

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

**Regular Meeting**

**Monday, April 24, 2017, 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**

**PROCLAMATION AND COMMENDATIONS**

Introduction of New Employee, Douglas Freeman, Chief Diversity Officer

**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. Comments regarding items not on the agenda must be within the subject matter jurisdiction of the Commission.

**CONSENT CALENDAR**

**1. Approval of Ventura County Medi-Cal Managed Care Commission Meeting Regular Minutes of February 27, 2017**

Staff: Tracy Oehler, Clerk of the Board

**RECOMMENDATION:** Approve the minutes.

**2. Approval of Ventura County Medi-Cal Managed Care Commission Meeting Regular Minutes of March 27, 2017**

Staff: Tracy Oehler, Clerk of the Board

RECOMMENDATION: Approve the minutes.

**3. Approval of Contract Extension with Etonien LLC for Internal Audit Services**

Staff: Patricia Mowlavi, Chief Financial Officer

RECOMMENDATION: Approve the contract with Etonien LLC for internal audit services with a one-year extension for \$120,000 with a not to exceed amount of \$322,645.

**4. Approval of Contract Extension with Mary Beth Liggett, RN, an Independent Contractor, for Concurrent Utilization Review of Long Term Care (LTC) and Skilled Nursing Facility (SNF) Members**

Staff: Dr. Nancy Wharfield, Associate Chief Medical Director

RECOMMENDATION: Approve the contract extension with Mary Beth Liggett, RN, an independent contractor, for concurrent utilization review of LTC and SNF members with a two-year extension for \$210,000 with a not to exceed amount of \$409,400.

**5. Approval of Contract Extension with TBJ Consulting, an Independent Contractor, for Human Resources Consulting Services**

Staff: Dale Villani, Chief Executive Officer

RECOMMENDATION: Approve the contract extension with TBJ Consulting, an independent contractor, for human resources consulting services with a six-week extension for \$112,000 with a not to exceed amount of \$160,000.

**FORMAL ACTION ITEMS**

**6. February 2017 Year to Date Financials**

Staff: Patricia Mowlavi, Chief Financial Officer

RECOMMENDATION: Accept and file February 2017 Fiscal Year to Date Financials.

7. **Approval of Contract with Gorman Health Group LLC with an Engagement Team Consisting of Ten Gorman Resources with Relevant Expertise in Sales, Marketing and Strategy, Network, Healthcare Analytics, Compliance and Operational Performance to Complete the Project Work with an Estimated Level of Effort of 525 Hours Commencing May 1, 2017 and Ending June 20, 2017 for a Feasibility Study of a Dual Eligible Special Needs Plan**

Staff: Dale Villani, Chief Executive Officer

RECOMMENDATION: Approve the contract with Gorman Health Group LLC for a feasibility study of a dual eligible special needs plan for eight weeks with a not to exceed amount of \$179,900.

## **REPORTS**

8. **Chief Executive Officer (CEO) Update**

RECOMMENDATION: Accept and file the report.

9. **Chief Operations Officer (COO) Update**

RECOMMENDATION: Accept and file the report.

10. **Chief Medical Officer (CMO) Update**

RECOMMENDATION: Accept and file the report.

11. **Chief Diversity Officer (CDO) Update**

RECOMMENDATION: Accept and file the report.

## **CLOSED SESSION**

12. **CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE TO LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One Case

## **OPEN SESSION**

## **DISCUSSION**

### **13. Considerations for Plan-to-Plan Contracts**

## **COMMENTS FROM COMMISSIONERS**

## **ADJOURNMENT**

Unless otherwise determined by the Commission, the next regular meeting will be held on May 22, 2017, at Gold Coast Health Plan at 711 E. Daily Drive, Suite 106, Community Room, Camarillo, CA 93010.

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**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 Board.**

**In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact (805) 437-5509. Notification for accommodation must be made by the Monday prior to the meeting by 3 p.m. to enable the Clerk of the Board to make reasonable arrangements for accessibility to this meeting.**

## **AGENDA ITEM NO. 1**

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

#### **February 27, 2017 Regular Meeting Minutes**

##### **CALL TO ORDER**

Commissioner Darren Lee called the meeting to order at 2:02 p.m. in the Community Room located at Gold Coast Health Plan, 711 E. Daily Drive, Camarillo, California.

##### **PLEDGE OF ALLEGIANCE**

Commissioner Lee led the Pledge of Allegiance.

##### **ROLL CALL**

Present: Commissioners Antonio Alatorre (arrived at 2:04), Shawn Atin, Lanyard Dial, M.D., Narcisa Egan, Laura Espinosa (arrived at 2:04), Darren Lee, Gagan Pawar, M.D., Catherine Rodriguez, and Jennifer Swenson.

Absent: Commissioners Peter Foy and Michele Laba, M.D.

##### **PUBLIC COMMENT**

None.

Commissioners Alatorre and Espinosa arrived at 2:04 p.m.

##### **CONSENT CALENDAR**

Commissioner Dial moved to approve the Consent Calendar. Commissioner Alatorre seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

## **AGENDA ITEM NO. 1**

### **1. Approval of Ventura County Medi-Cal Managed Care Commission Meeting Regular Minutes of January 23, 2017**

RECOMMENDATION: Approve the minutes.

### **2. Appointment of Credentials/Peer Review Committee Member**

RECOMMENDATION: Appoint Dr. Rob Steeler, Chief medical Officer, St. John's Regional Medical Center and Pleasant Valley Hospital to the Credentials/Peer Review Committee.

### **3. Approve Professional Services Statement of Work with MedHOK, Inc.**

RECOMMENDATION: Approve the professional services statement of work with MedHOK, Inc., for the implementation of a Medical Management System Platform 3.1 enhanced upgrade with a not to exceed amount of \$137,500.

## **FORMAL ACTION ITEMS**

### **4. December 2016 Year to Date Financials**

RECOMMENDATION: Accept and file the December 2016 Fiscal Year to Date Financials.

Patricia Mowlavi, Chief Financial Officer, reported for the six months ending December 2016, the Plan's performance resulted in a net asset gain of \$3.2 million, which was \$4.8 million higher than budget; the Medical Loss Ratio (MLR) is at 92%; and administrative expenses were \$245 million or \$2.8 million lower than budget. Additionally, there are concerns regarding the repeal of the Affordable Care Act (ACA), as there could be an initial reduction of rates.

A discussion followed between the Commissioners and staff regarding the potential effects of the ACA repeal and the importance of making thoughtful and strategic decisions.

Ruth Watson, Chief Operating Officer, stated the Plan has allocated a \$13 million increase for hospitals and a \$5 million increase to providers for this fiscal year, as well as additional programs, which will be discussed at the March 17 strategic meeting.

Lyndon Turner, Director of Financial Analysis, clarified the Care Management Credit noted on page 31 of the agenda packet consists of the care management expenses and are part of the MLR, which includes any nursing staff in direct contact with the member; the Applied Behavior Analysis Services' negative \$1.2 million was due to data not being available so there was nothing to base the projection on; and the \$3 million bottom line includes the gain amount from the long-term care, but as the AB1629 rate increase was released extremely late, the budgeted amount was based on prior years' rate of increase.

## AGENDA ITEM NO. 1

Commissioner Alatorre moved to approve the recommendation. Commissioner Rodriguez seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

### **5. Receive Resolution No. 2017-001 Amending the Bylaws to Establish Rosenberg's Rules of Order to Govern Certain Aspects of Commission Meetings and to Modify the Composition of the Executive/Finance Committee**

RECOMMENDATION: Approve Resolution No. 2017-001.

Scott Campbell, General Counsel, stated the revisions of the bylaws simplify the Commission's rules and changes the mandatory make-up of the Executive/Finance Committee.

Commissioner Pawar moved to approve the recommendation. Commissioner Swenson seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

### **6. Appointment of Commissioners to Serve on the Executive/Finance Committee**

RECOMMENDATION: Appoint Commissioners to serve on the Executive/Finance Committee.

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Mr. Campbell stated pursuant to the adopted bylaws, the two members that are required to be on the Executive/Finance Committee are Commissioners Alatorre and Lee and there is a vacancy for the required Ventura County Medical Center position.

Commissioner Pawar nominated Commissioners Egan and Rodriguez.

Commissioner Lee nominated Commissioner Swenson.

Commissioner Atin moved to approve the nominations. Commissioner Alatorre seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

### **7. Quality Improvement Committee 2016 Fourth Quarter Report**

RECOMMENDATION: Accept and file the Quality Improvement Committee 2016 Fourth Quarter Report.

Albert Reeves, M.D., Chief Medical Officer, gave an update on the Quality Improvement Projects. The Performance Improvement Project (PIP) No. 1 is a childhood immunization program in conjunction with Las Islas Clinic and is currently in stage four: testing the proposed interventions, which are to identify members not fully immunized and reach out to the families to schedule appointments for the immunizations. As of October 2016, the immunization rates were at 87.18%.

The Initial Health Assessment (IHA) is required for any new member within 120 days of enrollment, but the Plan has been below compliance due to absent or incomplete Staying Health Assessments and missing TB Risk Assessments. Staff is pursuing using an electronic system through the Alternative Resources for Community Health (ARCH) program, which will enable providers to complete the assessments in a timely manner.

Fifteen new drugs were reviewed resulting in the approval of four to be added to the formulary. One of the approved drugs, Nucynta, is a synthetic opiate medication that has a significant advantage as it has good pain relieving properties, but is significantly less addictive than other available opiate medications. Methadone 40 mg. when prescribed for pain was removed from the



## **AGENDA ITEM NO. 1**

formulary due to the high risk of overdose and the Plan added a requirement for a prior authorization for alprazolam when used in combination with an opiate. OxyContin was also removed from the formulary due to the risk for abuse. Two new Hepatitis C drugs, Zepatier and Epclusa, have been proven to be equally effective as the more expensive drug options and are less expensive therefore resulting in the State reducing the kick-payment.

A discussion followed between the Commissioners and staff regarding there being insufficient data relating to the drugs reducing costs in the treatment of Hepatitis C as they were introduced in 2015. The Commission commended the Plan on the positive trend lines shown in the report, and questioned if there other items that can be identified and measured to continue to improve performance.

The Credentials/Peer Review reported 31 new providers were approved, six providers were recredentialed, and five facilities were credentialed. The one case previously reviewed and rated three with quality of care concerns, was reviewed by the physician's peers in their specialty. The provider was notified the care was below the standard of care resulting in the ongoing monitoring of the provider's cases.

The Group Needs Assessment Project was completed in October, which required the Plan to acquire 411 responses. The Plan received 417 responses in which 218 were English and 199 were Spanish. Key recommendations included increase Well-Child visits for children between the ages of three and six; increase provider education about improving access and preventative services; increase health education programs to reduce childhood obesity; and increase both provider and member education regarding language assistance services. It was noted 39% of the Plan's members speak Spanish.

The Interactive Voice Response (IVR) optimization has been completed successfully and an Explanation of Benefits (EOB) initiative has been started, which will be sent to members indicating the services, charges, and instructions on what to do if the EOB is inaccurate in order to identify fraud, waste, and abuse.

Commissioner Espinosa requested data be provided on what cities or areas of Ventura County have a lower rate of vaccinations in order to see any trends.

A discussion followed between the Commissioners and staff regarding how the Plan would handle a situation involving a member being denied a prescription for medication when it is available over the counter, but at a higher price than the prescription cost. Staff responded there could a variety of reasons the physician denied issuing a prescription and the situation should be run through the grievance process in order to determine what occurred.

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Commissioner Atin moved to approve the recommendation. Commissioner Dial seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

### **REPORTS**

#### **8. Chief Executive Officer (CEO) Update**

RECOMMENDATION: Accept and file the report.

