/reviewing routine submissions from subcontractors
- Conducting onsite audits
- Issuing a Corrective Action Plan (CAP) when deficiencies are identified

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

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

Grievance and Appeals:

Please refer to the attached grievance and appeals graphs.

Grievance Monthly Member Totals Yearly Comparison Graph:
GCHP Grievance and Appeals department performed an annual review of the last two years to compare the volume of cases received year over year. A highlight to report in aspect of the member grievances are there is not a significant increase in volume from 2018 to 2019. This report is showing a consistent number of member grievances being reported from one year to the next. GCHP encourages our membership to grieve in order to capture the members' experience to identify opportunities for making necessary improvements.

This graph also shows the provider grievances, which is the method for allowing provider to have a second level appeal review after they have exhausted the provider dispute process. Per the graph there is an increase of 24% from 2018 to 2019. The G&A department is in the process of reviewing the data to track and trend these cases to determine specific cause for the increase.

Grievance Monthly Provider Totals Yearly Comparison Graph:
Based on the monthly report for November there is a slight increase of both member and provider cases received compare to the same time last year. Given the minimal year over year increase we have not been able to identify any measurable trends, GCHP will continue to monitor any areas of increase.
State of California Department of Health Care Services (DHCS) has issued a requirement for health plans to restructure the method of how Grievance and Appeals departments report and submit their data. DHCS Data Improvement project has been started and there are several health plans participating in the pilot program to test this new reporting method. DHCS request is for health plans to structure their grievance and appeals system to accommodate their new format for how and what categories should be reported. The new process will change the reporting timeframe from quarterly to a monthly submission. Target date for this to be implemented is 07/01/2020.

Clinical Appeal Monthly Yearly Comparison Graph:
During 2019, there was a total of 297 clinical appeal cases that were received and processed. In 2018, there was only 250 cases processed which shows a 16% increase in 2019. The overturned rate is significantly more than what was reported in 2018, which shows improvement in the overall consistency with the way the review is completed through the authorization and appeal process. The presented data of upheld cases does not display any changes from year to year.

Top 3 Grievances Categories:
- Provider Disputes
- Quality of Care
- Accessibility

The top 3 reasons for member and provider grievance for 2019 were provider disputes, quality of care and accessibility. The quality cases were address in a Quality workgroup that includes all relevant departments within GCHP to ensure all the member issues related to quality of care are reviewed and addressed thoroughly.

Vendor Management Conduent:

Staff is in the discovery phase of various facets of the Conduent Contract performance. A weekly cross-functional team has been established to meet with Conduent and address high priority issues. By working together, we are able to alleviate impact to other departments within the organization and it allows additional visibility into Conduents contract performance. As the discovery phase evolves, the report on Conduent will as well. The Plan has identified some opportunities for improvement in claims processing, grievance and appeals and call center functions. Currently as the Plan works together internally and with Conduent, we were able to identify themes. Themes the Plan has identified include the following, which is not all-inclusive: high dependability on manual processes, system configuration limitations, call center associate training, staffing competency and attrition in claims and call center departments. Staff is reviewing the contract in depth and deciphering functions that are delegated versus those that are not delegated to try to maximize efficiencies and minimize duplication of functions on the Plan side. The vendor management function will continue to evolve and additional reporting will be provided in the future.

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NETWORK OPERATIONS

- **Regulatory:**

  Completed:
  - PNO has delivered timely responses to the DHCS quarterly Timely Access Survey on January 8, 2020.
  - 274 file format enhancement of Sees Children Indicator completed timely internally and with external vendors and January file has been submitted with required enhancement

  Upcoming:
  - DHCS has delivered Q4-2019 Quarterly Monitoring Reporting Template (QMRT) on January 10, 2020 with an indicated January 31, 2020 required response. Fulfillment of the QMRT has started.
  - Annual Network Certification workup has continued

- **Provider Contracting Update:**

  - **Medical Cost Reduction Contract Strategy: Refer to CFO Report**

  - **New Contracts:**
    - Joshua Wolfsohn, DO, Inc: New Specialist contract for Infectious Disease Provider in Camarillo. Contracting with this provider is necessary to filling an access gap in our network. Provider has also signed and Interim Letter of Agreement until the credentialing process has been completed.

  - **Amendments:**
    - Central Coast Center for Gynecology Oncology
    - Addition of two Obstetrics and Gynecology physicians
    - National Seating & Mobility, Inc: Additional location added in Goleta, CA
    - Ventura Orthopedic Medical Group: Addition of three orthopedic physicians
    - County of Ventura (Hospital, PCP, and Specialist): Extension Agreements
    - Community Physicians of Ventura County: Address change. Provider has moved from Oxnard to Ventura.
    - Pediatric Subspecialty Network Inc: Moved physician under group from an Interim LOA to a full contractual agreement
    - Raymond Pierson, MD: Moved physician under group from an Interim LOA to a full contractual agreement
    - Brighton Convalescent, LLC dba Brighton Care Center: Provider name change
    - James F. Mitchell MD Inc: Removed terminated physician from Interim LOA

- **Interim LOA**
    - Vista Del Mar Medical Group: Interim LOA in place for nephrology and internal medicine provider is pending credentialing

- **Better Doctors**

The Plan continues to meet weekly with Quest Analytics as a touch base to ensure that the process continues to move smoothly.

The Plan continues to verify the demographic information obtain from Better Doctors. The following reviews were performed:

- 441 providers were completed and updated in Provider Network Database (PNDB)
- 161 provider records were audited to ensure the providers were loaded accurately in PNDB and IKA (GCHP Claims system).
- 62 provider records were reviewed on the Better Doctor Report for potential terminations
- Completed clean-up for 18 providers in the Provider Database based on the report.

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

- **PCCM Testing:**
    - Symplir Database Project: On schedule

    The Plan team continues to attended bi-weekly meetings with internal GCHP staff and Symplir staff to discuss and make decisions required to support the eVIPs conversion and process configuration.