Dale Villani, CEO, stated staff and trade associations are closely monitoring the potential changes to the ACA and there is a current trend towards moving away from providing care and funding for the Adult Expansion, which is approximately 55,000 members. Staff had the opportunity to meet with congressional leaders in Washington, D.C., and local representatives in Sacramento to discuss federal legislation and policies that affect the Medicaid/Medi-Cal program. He stated the strategic planning meeting is scheduled for March 17, 2017, and includes guest speakers Trent Smith and Don Gilbert, the Plan's lobbyists at Edelstein, Gilbert, Robson & Smith, LLC; and Margaret Tatar, an industry expert from Health Management Associates. Discussions will be centered on Knox Keene licensing, value-based contracts, and participating in the Medicare duals business.

Mr. Villani announced on February 17, 2017, the Department of Health Care Services (DHCS) lifted the financial corrective action plan that the Plan had been under since October 2012 and commended staff on their hard work. DHCS will continue to monitor the Plan occasionally and the annual on-site medical audit is scheduled for April 24 through May 5, 2017.

#### **9. Chief Operations Officer (COO) Update**

RECOMMENDATION: Accept and file the report.

Ruth Watson, COO, stated membership is relatively flat and the Plan experienced a loss of 112 members from January 2017 through February 2017.

Ms. Watson introduced the new Director of Operations Christianne Hodina.

## **AGENDA ITEM NO. 1**

Ms. Watson noted on page 118 there was an anomaly in the call center data due to the lack of coverage during the holidays and discussions with Xerox have occurred regarding advance hiring to provide the necessary coverage. Staff is currently renegotiating a two-year extension and are building additional service level guarantees into the contract, which would include a forfeit of premiums.

A discussion followed between the Commissioners and staff regarding the Request for Proposals (RFP), which will consist of seven service towers and the necessity of extending the current contract with Xerox for two years in order to cover the time required to complete the RFP process. Staff will be providing periodic updates on the project along with timelines to the Commission.

Commissioner Dial requested an itemization of the Acute Care and Tertiary Care facilities located outside the County including why and what benefits are being provided to the members and which have 340B programs.

### **10. Chief Medical Officer (CMO) Update**

RECOMMENDATION: Accept and file the report.

Dr. Reeves stated Health Services Update and Community Outreach Summary Report are provided in the agenda packet and staff is available to answer any questions from the Commissioners.

### **11. Human Resources/Cultural Diversity Subcommittee Update**

RECOMMENDATION: Accept and file the report.

Scott Campbell, General Counsel, stated no calls were received on the hotline since the last month and the Human Resources/Cultural Diversity Subcommittee is working on finalizing candidates for the Chief Diversity Officer position, which the Commission will be discussing in Closed Session.

Commissioner Swenson moved to accept and file Report Items Nos. 9 through 11. Commissioner Alatorre seconded.

**AYES:** Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

**NOES:** None.

**ABSTAIN:** None.

**ABSENT:** Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

## AGENDA ITEM NO. 1

Mr. Campbell announced Closed Session Agenda Items as listed below with Agenda Item No. 12 Conference with Legal Counsel – Signification Exposure to Litigation concerning correspondence regarding the American Health Plan (AHP) contract with Gold Coast Health Plan.

### **CLOSED SESSION**

The Commission adjourned to Closed Session at 3:03 p.m.

**12. CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE TO LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One Case

**13. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION**

Name of Case: Script Care v. Ventura County Medi-Cal Managed Care Commission dba Gold Coast Health Plan, Case No. 56-2017-00492349 CV-WM-VTA

**14. PUBLIC EMPLOYEE APPOINTMENT**

Title: Human Resources Director

**15. PUBLIC EMPLOYEE APPOINTMENT**

Title: Chief Diversity Officer

**16. CONFERENCE WITH LABOR NEGOTIATORS**

Agency designated representatives: Ventura County Medi-Cal Commission dba Gold Coast Health Plan and Scott Campbell, General Counsel

Unrepresented employee: Chief Diversity Officer and Human Resources Director

Commissioner Rodriguez left at 3:47 p.m.

### **OPEN SESSION**

The Regular Meeting reconvened at 5:10 p.m.

Mr. Campbell stated there was no reportable action taken.

### **COMMENTS FROM COMMISSIONERS**

None.

## AGENDA ITEM NO. 1

### ADJOURNMENT

The meeting was adjourned at 5:11 p.m.

DRAFT

## AGENDA ITEM NO. 2

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

#### March 27, 2017 Regular Meeting Minutes

##### CALL TO ORDER

Commissioner Darren Lee called the meeting to order at 2:07 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, Lanyard Dial, M.D., Laura Espinosa, Michele Laba, M.D., Gagan Pawar, M.D., and Catherine Rodriguez.

Absent: Commissioners Narcisa Egan, Peter Foy, Darren Lee, and Jennifer Swenson.

##### PUBLIC COMMENT

None.

##### FORMAL ACTION ITEMS

1. Approval of Chief Diversity Officer Employment Contract

RECOMMENDATION: Approve Chief Diversity Officer employment contract.

Scott Campbell, General Counsel, gave the staff report and stated if the employment contract was approved Mr. Douglas Freeman would begin employment on April 10, 2017.

Commissioner Atin moved to approve the recommendation. Commissioner Rodriguez seconded.

AYES: Commissioners Alatorre, Atin, Dial, Espinosa, Laba, Pawar, and Rodriguez.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Egan, Foy and Lee, and Swenson.

## **AGENDA ITEM NO. 2**

Commissioner Alatorre declared the motion carried.

### **COMMENTS FROM COMMISSIONERS**

None.

### **ADJOURNMENT**

The meeting was adjourned at 2:10 p.m.

DRAFT

### **AGENDA ITEM NO. 3**

**TO:** Gold Coast Health Plan Commission  
**FROM:** Patricia Mowlavi, Chief Financial Officer  
**DATE:** April 24, 2017  
**SUBJECT:** Contract Extension Approval – Etonien LLC

#### **SUMMARY:**

Etonien LLC (Etonien) is the incumbent vendor of Gold Coast Health Plan's (Plan) internal audit services. Etonien has been performing these services since July of 2015 and has consistently delivered high quality internal audits. The current agreement expires on June 30, 2017, and includes two 12-month renewal options. The Plan is recommending to exercise one of these 12 month options and the continued use of Etonien for another 12 month period.

#### **FISCAL IMPACT:**

The agreement is a non-requirements contract, which allows the Plan to use the services ad-hoc at the rates specified. The agreement can be terminated for convenience at any time with a fifteen (15) day notice. The rates are hourly per the identified skill set. To date, the Plan has spent approximately \$202,645 and the one-year renewal amount is projected to be \$120,000, making the cumulative amount of this agreement \$322,645.

#### **RECOMMENDATION:**

It is the Plan's recommendation to continue service with Etonien LLC for an additional one (1) year period with an incremental contracted amount of \$120,000.

If the Commission desires to review this contract, it is available at GCHP's Finance Department.



#### **AGENDA ITEM NO. 4**

**TO:** Gold Coast Health Plan Commission  
**FROM:** Dr. Nancy Wharfield, Associate Chief Medical Director  
**DATE:** April 24, 2017  
**SUBJECT:** Contract Approval – Mary Beth Liggett, R.N.

#### **SUMMARY:**

Mary Beth Liggett is an individual contractor providing concurrent utilization reviews for the Plan's Long Term Care and Skilled Nursing Facility members and is uniquely qualified as she was previously a Department of Health Care Service facility reviewer in Ventura County with established relationships with the Plan's facilities. Mary Beth Liggett has been performing these services since April of 2015, and has consistently delivered high quality results. The current agreement expires on June 30, 2017. The Plan is recommending to extend this agreement for an additional twenty-four month period.

#### **FISCAL IMPACT:**

The agreement is a non-requirements contract, which allows the Plan to use the services ad-hoc at the rates specified. The agreement can be terminated for convenience at any time with a fourteen (14) day notice. The rates are hourly. To date, the Plan has spent approximately \$199,400 and the twenty-four month renewal amount is projected to be \$210,000 making the cumulative amount of this agreement \$409,400.

#### **RECOMMENDATION:**

It is the Plan's recommendation to continue service with Mary Beth Liggett, R.N. for an additional twenty-four month period with an incremental contracted amount of \$210,000.

If the Commission desires to review this contract, it is available at GCHP's Finance Department.

## **AGENDA ITEM NO. 5**

**TO:** Gold Coast Health Plan Commission  
**FROM:** Dale Villani - Chief Executive Officer  
**DATE:** April 24, 2017  
**SUBJECT:** Contract Approval – TBJ Consulting

### **SUMMARY:**

TBJ Consulting (TBJ) provides professional human resources consulting services and was selected due to previous participation in the cultural diversity subcommittee, and responsiveness to Gold Coast Health Plan's (Plan) urgent need for Human Resources (HR) support. TBJ provides consulting services to the Plan in the areas of:

- Chief Diversity Officer (CDO) integration/Assimilation
- Transition support during gap in HR department for onboarding of CDO and Executive Director, HR
- Provide HR consulting to leadership team including staffing models, coaching, team building, and HR policy development

### **FISCAL IMPACT:**

The agreement is a non-requirements contract, which allows the Plan to use the services ad-hoc at the hourly rate specified. The agreement can be terminated for convenience at any time with a fourteen (14) day notice. To date, the Plan has spent approximately \$49,750 and the six-week extension amount is projected at \$112,000 making the cumulative amount of this agreement \$160,000.

### **RECOMMENDATION:**

It is the Plan's recommendation to continue service with TBJ Consulting to ensure the successful transition of the CDO and Executive Director, HR.

If the Commission desires to review this contract, it is available at GCHP's Finance Department.

## **AGENDA ITEM NO. 6**

TO: Gold Coast Health Plan Commission

FROM: Patricia Mowlavi, Chief Financial Officer

DATE: April 24, 2017

SUBJECT: February 2017 Fiscal Year to Date Financials

### **SUMMARY:**

Staff is presenting the attached February 2017 fiscal year-to-date (FYTD) financial statements (unaudited) of Gold Coast Health Plan (“Plan”) for the Commission to accept and file. The Executive/Finance Committee did not review these financials.

### **BACKGROUND/DISCUSSION:**

The staff has prepared the February 2017 FYTD financial package, including statements of financial position, statement of revenues, expenses and changes in net assets, and statement of cash flows.

### **FISCAL IMPACT:**

#### **Financial Highlights**

Overall Performance – For the eight-month period ended February 28, 2017, the Plan’s performance was a gain in net assets of \$6.2 million, which was \$8.4 million higher than budget. Cost of health care was lower than budget, driven by timing of the ARCH program. Administrative savings were realized through lower than projected administrative expenses – most notably those expenses related to projects and those whose variability are determined by membership levels.

Membership – February’s membership of 206,970 was 5,908 members below budget. Since reaching its high point in October 2016, the Plan has witnessed enrollment gradually decrease resulting in FYTD membership being 22,517 below budget. FYTD, membership stands at approximately 1.7M or 98.7% of budget.

Revenue – February FYTD net revenue was \$454.7 million or \$1.7 million lower than budget caused by the membership shortfall, mentioned above. However, on a per member per month or PMPM basis, FYTD revenue was \$2.42 above budget due to a shift in membership mix with more Adult Expansion members than expected.

**MCO Tax** – As discussed in prior months’ Finance Letters, the Plan MCO tax liability is pre-determined in accordance with Senate Bill X2-2 passed in October 2016. As such, the Plan’s MCO tax liability for FY2017 is \$84.1 million, accrued at a rate of approximately \$7.0 million per month. FYTD, MCO tax recognized equaled \$56.1 million. Note that the new MCO tax calculation has been significantly higher for the Plan as the effective tax rate is 10.982%, compared to the prior MCO tax calculation methodology that was a flat 3.9375% of gross premium revenue.

**Health Care Costs** – Health care costs through February 28, 2017 were \$417.9 million or \$5.1 million below budget. MLR was 91.9%, 0.8% lower than budget.

**Adult Expansion Population 85% Medical Loss Ratio** – The Balance Sheet contains \$136.8 million in reserve as potential Medi-Cal capitation revenue that will be recouped by DHCS under the terms of the MLR contract language.

	Expansion Population			Classic Population
	1/1/14-6/30/15 MLR Period 1	7/1/15-6/30/16 MLR Period 2	7/1/16-2/28/17 MLR Period 3	7/1/16-2/28/17
Total Revenue (net of MCO tax)	361,237,234	293,172,661	187,218,144	274,486,902
Total Estimated Medical Expense	206,719,452	238,300,734	155,859,672	262,087,590
	57.2%	81.3%	83.3%	95.5%
<b>Total MLR Reserve</b>	<b>118,168,494</b>	<b>13,101,452</b>	<b>4,000,000</b>	

**Administrative Expenses** – February FYTD administrative costs were \$32.4 million or \$4.0 million below budget. As a percentage of revenue, administrative costs (or ACR) were 7.1% versus 8.0% for budget.

**Cash and Medi-Cal Receivable** – At February 28, the Plan had \$524.4 million in cash and short-term investments and \$67.0 million in Medi-Cal Receivable for an aggregate amount of \$591.4 million. The AE overpayment due to DHCS (related to incorrect rate payments and to achieve 85% MLR) totals \$284.3 million. The AE repayment is expected to commence in July 2017.

**Investment Portfolio** – At February 28, 2017, the value of the investments (all short term) was \$288.9 million. The portfolio included Cal Trust \$50.8 million; Ventura County Investment Pool \$85.7 million; LAIF CA State \$63.4 million; Bonds and Commercial Paper \$89.0 million.

**RECOMMENDATION:**

Staff requests that the Commission accept and file the February 2017 financial package.

**CONCURRENCE:**

Not Applicable

**ATTACHMENT:**

February 2017 Financial Package



## **FINANCIAL PACKAGE**

For the month ended February 28, 2017

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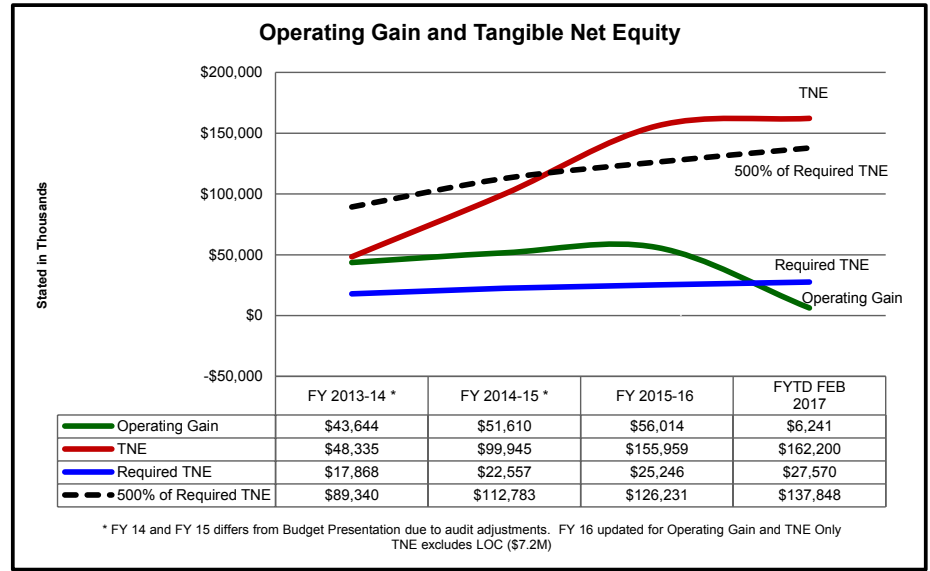
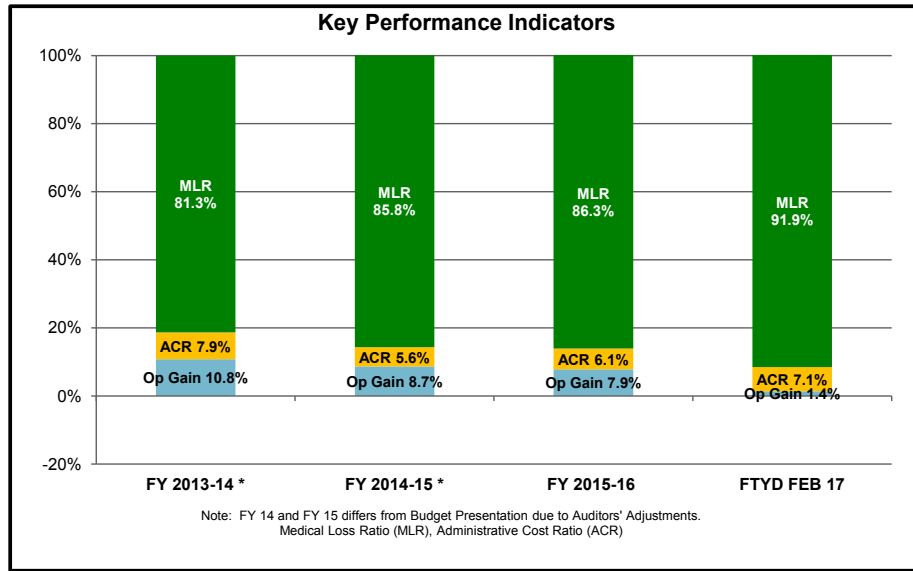
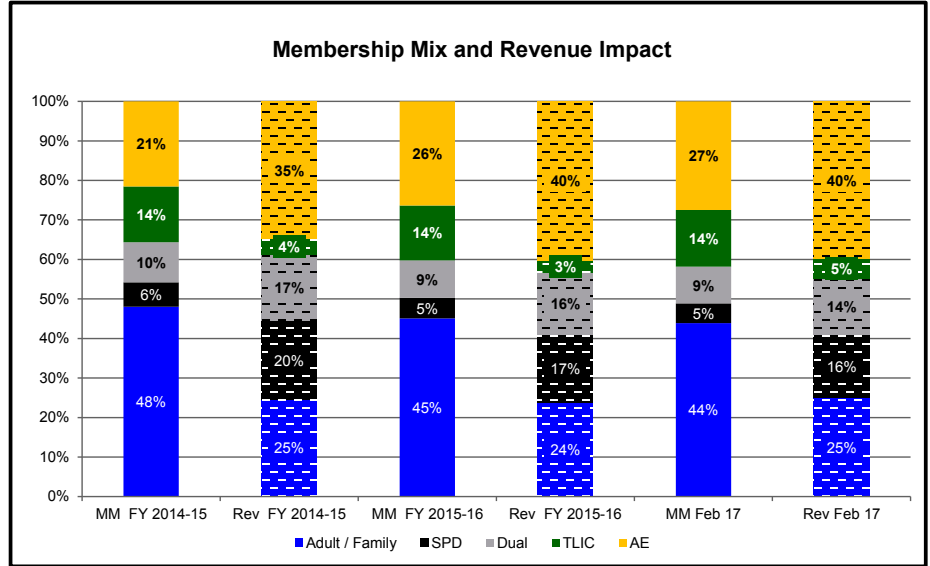
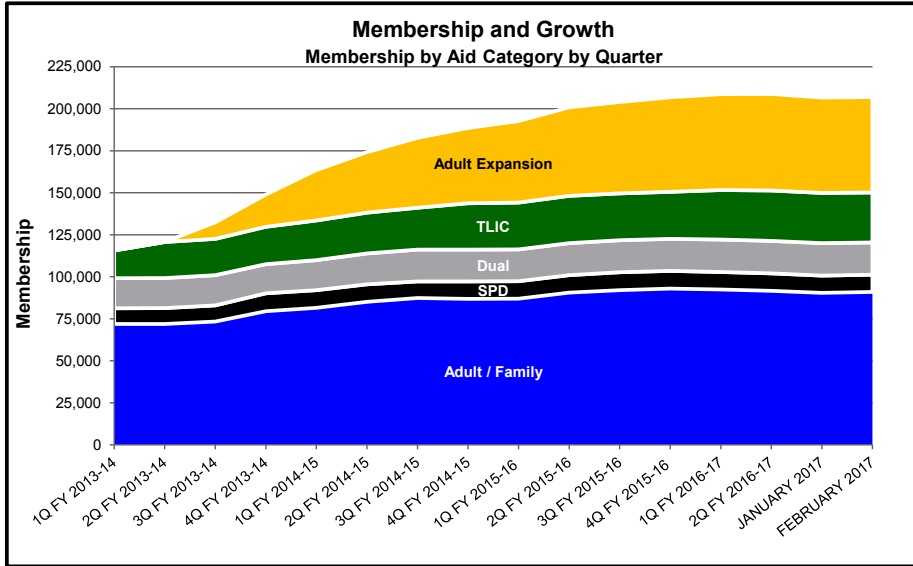
- Financial Overview
- Financial Performance Dashboard
- Cash and Operating Expense Requirements

### **APPENDIX**

- Statement of Financial Positions
- YTD Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Cash Flows
- Membership
- Paid Claims and IBNP Composition
- Pharmacy Cost & Utilization Trends

Description	AUDITED	AUDITED	AUDITED	AUDITED	AUDITED	FY 2016-17					Budget Comparison	
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	JUL - SEP 16	OCT - DEC 16	JAN 17	FEB 17	FYTD FEB 17	Budget FYTD	Variance Fav / (Unfav)
<b>Member Months</b>	<b>1,258,189</b>	<b>1,223,895</b>	<b>1,553,660</b>	<b>2,130,979</b>	<b>2,413,136</b>	<b>626,084</b>	<b>626,419</b>	<b>206,664</b>	<b>206,970</b>	<b>1,666,137</b>	<b>1,688,654</b>	<b>(22,517)</b>
<b>Revenue</b>	<b>304,635,932</b>	<b>315,119,611</b>	<b>402,701,476</b>	<b>595,607,370</b>	<b>675,629,602</b>	<b>148,815,746</b>	<b>190,063,083</b>	<b>57,908,938</b>	<b>57,932,359</b>	<b>454,720,126</b>	<b>456,413,291</b>	<b>(1,693,165)</b>
<i>ppm</i>	242.12	257.47	259.20	279.50	279.98	237.69	303.41	280.21	279.91	272.92	270.28	2.64
<b>Health Care Costs</b>	<b>287,353,672</b>	<b>280,382,704</b>	<b>327,305,832</b>	<b>509,183,268</b>	<b>583,149,780</b>	<b>155,478,257</b>	<b>156,886,345</b>	<b>53,139,878</b>	<b>52,442,783</b>	<b>417,947,262</b>	<b>423,003,974</b>	<b>5,056,712</b>
<i>ppm</i>	228.39	229.09	210.67	238.94	241.66	248.33	250.45	257.13	253.38	250.85	250.50	(0.35)
% of Revenue	94.3%	89.0%	81.3%	85.5%	86.3%	104.5%	82.5%	91.8%	90.5%	91.9%	92.7%	0.77%
<b>Admin Exp</b>	<b>18,891,320</b>	<b>24,013,927</b>	<b>31,751,533</b>	<b>34,814,049</b>	<b>38,256,908</b>	<b>12,063,462</b>	<b>12,399,366</b>	<b>4,088,911</b>	<b>3,886,007</b>	<b>32,437,746</b>	<b>36,416,876</b>	<b>3,979,130</b>
<i>ppm</i>	15.01	19.62	20.44	16.34	15.85	19.27	19.79	19.79	18.78	19.47	21.57	2.10
% of Revenue	6.2%	7.6%	7.9%	5.8%	5.7%	8.1%	6.5%	7.1%	6.7%	7.1%	8.0%	0.85%
<b>Non-Operating Revenue / (Expense)</b>					<b>1,790,949</b>	<b>596,568</b>	<b>647,800</b>	<b>334,894</b>	<b>326,906</b>	<b>1,906,167</b>	<b>815,356</b>	<b>1,090,812</b>
<i>ppm</i>					0.74	0.95	1.03	1.62	1.58	1.14	0.48	0.66
% of Revenue					0.3%	0.4%	0.3%	0.6%	0.6%	0.4%	0.2%	0.24%
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>(1,609,063)</b>	<b>10,722,980</b>	<b>43,644,110</b>	<b>51,610,053</b>	<b>56,013,863</b>	<b>(18,129,405)</b>	<b>21,425,172</b>	<b>1,015,043</b>	<b>1,930,476</b>	<b>6,241,285</b>	<b>(2,192,204)</b>	<b>8,433,489</b>
<i>ppm</i>	(1.28)	8.76	28.09	24.22	23.21	(28.96)	34.20	4.91	9.33	3.75	(1.30)	5.04
% of Revenue	-0.5%	3.4%	10.8%	8.7%	8.3%	-12.2%	11.3%	1.8%	3.3%	1.4%	-0.5%	1.85%
<b>YTD</b>												
100% TNE	16,769,368	16,138,440	17,867,986	22,556,530	25,246,284	26,097,131	27,075,526	27,648,155	27,569,584	27,569,584	27,965,821	(396,236)
% TNE Required	36%	68%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
Minimum Required TNE	6,036,972	10,974,139	17,867,986	22,556,530	25,246,284	26,097,131	27,075,526	27,648,155	27,569,584	27,569,584	27,965,821	(396,236)
<b>GCHP TNE</b>	<b>(6,031,881)</b>	<b>11,891,099</b>	<b>55,535,211</b>	<b>107,145,264</b>	<b>155,959,127</b>	<b>137,829,722</b>	<b>159,254,894</b>	<b>160,269,936</b>	<b>162,200,412</b>	<b>162,200,412</b>	<b>150,864,952</b>	<b>11,335,460</b>
TNE Excess / (Deficiency)	(12,068,853)	916,960	37,667,225	84,588,734	130,712,843	111,732,591	132,179,367	132,621,781	134,630,827	134,630,827	122,899,131	11,731,697
% of Required TNE level			<b>311%</b>	<b>475%</b>	<b>618%</b>	<b>528%</b>	<b>588%</b>	<b>580%</b>	<b>588%</b>	<b>588%</b>	<b>539%</b>	