- **Provider Network Database Updates (Current GCHP Provider System):**
    - Records Reviewed -9028
    - Data Fields Updated – 9037

- **PCCM Items Currently Completed:**
    - Iteration 5 test case development
    - Iteration 6 Mapping Review and Approval

- **PCCM Items Currently In Progress:**
    - Iteration 5 conversion testing
    - Reference Code review
    - Legacy Provider Database Clean-Up
    - IT evaluation of testing automation tools

- **Temporary Staff–** PNO has brought on 3 temporary employees who are currently assisting in the transition to the eVIPS implementation. Two employees have since

left as a result to accepting full-time positions with other organizations. Screening for replacement staff is underway.

- **Provider Additions:**

December 2019 Provider Additions- 29 Total

Provider Type	Additions
Congregate Living Health Facility	1
Durable Medical Equipment	1
Hospitalist	2
Midlevel	1
Pharmacist	1
Specialist	23

December 2019 Provider Terminations – 49 Total

Provider Type	Additions
Facility	1
Midlevel	1
PCP	2
Specialist	1

- 17 specialists were OOA providers.
- 1 Facility OOA, post-acute provider
- 4 PCPs from VCMC

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

- **Provider Satisfaction/Provider Access Survey In process**

The Plan has retained SPH analytics to perform provider satisfaction and access surveys.

- **Provider Access Survey**: SPH completed survey and submitted summary to the Plan. PNO is currently working on reviewing.
- **Provider Satisfaction Survey**: SPH completed survey and submitted summary to the Plan. PNO is currently working on reviewing.

- **Provider Directory:**

The Plan was approached by KN Consulting (KNC), offering to be one of six plans to take part in a collaborative effort to identify a provider directory (PD) fulfillment vendor. The objective would be that KNC would take the lead in performing market research about vendor capabilities and best practices to support the production and delivery of the Plan's provider

directory. KNC's survey to vendors describes an intended goal to identify capability to perform vital services surrounding provider directory end to end fulfillment. Additional requirements would be to appease guidelines of DHCS APL 19-003, which is focused on SPD Provider directory and welcome packet delivery. Plan leadership is carefully evaluating this initiative and the potential cost savings associated with this initiative.

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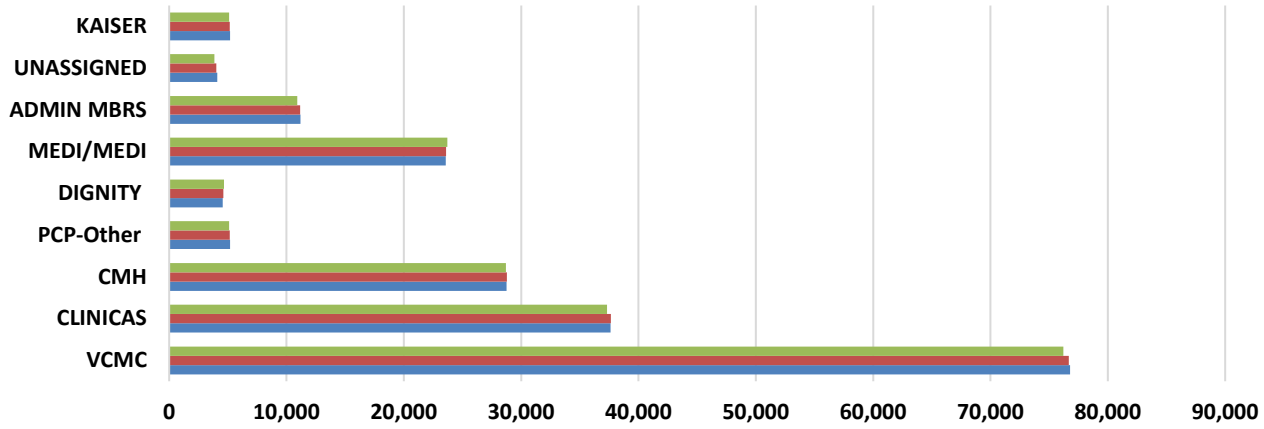
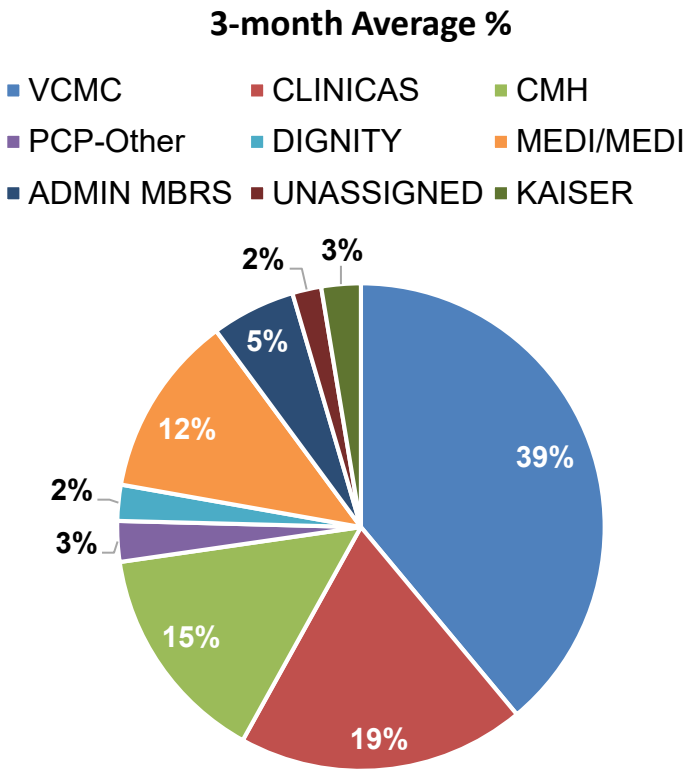
Member PCP Assignments



	VCMC	CLINICAS	CMH	PCP-Other	DIGNITY	MEDI/MEDI	ADMIN MBRS	UNASSIGNED	KAISER
Nov-19	76,215	37,323	28,687	5,118	4,674	23,697	10,909	3,846	5,122
Oct-19	76,662	37,641	28,770	5,155	4,611	23,606	11,174	4,009	5,161
Sep-19	76,790	37,617	28,751	5,186	4,553	23,574	11,201	4,096	5,200



Return to Agenda

HUMAN RESOURCES UPDATE

Aug 2019 – Dec 2019

Period	Overall Turnover	Total Terminations	Average Headcount
Aug- 19	1.53%	3	196.29
Sept- 19	1.52%	3	197.47
Oct -19	0.51%	1	196.32
Nov - 19	1.55%	3	193.87
Dec - 19	1.04%	2	192.35

Total Terms	Reasons
4	Reduction in Staff
1	Retirement
5	Resignation
2	Mutual Agreement

Work in Progress and Upcoming

- Performance Reviews and Merit Reviews August through October 2019 - Completed
- Ongoing culture work and team building to include DiSC Communication Style workshops – Discontinued?
- Employee Survey roll out November 2019 to be completed by year end – In progress
- Benefit Open Enrollment November for January 2020 effective date - Completed
- Salary Market review with Compensation Plan validation January 2020 – On hold, haven't received approval to move forward since Jean left and we now have a personnel committee

RECOMMENDATION:

Receive and file as presented.