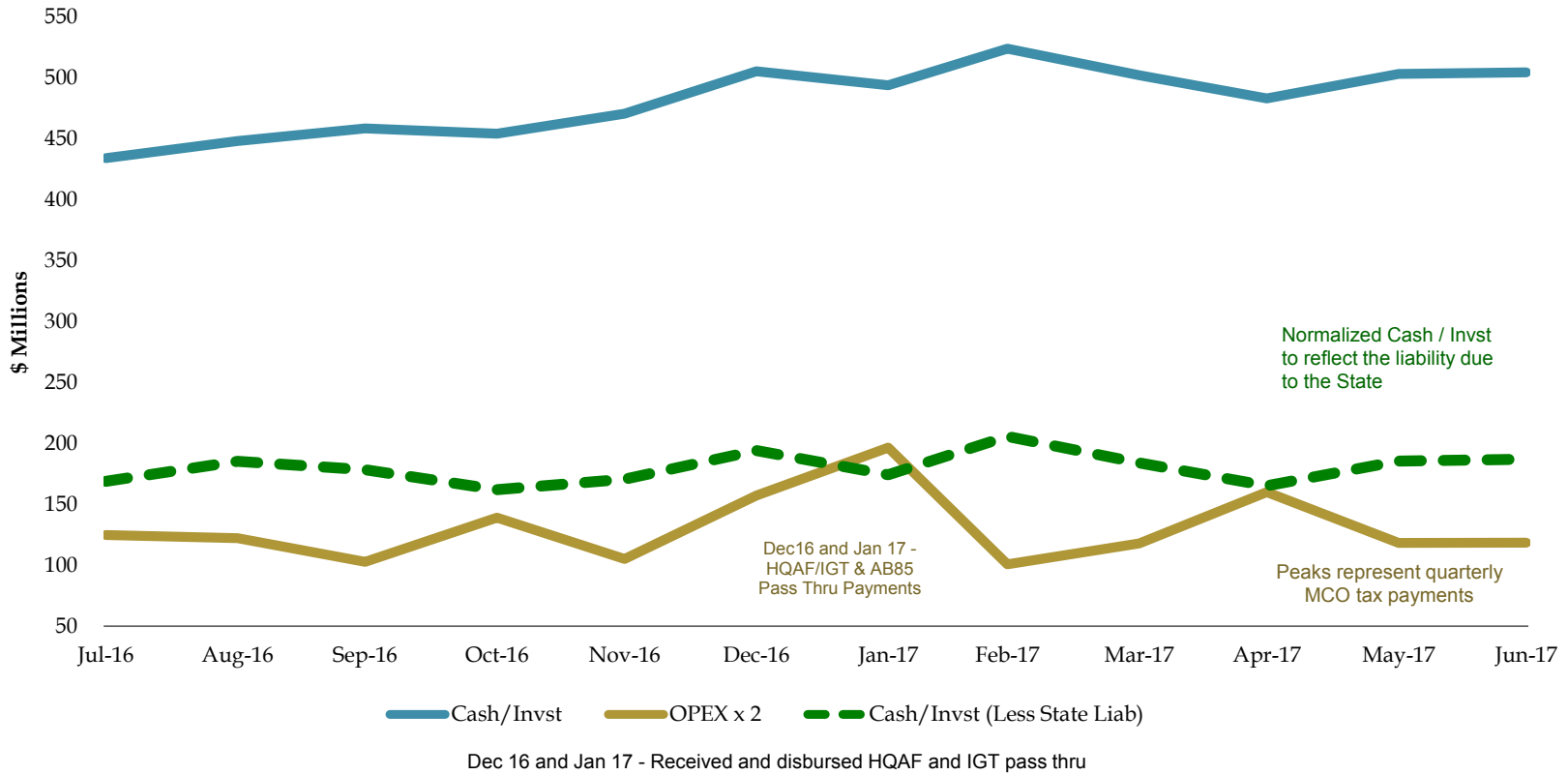
## FINANCIAL PERFORMANCE DASHBOARD FOR MONTH ENDING FEBRUARY 28, 2017





# GOLD COAST HEALTH PLAN FY 2016 - 17

## Cash & Operating Expense Requirements





For the month ended February 28, 2017

**APPENDIX**

- Statement of Financial Position
- YTD Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Revenues, Expenses and Changes in Net Assets
- Statement of Cash Flows
- Membership
- Paid Claims and IBNP Composition
- Pharmacy Cost & Utilization Trends

**STATEMENT OF FINANCIAL POSITION**

	<u>02/28/17</u>	<u>01/31/17</u>	<u>12/31/16</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
<b>Total Cash and Cash Equivalents</b>	<b>\$ 235,471,944</b>	<b>\$ 205,592,579</b>	<b>\$ 222,220,890</b>
<b>Total Short-Term Investments</b>	<b>288,884,145</b>	<b>288,731,539</b>	<b>283,474,863</b>
Medi-Cal Receivable	66,972,133	90,685,076	88,940,846
Interest Receivable	483,116	492,742	442,720
Provider Receivable	373,828	694,327	496,844
<b>Total Accounts Receivable</b>	<b>67,829,077</b>	<b>91,872,144</b>	<b>89,880,410</b>
Total Prepaid Accounts	1,749,644	1,570,694	1,538,489
Total Other Current Assets	133,545	133,545	133,545
<b>Total Current Assets</b>	<b>594,068,356</b>	<b>587,900,502</b>	<b>597,248,198</b>
<b>Total Fixed Assets</b>	<b>2,509,454</b>	<b>2,579,009</b>	<b>2,594,812</b>
<b>Total Long-Term Investments</b>	<b>0</b>	<b>0</b>	<b>5,201,695</b>
<b>Total Assets</b>	<b>\$ 596,577,810</b>	<b>\$ 590,479,511</b>	<b>\$ 605,044,704</b>
<b>LIABILITIES &amp; NET ASSETS</b>			
<b>Current Liabilities:</b>			
Incurred But Not Reported	\$ 51,907,342	\$ 48,376,620	\$ 58,378,915
Claims Payable	13,432,317	14,122,248	16,987,914
Capitation Payable	56,990,011	56,948,813	56,929,907
Physician ACA 1202 Payable	591,696	591,696	591,696
AB 85 Payable	1,468,678	2,946,203	1,480,540
Accounts Payable	2,174,458	2,121,634	2,123,276
Accrued ACS	1,652,846	1,691,089	1,710,224
Accrued Expenses	155,195,354	155,700,648	146,023,916
Accrued Premium Tax	13,513,936	8,767,157	21,253,572
Accrued Payroll Expense	1,181,933	1,198,599	938,944
<b>Total Current Liabilities</b>	<b>298,108,571</b>	<b>292,464,707</b>	<b>306,418,903</b>
<b>Long-Term Liabilities:</b>			
DHCS - Reserve for Capitation Recoup	135,269,946	136,769,946	138,419,946
Other Long-term Liability-Deferred Rent	998,881	974,922	950,962
<b>Total Long-Term Liabilities</b>	<b>136,268,827</b>	<b>137,744,868</b>	<b>139,370,908</b>
<b>Total Liabilities</b>	<b>434,377,398</b>	<b>430,209,575</b>	<b>445,789,811</b>
<b>Net Assets:</b>			
Beginning Net Assets	155,959,127	155,959,127	155,959,127
Total Increase / (Decrease in Unrestricted Net Assets)	6,241,285	4,310,809	3,295,767
<b>Total Net Assets</b>	<b>162,200,412</b>	<b>160,269,936</b>	<b>159,254,894</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 596,577,810</b>	<b>\$ 590,479,511</b>	<b>\$ 605,044,704</b>

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
FOR SEVEN MONTHS ENDED JANUARY 2017**

	February 2017 Year-To-Date		Variance Fav / (Unfav)
	Actual	Budget	
<b>Membership (includes retro members)</b>	1,666,137	1,688,654	(22,517)
<b>Revenue</b>			
Premium	\$ 511,134,573	\$ 512,998,108	\$ (1,863,534)
Reserve for Rate Reduction	(650,000)	(1,664,319)	1,014,319
MCO Premium Tax	(56,131,128)	(54,920,498)	(1,210,630)
<b>Total Net Premium</b>	<b>454,353,445</b>	<b>456,413,291</b>	<b>(2,059,845)</b>
<b>Other Revenue:</b>			
Miscellaneous Income	366,680	0	366,680
<b>Total Other Revenue</b>	<b>366,680</b>	<b>0</b>	<b>366,680</b>
<b>Total Revenue</b>	<b>454,720,126</b>	<b>456,413,291</b>	<b>(1,693,165)</b>
<b>Medical Expenses:</b>			
<u>Capitation (PCP, Specialty, Kaiser, NEMT &amp; Vision)</u>	44,596,280	40,195,211	(4,401,069)
<u>FFS Claims Expenses:</u>			
Inpatient	85,194,083	84,557,254	(636,829)
LTC / SNF	78,217,551	76,786,194	(1,431,358)
Outpatient	35,625,892	32,801,564	(2,824,328)
Laboratory and Radiology	2,175,004	1,939,362	(235,642)
Emergency Room	14,146,418	14,400,071	253,653
Physician Specialty	35,445,070	38,204,619	2,759,549
Primary Care Physician	9,902,317	12,477,161	2,574,843
Home & Community Based Services	12,339,166	10,493,700	(1,845,466)
Applied Behavior Analysis Services	2,948,046	957,801	(1,990,246)
Mental Health Services	5,303,707	2,763,020	(2,540,686)
Pharmacy	76,379,847	78,252,332	1,872,485
Provider Reserve	100,000	8,086,045	7,986,045
Other Medical Professional	1,876,873	1,662,603	(214,270)
Other Medical Care	201,880	0	(201,880)
Other Fee For Service	5,436,882	5,059,198	(377,684)
Transportation	991,270	1,034,740	43,470
Total Claims	366,284,008	369,475,665	3,191,657
Medical & Care Management Expense	8,007,683	9,314,102	1,306,418
Reinsurance	524,686	4,018,997	3,494,310
Claims Recoveries	(1,465,395)	0	1,465,395
Sub-total	7,066,975	13,333,098	6,266,123
<b>Total Cost of Health Care</b>	<b>417,947,262</b>	<b>423,003,974</b>	<b>5,056,712</b>
<b>Contribution Margin</b>	<b>36,772,863</b>	<b>33,409,316</b>	<b>3,363,547</b>
<b>General &amp; Administrative Expenses:</b>			
Salaries, Wages & Employee Benefits	15,008,834	15,859,139	850,305
Training, Conference & Travel	295,174	402,303	107,129
Outside Services	18,356,256	19,441,014	1,084,758
Professional Services	2,440,185	4,390,712	1,950,527
Occupancy, Supplies, Insurance & Others	4,344,980	5,637,810	1,292,830
Care Management Credit	(8,007,683)	(9,314,102)	(1,306,418)
<b>Total G &amp; A Expenses</b>	<b>32,437,746</b>	<b>36,416,876</b>	<b>3,979,130</b>
<b>Total Operating Gain / (Loss)</b>	<b>\$ 4,335,118</b>	<b>\$ (3,007,560)</b>	<b>\$ 7,342,677</b>
<b>Non Operating</b>			
Revenues - Interest	1,906,167	815,356	1,090,812
<b>Total Non-Operating</b>	<b>1,906,167</b>	<b>815,356</b>	<b>1,090,812</b>
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>\$ 6,241,285</b>	<b>\$ (2,192,204)</b>	<b>\$ 8,433,489</b>
Net Assets, Beginning of Year	155,959,127		
Net Assets, End of Year	162,200,412		

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

	FY 2016-17 Monthly Trend			Current Month		
	NOV 16	DEC 16	Jan 17	FEBRUARY 2017		Variance
				Actual	Budget	Fav / (Unfav)
<b>Membership (includes retro members)</b>	208,890	208,148	206,664	206,970	212,878	(5,908)
<b>Revenue:</b>						
Premium	\$ 94,037,969	\$ 63,330,543	\$ 63,165,021	\$ 63,438,477	\$ 64,615,429	\$ (1,176,952)
Reserve for Rate Reduction	(3,250,000)	(900,000)	1,650,000	1,500,000	(206,960)	1,706,960
MCO Premium Tax	(7,057,392)	(7,007,063)	(7,005,835)	(7,006,118)	(6,920,310)	(85,809)
<b>Total Net Premium</b>	<b>83,730,577</b>	<b>55,423,480</b>	<b>57,809,187</b>	<b>57,932,359</b>	<b>57,488,159</b>	<b>444,200</b>
<b>Other Revenue:</b>						
Miscellaneous Income	0	266,929	99,751	0	0	0
<b>Total Other Revenue</b>	<b>0</b>	<b>266,929</b>	<b>99,751</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Revenue</b>	<b>83,730,577</b>	<b>55,690,409</b>	<b>57,908,938</b>	<b>57,932,359</b>	<b>57,488,159</b>	<b>444,200</b>
<b>Medical Expenses:</b>						
<u>Capitation (PCP, Specialty, Kaiser, NEMT &amp; Vision)</u>	5,203,391	5,078,661	5,071,929	5,029,586	5,063,681	34,094
<u>FFS Claims Expenses:</u>						
Inpatient	14,676,172	9,534,211	10,137,221	9,355,847	10,661,651	1,305,804
LTC / SNF	9,692,962	9,091,987	5,498,137	11,439,236	9,632,103	(1,807,133)
Outpatient	4,396,347	4,979,461	6,695,529	4,477,337	4,135,594	(341,743)
Laboratory and Radiology	556,070	146,314	310,758	226,793	244,689	17,896
Emergency Room	1,629,759	1,635,653	2,082,908	2,113,200	1,814,974	(298,226)
Physician Specialty	3,902,514	4,532,550	5,003,052	3,959,094	4,821,531	862,437
Primary Care Physician	1,320,692	1,326,796	1,481,695	1,176,119	1,574,147	398,028
Home & Community Based Services	1,479,249	1,302,526	2,343,302	1,805,214	1,328,428	(476,786)
Applied Behavior Analysis Services	394,263	274,227	555,128	460,227	120,226	(340,001)
Mental Health Services	209,386	456,716	2,036,393	892,933	347,787	(545,146)
Pharmacy	9,543,842	9,263,820	9,506,656	9,204,612	9,852,150	647,539
<b>Provider Reserve</b>	0	0	100,000	0	1,017,535	1,017,535
Other Medical Professional	249,006	230,300	220,980	241,561	209,672	(31,889)
Other Medical Care	0	200,983	0	234	0	(234)
Other Fee For Service	683,412	561,433	752,515	630,149	636,915	6,766
Transportation	111,824	114,725	142,606	115,093	130,132	15,038
<b>Total Claims</b>	<b>48,845,497</b>	<b>43,651,702</b>	<b>46,866,880</b>	<b>46,097,649</b>	<b>46,527,534</b>	<b>429,885</b>
Medical & Care Management Expense	1,020,823	1,022,900	1,036,138	1,085,264	1,194,042	108,778
Reinsurance	(445,809)	260,296	172,390	231,721	506,650	274,928
Claims Recoveries	(493,332)	(301,825)	(7,459)	(1,439)	0	1,439
Sub-total	81,682	981,371	1,201,069	1,315,547	1,700,692	385,145
<b>Total Cost of Health Care</b>	<b>54,130,570</b>	<b>49,711,735</b>	<b>53,139,878</b>	<b>52,442,783</b>	<b>53,291,907</b>	<b>849,124</b>
<b>Contribution Margin</b>	<b>29,600,008</b>	<b>5,978,674</b>	<b>4,769,060</b>	<b>5,489,576</b>	<b>4,196,252</b>	<b>1,293,324</b>
<b>General &amp; Administrative Expenses:</b>						
Salaries, Wages & Employee Benefits	1,949,253	1,960,636	1,995,362	1,749,737	2,079,959	330,223
Training, Conference & Travel	29,612	33,663	19,453	44,206	38,967	(5,238)
Outside Services	2,247,451	2,371,432	2,299,058	2,246,393	2,443,078	196,686
Professional Services	311,400	222,513	216,954	187,769	423,015	235,246
Occupancy, Supplies, Insurance & Others	523,975	525,375	594,220	743,167	700,758	(42,409)
Care Management Credit	(1,020,823)	(1,022,900)	(1,036,138)	(1,085,264)	(1,194,042)	(108,778)
<b>Total G &amp; A Expenses</b>	<b>4,040,868</b>	<b>4,090,719</b>	<b>4,088,911</b>	<b>3,886,007</b>	<b>4,491,736</b>	<b>605,730</b>
<b>Total Operating Gain / (Loss)</b>	<b>25,559,140</b>	<b>1,887,955</b>	<b>680,149</b>	<b>1,603,570</b>	<b>(295,484)</b>	<b>1,899,054</b>
<b>Non Operating:</b>						
Revenues - Interest	163,074	273,090	334,894	326,906	58,836	268,071
<b>Total Non-Operating</b>	<b>163,074</b>	<b>273,090</b>	<b>334,894</b>	<b>326,906</b>	<b>58,836</b>	<b>268,071</b>
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>25,722,214</b>	<b>2,161,044</b>	<b>1,015,043</b>	<b>1,930,476</b>	<b>(236,649)</b>	<b>2,167,124</b>
<b>Full Time Employees</b>				<b>184</b>	<b>200</b>	<b>16</b>

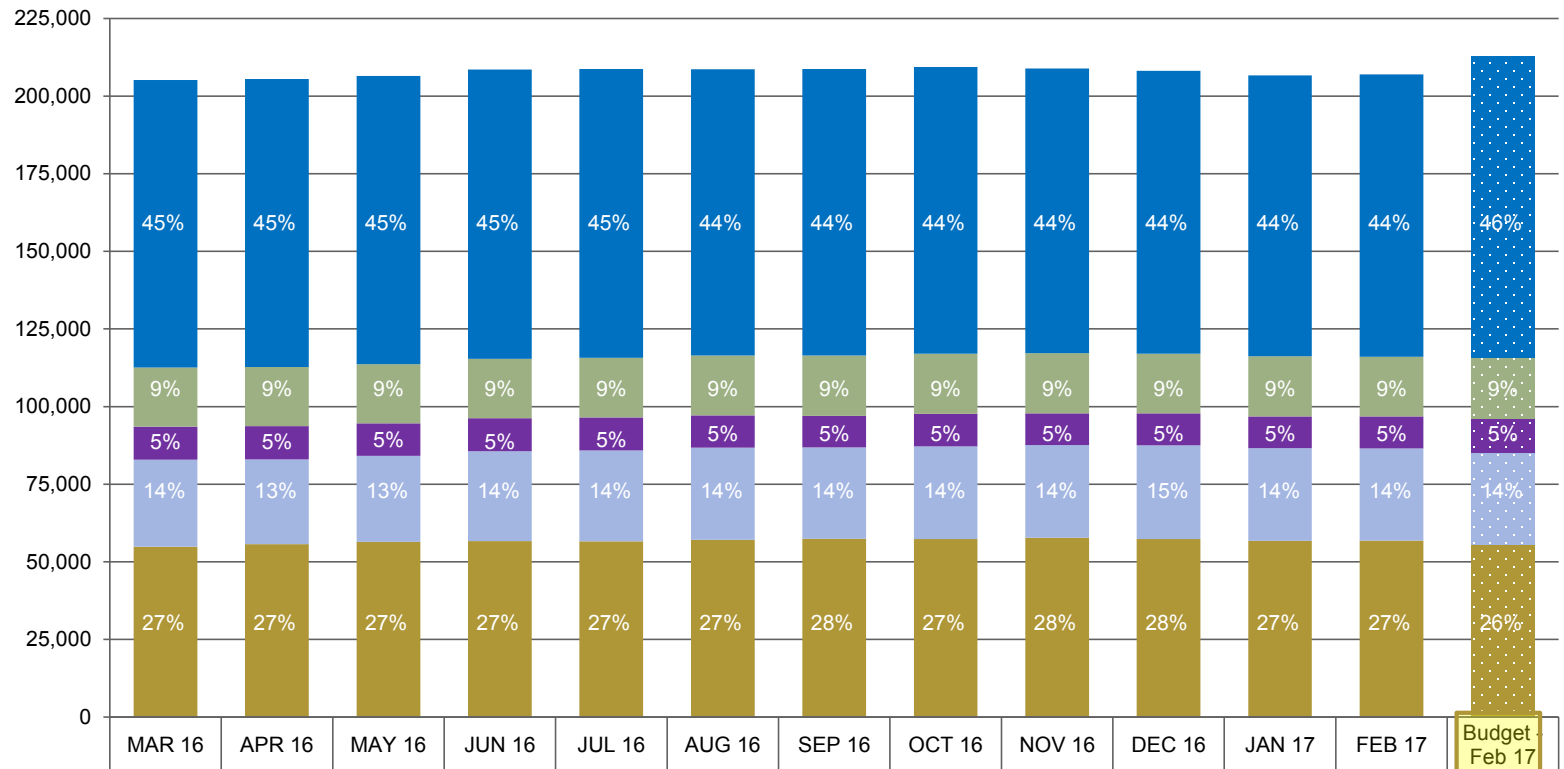
**PMPM - STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