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POLICY

DELINEATION OF AUTHORITY

1. Any actions not specified as being the responsibility of the Commission are delegated to the CEO including, but not limited to:
   - 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).
   - Authority to select, hire, evaluate, terminate and compensate all employees, including the Chief Medical Officer and Chief Financial Officer.
   - Management will inform the Commission of changes in senior executive positions.
   - Authority to establish and amend the staffing plan, provided that any changes to the staffing plan do not change the number of budgeted full-time equivalent employees by more than 10% and that the change does cause exceed the total budget.
   - Management will develop a salary range schedule for each established position. While the schedule is not subject to Commission approval, it will be presented to the Commission on an annual basis as an information item.

Amended: November 28, 2011

AGENDA ITEM 4A - 1

POLICY

VCMMCC CEO Signing Authority for Contractual Agreements for Administrative Goods and Services

The Ventura County Medi-Cal Managed Care Commission CEO/Interim CEO shall have the authority to enter into contractual agreements and/or Memorandums of Understanding for administrative goods and services, inclusive of Information Technology (IT), up to a $100,000.00 annually. Agreements shall be based on obtaining a minimum of three bids. Services with an aggregate total value of $50,000 or less will not require the bidding process. In the event that there is only a single or sole source for the goods or services in excess of $50,000 required, documentation shall be kept on file to substantiate the following:

1 Why the selected product and/or vendor was chosen.

2. What the unique performance factors of the selected product/service are.

3. Why the specific factors are required.

4. Other products/services examined and rejected and the reasons they were rejected.

5. Why other sources providing like goods or services were found to be unacceptable.

The CEO/Interim shall sign administrative services and goods contracts and or agreements above these limits at the direction of the Commission.

Contracts with providers for the delivery of needed and required health care services to beneficiaries shall be exempt from this process.

Approved by Commission
June 28, 2010

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Integrity
Accountability
Collaboration
Trust
Respect

Enterprise Transformation Project (ETP)

Conduent MediTrac Implementation

January 27, 2020

ETP
ENTERPRISE TRANSFORMATION PROJECT
TRANSFORMING OUR FUTURE

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

Enterprise Transformation Project (ETP)

Conduent MediTrac Implementation

Impact:

- Largest project since inception of GCHP
- Conduent's purchase of HSP
- Transform ASO services using integrated technology (one system)
- Changing systems and processes

Benefits:

- Plan growth and diversification*
- Compliant with regulatory requirements – current and future
- Robust provider contracting abilities
- Integrated customer service capabilities
- Improved data capture & reporting

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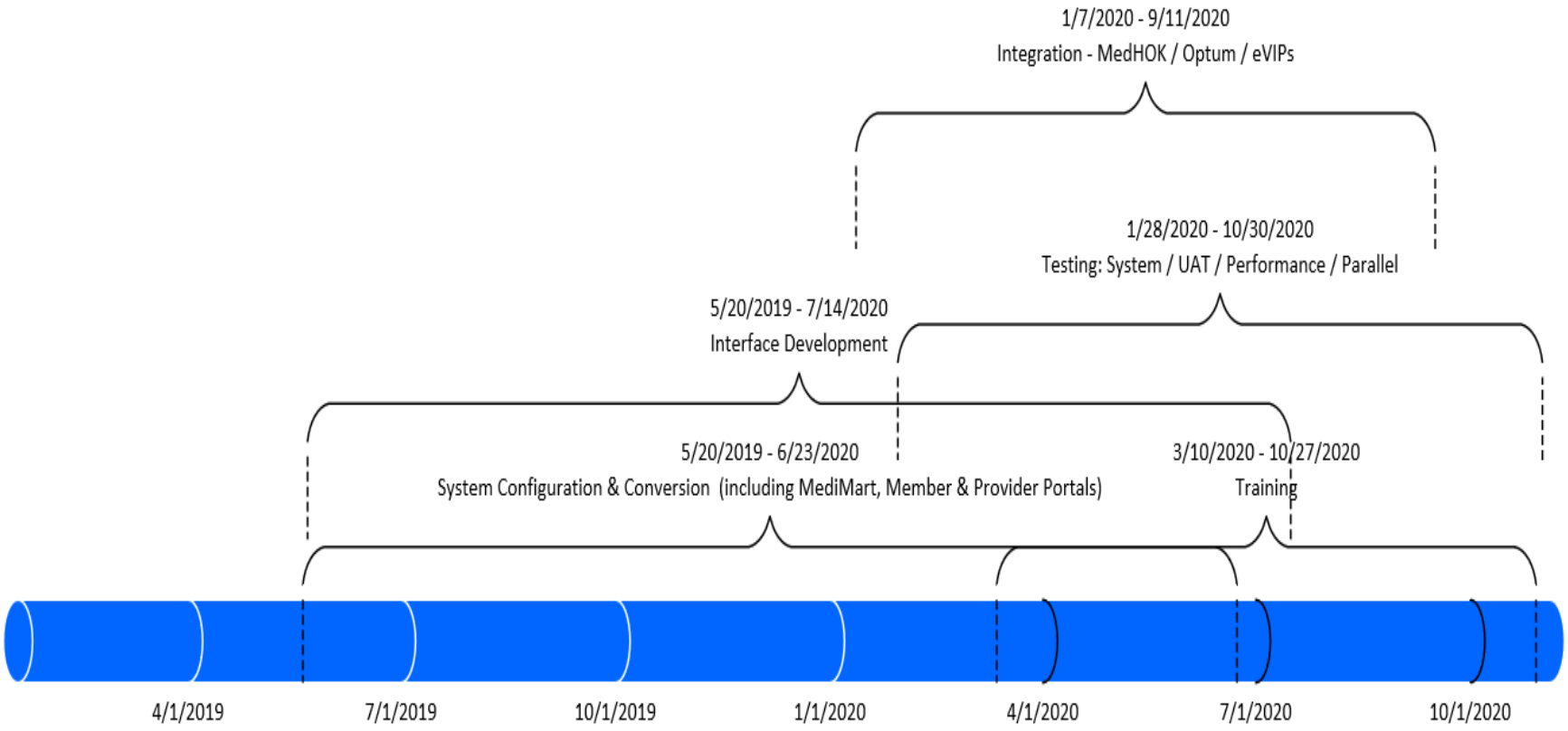
Project Schedule – Milestone View

ENTERPRISE TRANSFORMATION PROJECT
TRANSFORMING OUR FUTURE



Project Start
6/18/2019

GO LIVE
11/4/2020

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YTD Expenditures

ENTERPRISE TRANSFORMATION PROJECT
TRANSFORMING OUR FUTURE

COMMISSION APPROVED PROJECT BUDGET		
Department Budget	**Total Dollars**	**YTD Expenditures as of 11/30/19**
IT	$ 2,435,000	
Executive	-	132,367
Database Conversion	996,000	
Operations	1,333,000	172,557
Network Operations	355,000	
Health Services	240,000	
PMO	55,000	
Finance	35,000	
Total Investment*	**$ 5,500,000**	**$ 304,924**

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AGENDA ITEM NO. 10

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nancy Wharfield, Chief Medical Officer

DATE: January 27, 2020

SUBJECT: Chief Medical Officer Update

Childhood Lead Levels in the Medi-Cal Population

Lead exposure can have serious consequences for the health of children. At high levels of exposure, lead attacks the brain and central nervous system to cause coma, convulsions and even death. Children who survive severe lead poisoning may be left with mental retardation and behavioral disorders. At lower levels of exposure that cause no obvious symptoms lead is now known to produce a spectrum of injury across multiple body systems. In particular, lead can affect children's brain development resulting in reduced intelligence quotient (IQ), behavioral changes such as reduced attention span and increased antisocial behavior and reduced educational attainment.

On January 7, 2020, the California State Auditor released a report on childhood lead levels in the Medi-Cal population. The report was critical of the Department of Health Care Services (DHCS) and the California Department of Public Health (CDPH) finding that from 2009 – 2018, slightly under half of one- and two-year old Medi-Cal children had no lead testing and about 25% missed one lead test.

The auditor found that:

- DHCS did not effectively oversee the managed care plans to ensure that children received required lead tests;
- DHCS failed to implement a financial incentive program for health care providers to encourage lead testing;
- Although CDPH monitored lead abatement activities in the homes of children who already had lead poisoning, it did not address lead hazards before children are exposed to them;
- CDPH delegated responsibility for addressing lead risks to local prevention programs, but did not sufficiently assess their performance;
- CDPH failed to update the factors health care providers use to identify children who need testing for lead poisoning.

The report advanced the following recommendations:

- To support CDPH's efforts to efficiently contact families and monitor lead test results, the Legislature should amend state law to require laboratories to report contact information and unique identifiers with children's lead test results;
- DHCS should adopt performance standards for lead testing for one and two year old children and mandate that plans monitor children without lead testing monthly;
- CDPH should analysis high lead risk geographical areas, require prevention programs to demonstrate effectiveness, update factors identifying risk of lead exposure, and allocate resources based on the prevalence of lead exposure.

GCHP staff will work with DHCS and Ventura County CDPH representatives to ensure we have quality programs in place to adequately monitor lead exposure for the children in our Medi-Cal program.

Adverse Childhood Experiences (ACES)

Adverse Childhood Experiences (ACEs) are traumatic events that occur in children under the age of 18. These events include violence, abuse, and growing up in a family with mental health or substance use problems. Toxic stress from ACEs can change brain development and affect how the body responds to stress. ACEs are linked to chronic health problems, mental illness, and substance misuse in adulthood.

Preventing ACES may:

- Lower risk for adult health problems like depression, asthma, cancer, and diabetes;
- Reduce risky behaviors like smoking and heavy drinking;
- Reduce ACES from being passed on through generations.

ACEs Aware is an initiative led by the California Office of the Surgeon General and the Department of Health Care Services to give Medi-Cal providers training, clinical protocols, and payment for screening children and adults for ACEs.

Providers can receive training in ACES screening with a free two-hour online course available at: www.ACEsAware.org. ACES screening is billable procedure for Medi-Cal providers and can be offered to children yearly/provider and to adults once/lifetime/provider. After July 1, 2020, in order to bill for ACES screening, providers must be registered with DHCS that they have completed training.

Gold Coast Health Plan (GCHP) will be providing more details to providers in the coming weeks.

Influenza Update

Influenza activity is high across all counties in California with incidence of both A and B being observed. Since the end of September 2019, there have been 105 influenza-related deaths in California, with 3 in Ventura County. Last year, Ventura County had 12 influenza-related deaths and the year before that there were 49 deaths.

The Centers for Disease Control (CDC) recommends everyone over 6 months old get the flu shot and to seek treatment if you get the flu. Almost all (>99%) of the influenza viruses tested this season are susceptible to the four FDA-approved influenza antiviral medications recommended for use in the U.S. this season.

Pharmacy Hot Topic Items

Medi-Cal Rx
The California Department of Health Care Services (DHCS) will be carving out all prescription benefits from the Managed Care Plans (MCP) as of January 1, 2021 under a new program called Medi-Cal Rx. Upon implementation, all retail prescription claims will be submitted directly to the state via its PBM. DHCS recently awarded Magellan Medicaid Administration, Inc. the PBM contract for this program. DHCS has held and continues to hold stakeholder and technical workgroups with representation from the MCPs regarding the implementation of this benefit. DHCS has clarified that MCPs will remain responsible for long term care (LTC) pharmacy claims after the carve-out occurs. This may mean that GCHP will need to retain a PBM for administration of these claims. The pharmacy department is conducting analyses to determine the best mechanism for GCHP to handle these claims going forward.