	FY 2016-17 Monthly Trend			FEBRUARY 2017		Variance
	NOV 16	DEC 16	Jan 17	Actual	Budget	Fav / (Unfav)
<b>Membership (includes retro members)</b>	208,890	208,148	206,664	206,970	212,878	(5,908)
<b>Revenue:</b>						
Premium	450.18	304.26	305.64	306.51	303.53	2.98
Reserve for Rate Reduction	(15.56)	(4.32)	7.98	7.25	(0.97)	8.22
MCO Premium Tax	(33.79)	(33.66)	(33.90)	(33.85)	(32.51)	(1.34)
<b>Total Net Premium</b>	<b>400.84</b>	<b>266.27</b>	<b>279.73</b>	<b>279.91</b>	<b>270.05</b>	<b>9.85</b>
<b>Other Revenue:</b>						
Miscellaneous Income	0.00	1.28	0.48	0.00	0.00	0.00
<b>Total Other Revenue</b>	<b>0.00</b>	<b>1.28</b>	<b>0.48</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Revenue</b>	<b>400.84</b>	<b>267.55</b>	<b>280.21</b>	<b>279.91</b>	<b>270.05</b>	<b>9.85</b>
<b>Medical Expenses:</b>						
<u>Capitation (PCP, Specialty, Kaiser, NEMT &amp; Vision)</u>	24.91	24.40	24.54	24.30	23.79	(0.51)
<u>FFS Claims Expenses:</u>						
Inpatient	70.26	45.80	49.05	45.20	50.08	4.88
LTC / SNF	46.40	43.68	26.60	55.27	45.25	(10.02)
Outpatient	21.05	23.92	32.40	21.63	19.43	(2.21)
Laboratory and Radiology	2.66	0.70	1.50	1.10	1.15	0.05
Emergency Room	7.80	7.86	10.08	10.21	8.53	(1.68)
Physician Specialty	18.68	21.78	24.21	19.13	22.65	3.52
Primary Care Physician	6.32	6.37	7.17	5.68	7.39	1.71
Home & Community Based Services	7.08	6.26	11.34	8.72	6.24	(2.48)
Applied Behavior Analysis Services	1.89	1.32	2.69	2.22	0.56	(1.66)
Mental Health Services	1.00	2.19	9.85	4.31	1.63	(2.68)
Pharmacy	45.69	44.51	46.00	44.47	46.28	1.81
<b>Provider Reserve</b>	0.00	0.00	0.48	0.00	4.78	4.78
Other Medical Professional	1.19	1.11	1.07	1.17	0.98	(0.18)
Other Medical Care	0.00	0.97	0.00	0.00	0.00	(0.00)
Other Fee For Service	3.27	2.70	3.64	3.04	2.99	(0.05)
Transportation	0.54	0.55	0.69	0.56	0.61	0.06
<b>Total Claims</b>	<b>233.83</b>	<b>209.71</b>	<b>226.78</b>	<b>222.73</b>	<b>218.56</b>	<b>(4.16)</b>
Medical & Care Management Expense	4.89	4.91	5.01	5.24	5.61	0.37
Reinsurance	(2.13)	1.25	0.83	1.12	2.38	1.26
Claims Recoveries	(2.36)	(1.45)	(0.04)	(0.01)	0.00	0.01
Sub-total	0.39	4.71	5.81	6.36	7.99	1.63
<b>Total Cost of Health Care</b>	<b>259.13</b>	<b>238.83</b>	<b>257.13</b>	<b>253.38</b>	<b>250.34</b>	<b>(3.04)</b>
<b>Contribution Margin</b>	<b>141.70</b>	<b>28.72</b>	<b>23.08</b>	<b>26.52</b>	<b>19.71</b>	<b>6.81</b>
<b>General &amp; Administrative Expenses:</b>						
Salaries, Wages & Employee Benefits	9.33	9.42	9.66	8.45	9.77	1.32
Training, Conference & Travel	0.14	0.16	0.09	0.21	0.18	(0.03)
Outside Services	10.76	11.39	11.12	10.85	11.48	0.62
Professional Services	1.49	1.07	1.05	0.91	1.99	1.08
Occupancy, Supplies, Insurance & Others	2.51	2.52	2.88	3.59	3.29	(0.30)
Care Management Credit	(4.89)	(4.91)	(5.01)	(5.24)	(5.61)	(0.37)
<b>Total G &amp; A Expenses</b>	<b>19.34</b>	<b>19.65</b>	<b>19.79</b>	<b>18.78</b>	<b>21.10</b>	<b>2.32</b>
<b>Total Operating Gain / (Loss)</b>	<b>122.36</b>	<b>9.07</b>	<b>3.29</b>	<b>7.75</b>	<b>(1.39)</b>	<b>9.14</b>
<b>Non Operating:</b>						
Revenues - Interest	0.78	1.31	1.62	1.58	0.28	1.30
<b>Total Non-Operating</b>	<b>0.78</b>	<b>1.31</b>	<b>1.62</b>	<b>1.58</b>	<b>0.28</b>	<b>1.30</b>
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>123.14</b>	<b>10.38</b>	<b>4.91</b>	<b>9.33</b>	<b>(1.11)</b>	<b>10.44</b>

<b>STATEMENT OF CASH FLOWS</b>	<b>DEC 16</b>	<b>JAN 17</b>	<b>FEB 17</b>	<b>FYTD</b>
<b>Cash Flows Provided By Operating Activities</b>				
Net Income (Loss)	2,161,044	1,015,043	1,930,476	6,241,285
<b>Adjustments to reconciled net income to net cash provided by operating activities</b>				-
Depreciation on fixed assets	48,128	45,001	47,677	423,183
Amortization of discounts and premium	(14,093)	(35,153)	(35,451)	7,615
<b>Changes in Operating Assets and Liabilities</b>				-
Accounts Receivable	3,777,721	(1,991,734)	24,043,067	62,177,195
Prepaid Expenses	296,035	(32,205)	(178,950)	(144,519)
Accounts Payable	11,909,262	9,755,235	(3,460,945)	79,993,559
Claims Payable	10,765,503	(2,846,760)	(648,733)	5,159,161
MCO Tax liability	7,529,011	(12,486,415)	4,746,779	7,937,941
IBNR	(1,746,573)	(10,002,295)	3,530,722	(4,404,051)
<b>Net Cash Provided by Operating Activities</b>	<u>34,726,037</u>	<u>(16,579,284)</u>	<u>29,974,642</u>	<u>157,391,370</u>
<b>Cash Flow Provided By Investing Activities</b>				
Proceeds from Restricted Cash & Other Assets				-
Proceeds from Investments	25,000,000	20,000,000	-	45,000,000
Proceeds for Sales of Property, Plant and Equipment				-
Payments for Restricted Cash and Other Assets				-
Purchase of Investments	(50,017,190)	(20,019,829)	(117,156)	(110,623,995)
Purchase of Property and Equipment	(5,348)	(29,199)	21,879	(387,897)
<b>Net Cash (Used In) Provided by Investing Activities</b>	<u>(25,022,538)</u>	<u>(49,027)</u>	<u>(95,277)</u>	<u>(66,011,893)</u>
<b>Cash Flow Provided By Financing Activities</b>				
None	-	-	-	-
<b>Net Cash Used In Financing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	9,703,500	(16,628,311)	29,879,365	91,379,477
<b>Cash and Cash Equivalents, Beginning of Period</b>	212,517,390	222,220,890	205,592,579	144,092,466
<b>Cash and Cash Equivalents, End of Period</b>	<u>222,220,890</u>	<u>205,592,579</u>	<u>235,471,944</u>	<u>235,471,944</u>

## GOLD COAST HEALTH PLAN

### Membership - Rolling 12 Month



	MAR 16	APR 16	MAY 16	JUN 16	JUL 16	AUG 16	SEP 16	OCT 16	NOV 16	DEC 16	JAN 17	FEB 17	Budget Feb 17
<b>Total</b>	205,206	205,530	206,495	208,533	208,714	208,680	208,690	209,381	208,890	208,148	206,664	206,970	212,878
<b>FAMILY</b>	92,629	92,797	92,798	93,158	93,007	92,221	92,213	92,364	91,653	91,071	90,477	90,911	97,050
<b>DUALS</b>	19,031	19,035	19,075	19,147	19,224	19,259	19,481	19,381	19,376	19,250	19,352	19,213	19,817
<b>SPD</b>	10,681	10,701	10,521	10,577	10,645	10,406	10,095	10,438	10,277	10,282	10,246	10,321	10,675
<b>TLIC</b>	28,002	27,281	27,676	28,952	29,209	29,672	29,511	29,858	29,788	30,238	29,858	29,682	29,895
<b>AE</b>	54,863	55,716	56,425	56,699	56,629	57,122	57,390	57,340	57,796	57,307	56,731	56,843	55,441

**SPD = Seniors and Persons with Disabilities    TLIC = Targeted Low Income Children    AE = Adult Expansion**



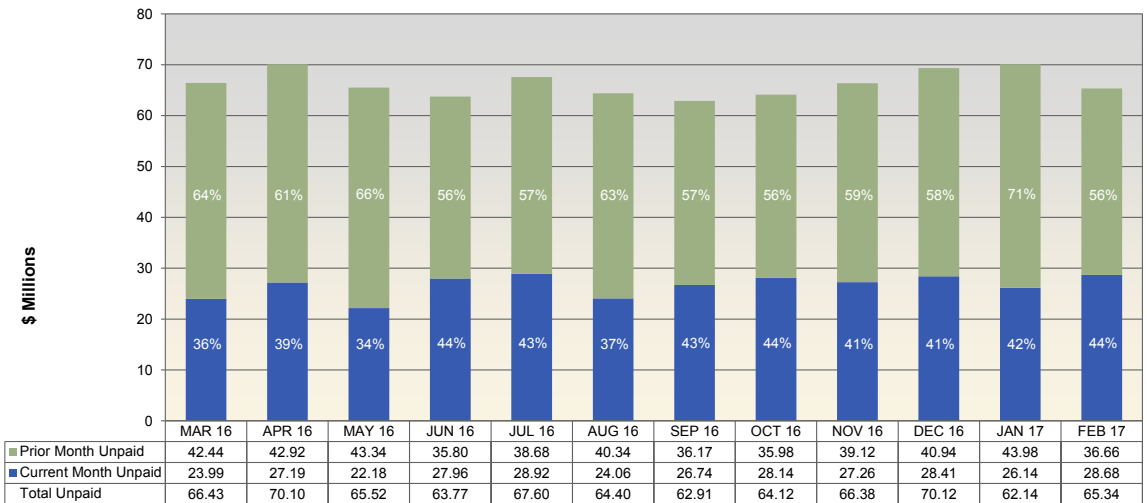
**GOLD COAST HEALTH PLAN  
FEBRUARY 2017**

**Paid Claims Composition (excluding Pharmacy and Capitation Payments)**



**Note: Paid Claims Composition** - reflects adjusted medical claims payment lag schedule. Months Indicated with 5\* represent months for which there were 5 claim payments. For all other months, 4 claim payments were made.

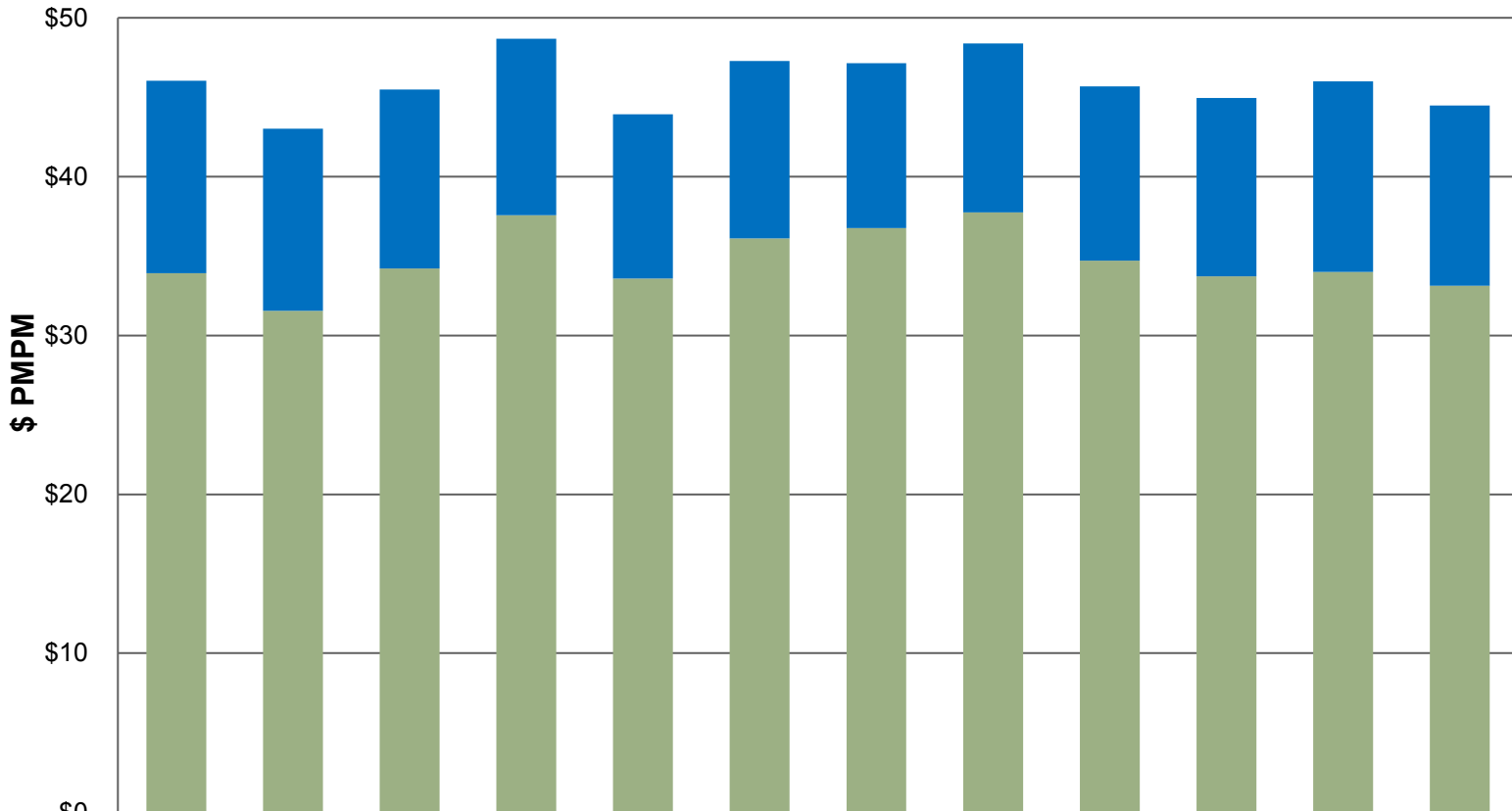
**IBNP Composition (excluding Pharmacy and Capitation)**



**Note: IBNP Composition** - reflects updated medical cost reserve calculation plus total system claims payable.

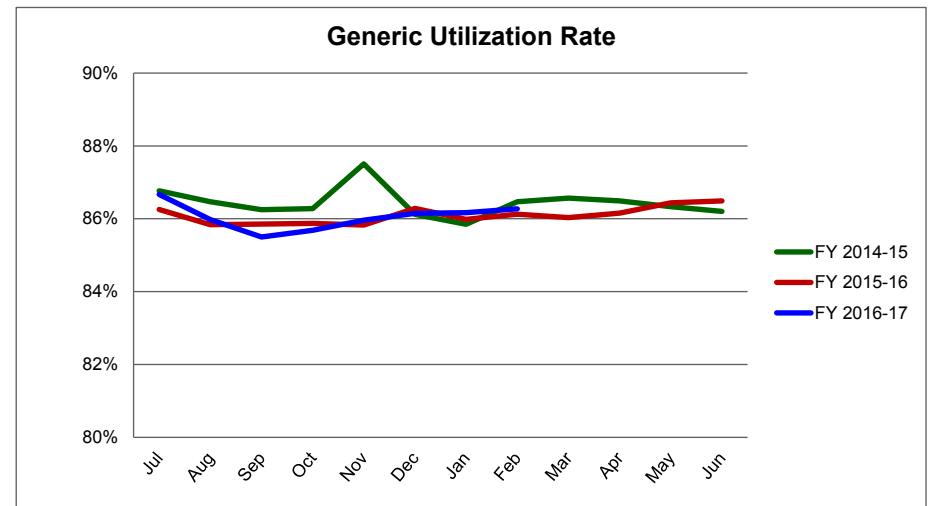
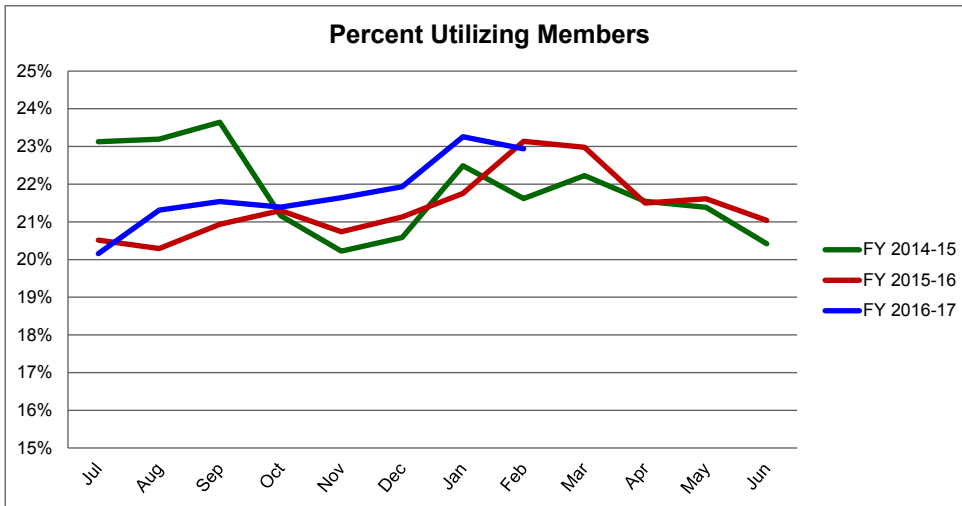
# GOLD COAST HEALTH PLAN

## Pharmacy Cost Trend

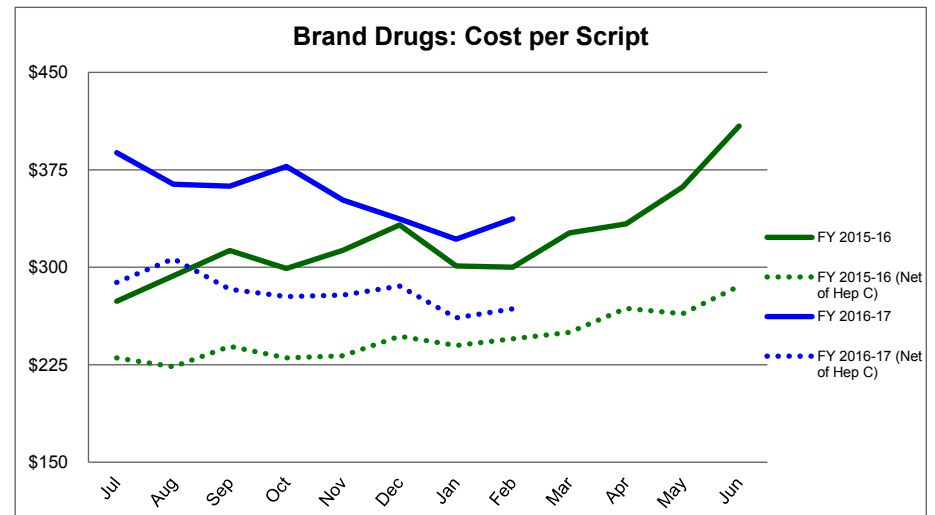
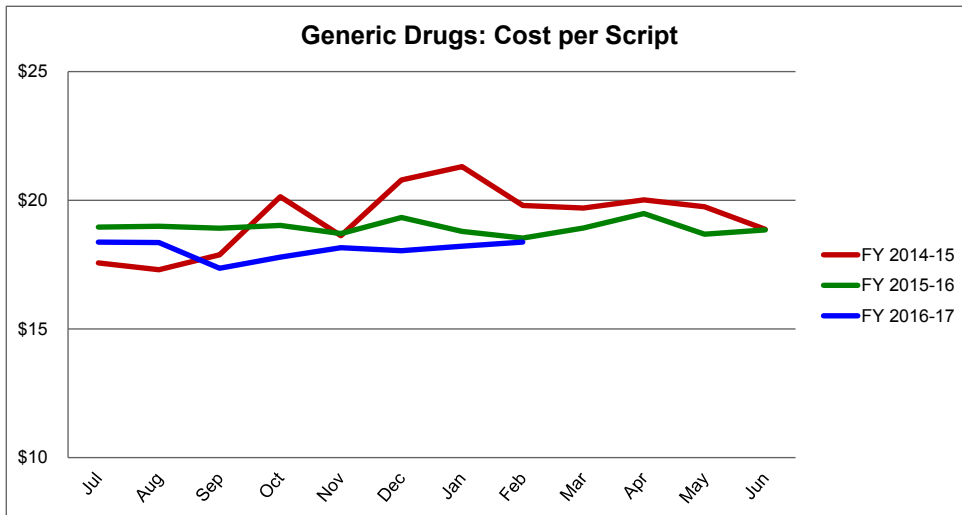


	MAR 16	APR 16	MAY 16	JUN 16	JUL 16	AUG 16	SEP 16	OCT 16	NOV 16	DEC 16	JAN 17	FEB 17
<b>AVG PMPM</b>	\$46.03	\$43.01	\$45.48	\$48.67	\$43.93	\$47.28	\$47.15	\$48.38	\$45.69	\$44.95	\$46.00	\$44.47
<b>GENERIC</b>	\$12.11	\$11.47	\$11.26	\$11.09	\$10.34	\$11.17	\$10.39	\$10.64	\$10.97	\$11.23	\$12.00	\$11.34
<b>BRAND</b>	\$33.92	\$31.55	\$34.22	\$37.58	\$33.59	\$36.11	\$36.77	\$37.74	\$34.71	\$33.73	\$34.00	\$33.13

**GOLD COAST HEALTH PLAN  
PHARMACY ANALYSIS**



Effective Oct 14, Dual members were responsible for prescription copays, lowering the percentage of utilizing members.



## **AGENDA ITEM NO. 7**

TO: Gold Coast Health Plan Commission  
FROM: Dale Villani - Chief Executive Officer  
DATE: April 24, 2017  
SUBJECT: Contract Approval – Gorman Health Group LLC

### **SUMMARY:**

Gorman Health Group LLC (Gorman) was previously contracted to perform a feasibility study in order to evaluate whether Gold Coast Health Plan (GCHP) should participate in Medicare Advantage (MA) Health Maintenance Organization (HMO), specifically a Medicare Advantage Prescription Drug Plan (MA-PD) and/or a dual eligible Special Needs Plan (D-SNP) in Ventura County. This new engagement is phase two where Gorman will leverage the information of phase one to provide GCHP the following deliverables:

1. The timing and approach to filing for Knox-Keene license for go-live January 1, 2019
2. Define the market opportunity
3. Deliver a network analysis to support MA in Ventura County
4. Estimate of start-up cost

### **FISCAL IMPACT:**

The fixed fee for this service agreement is \$156,500, plus reimbursable expenses not-to-exceed \$23,400. Total not-to-exceed cost is \$179,900. The engagement team will consist of ten Gorman resources with relevant expertise in sales, marketing and strategy, network, healthcare analytics, compliance and operational performance to complete the project work. Total estimated level of effort is 525 hours, with an engagement period of eight weeks, commencing May 1, 2017 and ending on June 30, 2017.