PBM Contract Extension
GCHP's contract with OptumRx expires on May 31, 2020. There are two (2) one-year extensions in the contract available to GCHP. During the January 28, 2019 commission meeting, the commission authorized GCHP to utilize the extension option for up to one year. GCHP has notified OptumRx that it will extend its contract with OptumRx until May 31, 2021.

Pharmacy Benefit Cost Trends

Gold Coast Health Plan's (GCHP) pharmacy trend shows in overall price increase of 11.6% from December 2018 to December 2019. Pharmacy trend is impacted by unit cost increases, utilization, and the drug mix. Pharmacy costs are predicted to experience double digit increases (>10%) each year from now until 2025. GCHP's trends are in-line with state and national data that is also experiencing significant increases in pharmacy costs.

Factor	National Trend	GCHP Trend
Unit Cost	• Price inflation is a top contributor, outpacing utilization growth 4:1. • Average price increase per drug was 10.5% in the first half of 2019. 	• Unit cost increased 6.9% from Q2 2018 to Q2 2019. 
Utilization	• The number of prescriptions increased 21% from 2014 to 2017. 	• RxPMPM increased 6.8% from Dec 2018 to Dec 2019. • 29.1% of GCHP's members have 3 or more disease categories 
Drug Mix	• 59 new drug approval in 2018 – new all-time record high, 28% increase from 2017. • Pharma TV ad spending increased to $3.73B in 2018. • Specialty drugs are expected to be nearly 50% of total drug spend by 2022 	• Specialty drugs account for 40.7% of GCHP's total drug spend. 

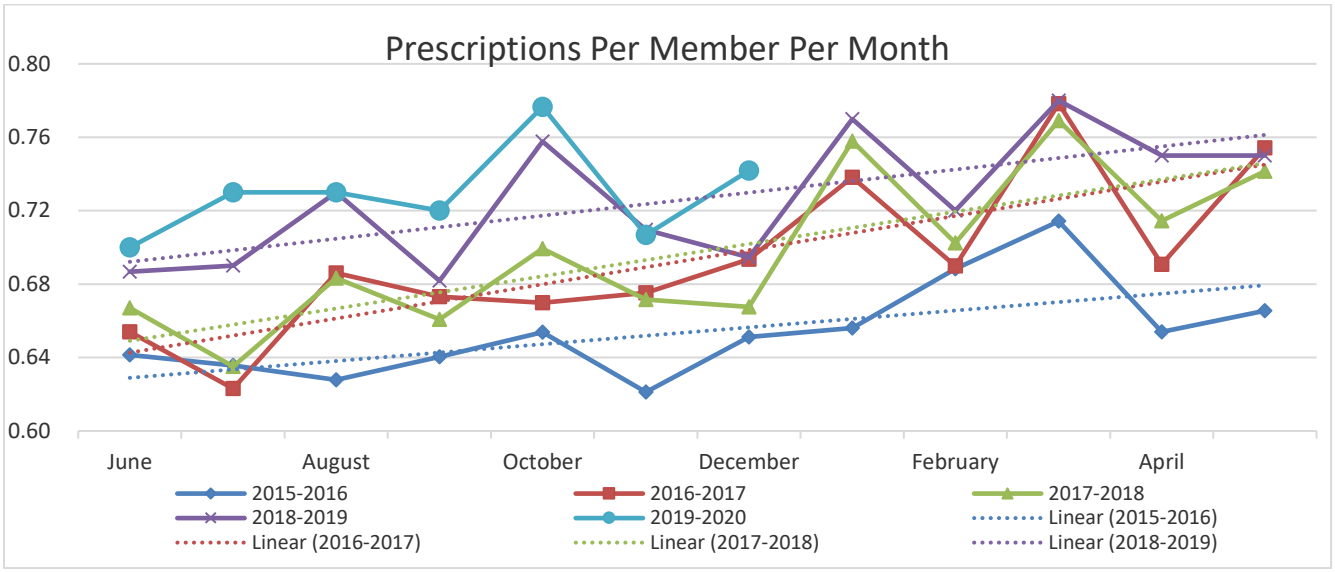
GCHP Annual Trend Data

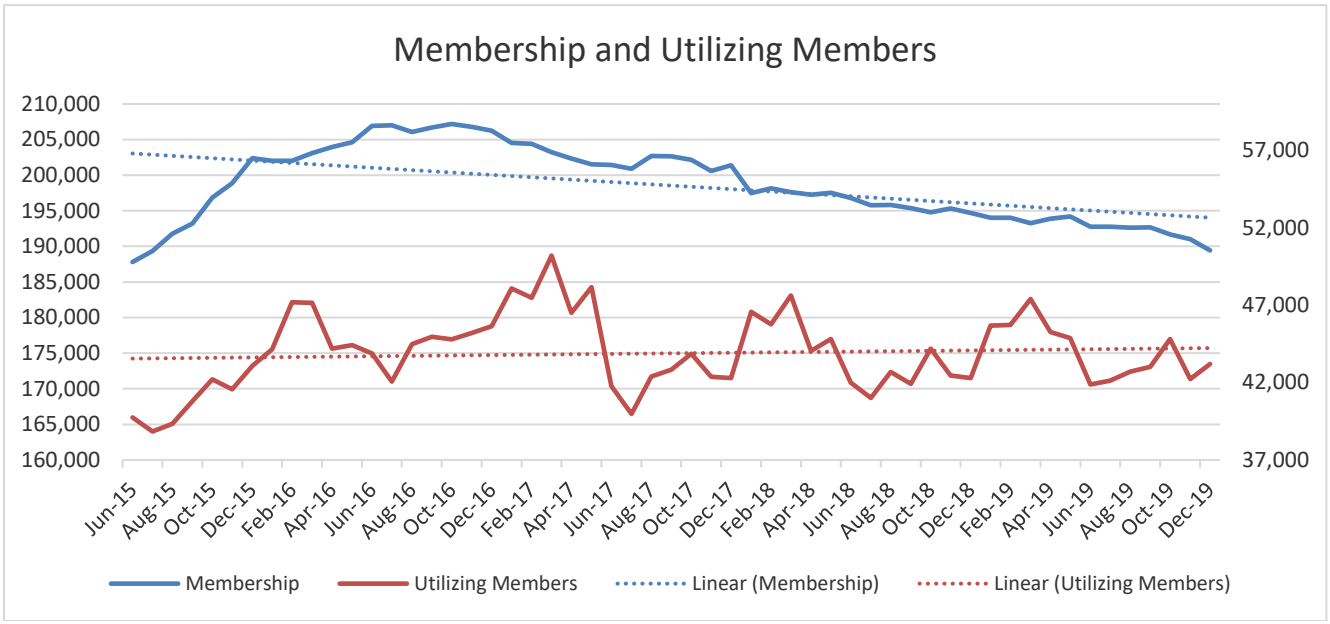
Unit Cost Trends

OptumRx reported that GCHP's unit cost trends from 2018Q2 to 2019Q2 was a 6.9% increase in unit cost.

Utilization Trends:

GCHP's utilization is increasing as demonstrated by the number of members using prescriptions and the number of prescriptions each member is using while GCHP's total membership continues to decline.


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


Membership and Utilizing Members
210,000
205,000
200,000
195,000
190,000
185,000
180,000
175,000
170,000
165,000
160,000
57,000
52,000
47,000
42,000
37,000
Jun-15
Aug-15
Oct-15
Dec-15
Feb-16
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Dec-18
Feb-19
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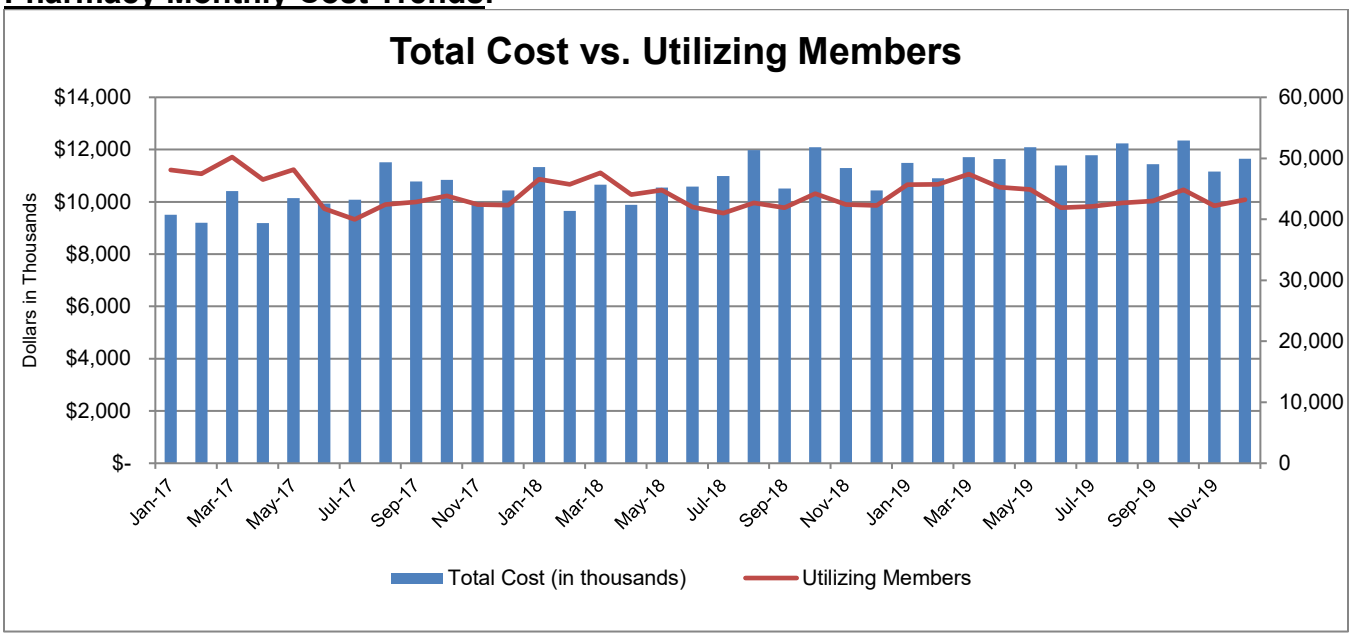
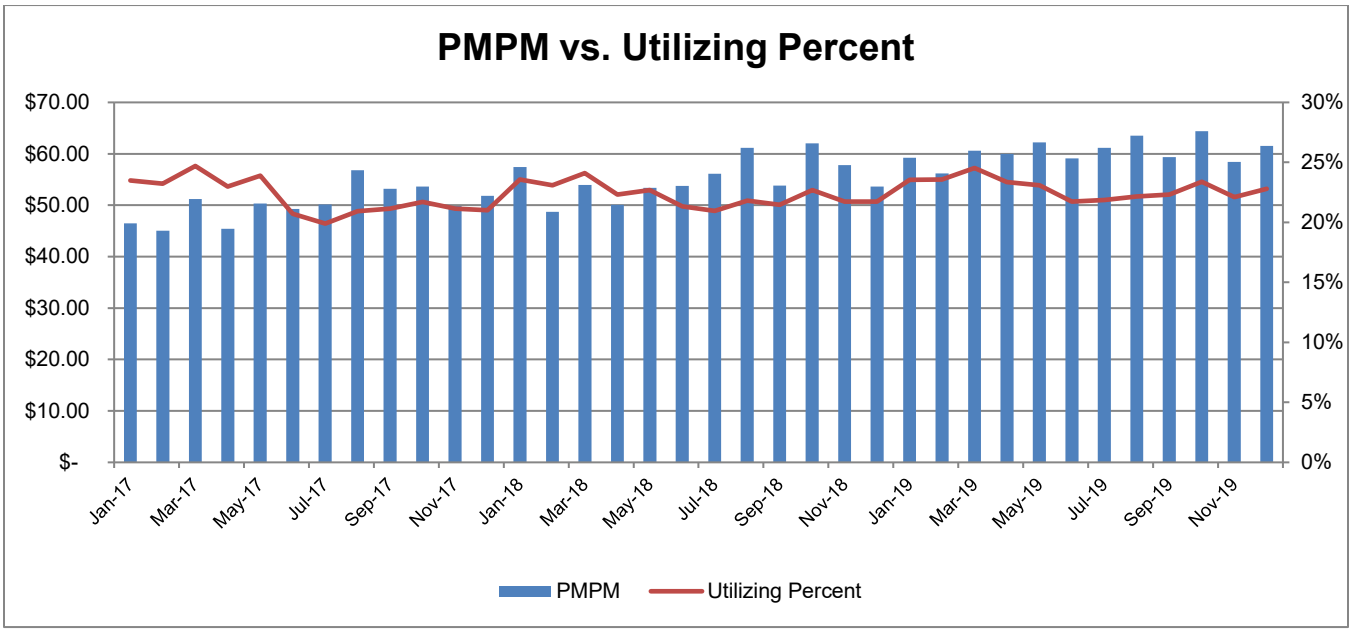
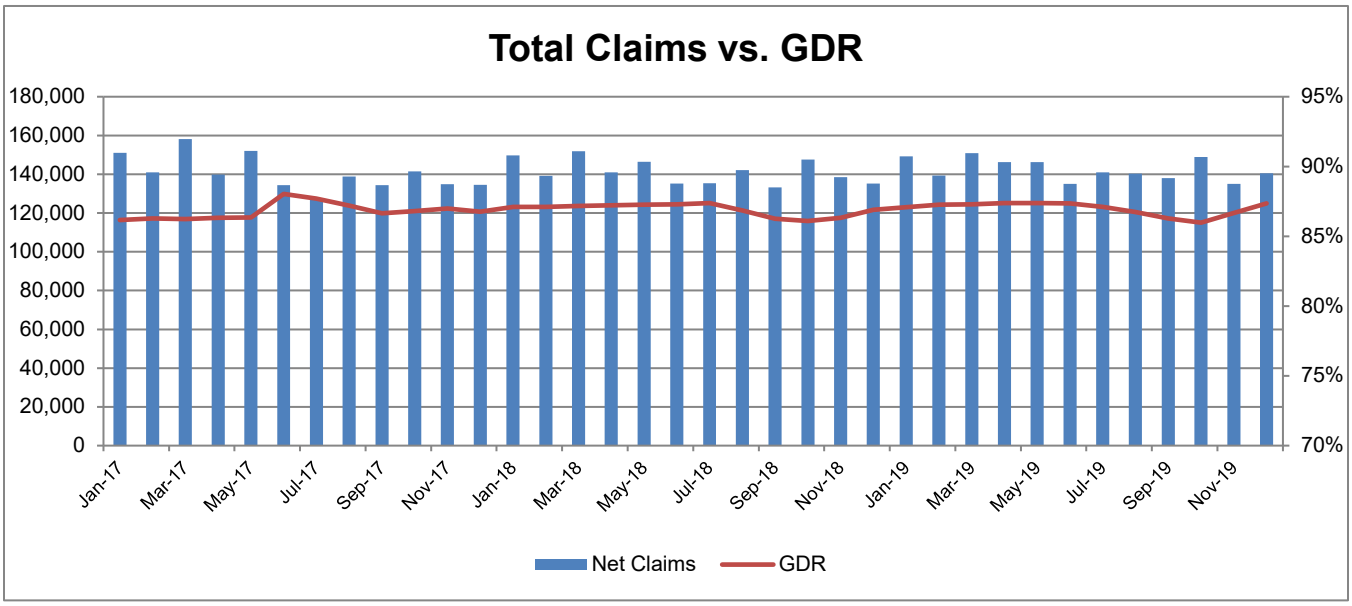
Membership
Utilizing Members
Linear (Membership)
Linear (Utilizing Members)

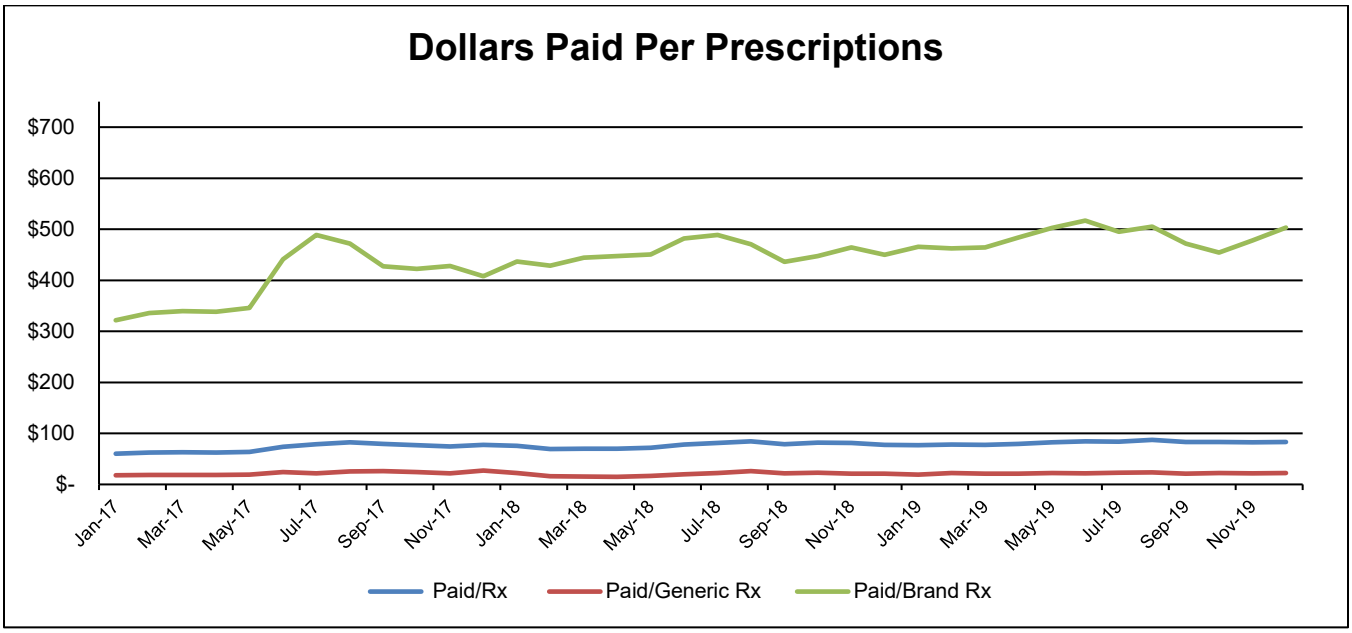
Pharmacy Monthly Cost Trends:





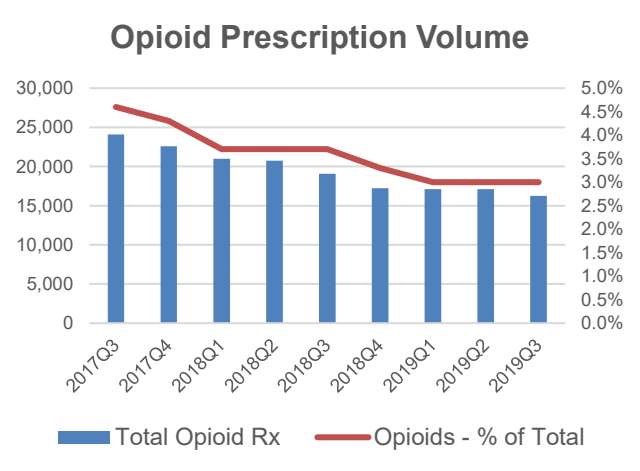


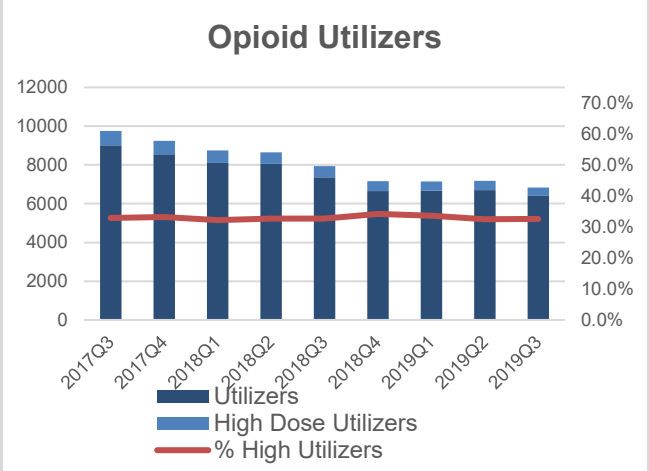
*Claim totals prior to June 2017 are adjusted to reflect net claims.

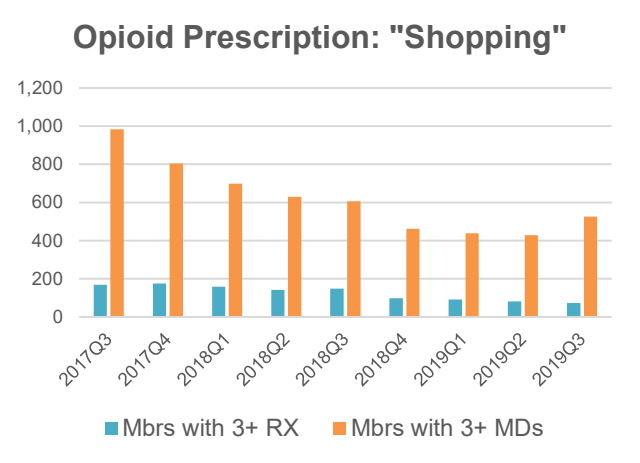


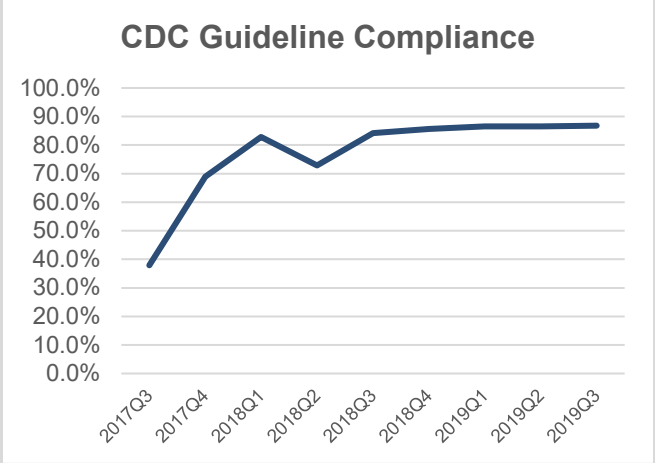
Pharmacy Opioid Utilization Statistics

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









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

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

Pharmacy utilization data is compiled from multiple sources including the pharmacy benefits manager (PBM) monthly reports, GCHP's ASO operational membership counts, and invoice data. The data shown is through the end of August 2019. Although minor changes may occur to the data going forward due to the potential of claim adjustments from audits and/or member reimbursement requests, the data is generally considered complete due to point of sale processing of pharmacy data.

References:

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

AGENDA ITEM NO. 11

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Ted Bagley, Interim Chief Diversity Officer

DATE: January 27, 2020

SUBJECT: Chief Diversity Officer Update

Monthly Actions:

Community Relations

- Attended holiday celebration for Ventura County veterans at the United Way Building in Camarillo.

Employee Survey

- The survey closed the week of January 20th. Final results will be shared in February; currently there has been 75% participation.
- Draft of Supplier Diversity Process completed.

Case Investigations

- Completed two internal investigations related to harassment and supervisor treatment. Findings were negative in both cases with documentation to justify all actions taken.
- There were no new cases during the month and nothing through the grievance hotline other than an older case that resurfaced. The case in question referenced job classification and job leveling. Case sent to external compensation resources for review based on area specifications related to other similar positions in the area.

Office Visit Activity

- 2 career discussions
- 1 performance rating related concern
- 2 mentor/mentee visits
- 3 discussions related to Diversity Council activities
- 2 job security concerns

- **Assumed HR coverage responsibilities during the Month of January.**