### **RECOMMENDATION:**

It is the Plan's recommendation to initiate this eight-week engagement with Gorman for the deliverables noted above.

If the Commission desires to review this contract, it is available at GCHP's Finance Department.

## **AGENDA ITEM NO. 8**

TO: Gold Coast Health Plan Commission  
FROM: Dale Villani, Chief Executive Officer  
DATE: April 24, 2017  
SUBJECT: Chief Executive Officer Update

### **COMMUNITY HEALTH INVESTMENTS UPDATE**

We have officially launched the Community Health Investment grant-making program. The Request for Applications went live on our website on Friday April 7, 2017. We had an outreach campaign to community organizations and public entities that are in the space of addressing social determinants of health, specifically the three areas that we have selected as priorities for our first funding year: Access to care, access to healthy foods, and the neighborhood and built environment. We held an informational webinar on Wednesday the 19<sup>th</sup> and had over 40 participants show interest in our grants program.

The deadline for applications is May 1, 2017. We have a very detailed application online with fillable forms to make it easy for applicants to fully describe their proposed projects and we have assembled staff of reviewers to select and recommend the top proposals to executive management for approval. I will present the list of approved grants to the Commission in June.

### **COMPLIANCE**

Gold Coast Health Plan (GCHP) was notified on February 7, 2017 that the Medical Audit corrective action plan (CAP) issued in November 1, 2016 has been closed. On February 8 2017, Audits and Investigations (A&I) notified GCHP that the annual onsite Medical Audit original slated for April 24, 2017 through May 5, 2017 will now occur June 5, 2017 through June 16, 2017. Staff has submit the pre-audit document material required. Compliance staff will keep the commission apprised of the audit.

On March 17, 2017, DHCS issued GCHP a CAP relative to the Provider Network 274 File, which is a new requirement for provider network data reporting. GCHP staff has been working diligently with DHCS during the entire process and has continuously kept DHCS abreast of the status of the test submissions. GCHP is complying with the CAP and submitting timelines and updates to DHCS on a biweekly basis. ***Please refer to Attachment A: GoldCoastCAP.***

GCHP continues to meet all regulatory contract submission requirements. In addition to routine deliverables GCHP provides weekly and monthly reports to DHCS as a part of ongoing monitoring activities. All regulatory agency inquiries and requests are handled timely and

requested information is provided within the specified required timeframe(s). Compliance staff is actively engaged in sustaining contract compliance.

GCHP compliance staff completed three credentialing audits during the month of January 2017. The three entities passed the audits and a formal closure letter was mailed to each entity. An audit was conducted on Conduent and because of poor quality; prep and lack of material to review; compliance failed Conduent on the audit and issued a CAP. Compliance staff will conduct another audit on Conduent April 24, 2017 through April 27, 2017.

An audit on our MBHO for Quality Improvement, Utilization Management and Member Rights and Responsibilities occurred February 20, 21 2017 and a CAP was issued on April 3, 2017. A CAP response was received on 04/12/2017 and material is under review. GCHP MBHO remains under a CAP, for claims processing and financial sanctions are currently in place. GCHP Vision provider is also under a CAP. GCHP delegation oversight staff is working with each delegate on achieving compliance to address the deficiencies identified and ultimately close out the CAPs issued.

The compliance dashboard is attached for reference and includes information on but is not limited to staff trainings, fraud referrals, HIPAA breaches, delegate audits.

# ATTACHMENT A

## State of California—Health and Human Services Agency Department of Health Care Services



JENNIFER KENT  
DIRECTOR



EDMUND G. BROWN JR.  
GOVERNOR

March 17, 2017

Dale Villani, CEO  
Gold Coast Health Plan  
711 E. Daily Dr., Suite 106  
Camarillo, CA 93010

Dear Mr. Villani:

### NOTICE OF PROVIDER DATA CORRECTIVE ACTION PLAN

Effective March 2017, the Department of Health Care Services (DHCS) implemented new requirements for Provider Network Data reporting to the Post Adjudicated Claims and Encounter System (PACES) using national standard transactions. Medi-Cal managed care plans (MCP) are required to comply with the new DHCS Provider Network Data reporting as specified in All Plan Letter (APL) 16-019. Per email guidance issued on January 13, 2017, and February 17, 2017, DHCS informed MCPs of the requirement to complete testing and submit both January and February 2017 Provider Network 274 files by March 10, 2017. This guidance also informed MCPs that failure to comply with this deadline would result in the imposition of a Corrective Action Plan (CAP).

This letter serves as notice that DHCS intends to impose a CAP on Gold Coast Health Plan because of its failure to submit complete Provider Network 274 files for the months of January 2017 and February 2017 by the March 10, 2017, deadline.

Gold Coast Health Plan is required to submit complete Provider Network 274 files for the months January 2017 to April 2017 by May 10, 2017. The required information must be submitted through the standard PACES submission process for Provider Network 274 files. Failure to submit complete Provider Network 274 files by May 10, 2017, will result in the imposition of monthly sanctions until compliance is reached in accordance with the MCP contract, state and federal law, and APL 15-014.

DHCS is committed to ensuring that its contracted MCPs report high quality provider data on a consistent basis. To aid these efforts, DHCS will require Gold Coast Health Plan to develop an internal project plan to come into compliance with Provider Network 274 file reporting requirements. In addition, Gold Coast Health Plan is required to provide an update as to the status of submitting complete Provider Network 274 files no later than March 24, 2017, and every two weeks thereafter. Gold Coast Health Plan

Gold Coast Health Plan  
Page 2  
March 17, 2017

must submit bi-weekly updates to the MCPs assigned Encounter Data Quality Unit analyst and MCPProviderDataTransition@dhcs.ca.gov.

If you have any questions regarding this notice, please contact Aaron Toyama, Chief of the Program Monitoring and Compliance Branch, Managed Care Quality and Monitoring Division, at (916) 449-5086 or aaron.toyama@dhcs.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Nathan Nau', is positioned below the word 'Sincerely,'.

Nathan Nau, Chief  
Managed Care Quality and Monitoring Division  
Department of Health Care Services



**COMPLIANCE REPORT 2017**

Category		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Calendar Year Total
<b>Hotline</b>	Referrals *one referral can be sent to multiple referral agencies*	0	0	0										0
<small>A confidential telephone and web-based process to collect info on compliance, ethics, and FWA</small>														
<b>Hotline Referral *FWA</b>	Department of Health Care Services Program Integrity Unit / A&I	0	0	0										0
<b>Hotline Referral *FWA</b>	Department of Justice	0	0	0										0
<b>Hotline Referral</b>	Internal Department (i.e. Grievance & Appeals, Customer Services etc.)	5	1	7										13
<b>Hotline Referral</b>	External Agency (i.e. HSA)	0	0	0										0
<b>Hotline Referral</b>	Other * Legal, HR, DHCS (Division outside of PIU i.e. eligibility, note to reporter), etc.	0	0	0										0
<b>Delegation Oversight</b>	Delegated Entities	8	8	8										8
<small>The committee's function is to ensure that delegated activities of subcontracted entities are in compliance with standards set forth from GCHP contract with DHCS and all applicable regulations</small>	Reporting Requirements Reviewed **	71	83	68										222
	Audits conducted	5	1	0										6
<b>Delegation Oversight</b>	Letters of Non-Compliance	0	0	0										0
<b>Delegation Oversight</b>	Corrective Action Plan(s) Issued to Delegates	0	0	0										0
<b>Audits</b>	Total	0	0	0										0
<small>External regulatory entities evaluate GCHP compliance with contractual obligations.</small>	Medical Loss Ratio Evaluation performed by DMHC via interagency agreement with DHCS	0	0	0										0
	DHCS Facility Site Review & Medical Records Review *Audit was conducted in 2013*	0	0	0										0
	HEDIS Compliance Audit (HSAG)	0	0	0										0
	DHCS Member Rights and Program Integrity Monitoring Review *Review was conducted in 2012*	0	0	0										0
	DHCS Medical Audit	0	0	0										0
<b>Fraud, Waste &amp; Abuse</b>	Total Investigations	5	1	0										6
<small>The Fraud Waste and Abuse Prevention process is intended to prevent, detect, investigate, report and resolve suspected and /or actual FWA in GCHP daily operations and interactions, whether internal or external.</small>	Investigations of Providers	0	0	0										0
	Investigations of Members	5	1	0										6
	Investigations of Other Entities	0	0	0										0
	Fulfillment of DHCS/DOJ or other agency Claims Detail report Requests	0	0	0										0

Category		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Calendar Year Total
<b>HIPAA</b>	Referrals	6	2	4										12
Appropriate safeguards, including administrative policies and procedures, to protect the confidentiality of health information and ensure compliance with HIPAA regulatory requirements.	State Notification	6	2	4										12
	Federal Notification	0	3	0										3
	Member Notification	2	0	0										2
	HIPAA Internal Audits Conducted	0	0	1										1
<b>Training</b>	<b>Training Sessions</b>	12	2	0										24
Staff are informed of the GCHP's Code of conduct, Fraud Waste and Abuse Prevention Program, and HIPAA	Fraud, Waste & Abuse Prevention (Individual Training)	2	2	0										4
	Fraud, Waste & Abuse Prevention (Member Orientations)	6	6	0										12
	Code of Conduct	2	2	0										4
	HIPAA (Individual Training)	2	2	0										4
	HIPAA (Department Training)	0	0	0										0

\*\* Reporting Requirements are defined by functions delegated and contract terms. Revised contracts, amendments or new requirements from DHCS may require additional requirements from subcontractors as a result the number is fluid

\*\* Audits- Please note multiple audits have been conducted on the Plan, however many occurred in 2012 and 2013 and will be visible on the annual comparison dashboard

\*\* This report is intended to provide a high level overview of certain components of the compliance department and does not include/reflect functions the department is responsible for on a daily basis.

^ The large aggregates for the month of November and December represent the yearly training of full time employees and new coming Commissioners.

Leading Together to Address  
the Opioid Epidemic in Ventura County

# OPIOID POLICY SUMMIT

Speakers: Assemblymember Jacqui Irwin • Dr. Corey Waller • Dr. Kelly Pfeifer

MAY 5, 2017  
8:30am — 12:00pm

Ventura Beach Marriott  
2055 E. Harbor Blvd., Ventura, CA 93001



Dear Partner,

Gold Coast Health Plan (GCHP), in collaboration with the Ventura County Behavioral Health (VCBH) department, will be holding an Opioid Policy Summit on Friday, May 5.

The abuse of prescription opioid medications has been of serious concern at the national, state, and local levels. Policy makers are attempting to combat the opioid epidemic in their communities by proposing and passing legislation to address the issue.

With the Opioid Policy Summit, the goal of GCHP and VCBH is to engage community stakeholders in a discussion about strategies that can be used to address the opioid epidemic in Ventura County.

The summit will take place at the Ventura Beach Marriott from 7:30 a.m. to 12 p.m. (Breakfast will be served from 7:30 to 8:30 a.m. The program will begin at 8:30 a.m.). You should have received an invitation to the event on April 11.

**Please make certain to RSVP.**

The keynote speaker will be Dr. Corey Waller, an addiction, pain, and emergency medicine specialist and the senior medical director for education and policy at the National Center for Complex Health and Social Needs/Camden Coalition of Healthcare Providers (CCHP). Dr. Waller will be discussing the efforts being made on a national level to combat the crisis.

Dr. Kelly Pfeifer will also be speaking. She is the director of the California Health Care Foundation's High-Value Care Team, which supports policies and care models that align with patient preferences, are proven effective, and are affordable. Dr. Pfeifer will be focusing on the opioid epidemic on a state level.

State Assemblymember Jacqui Irwin will serve as a moderator for a panel of local experts who will discuss Ventura County's approach to the opioid crisis.

We look forward to seeing you at the Opioid Policy Summit.

If you have any questions, please contact Marlen Torres, GCHP's manager of government and external relations, at [mtorres@goldchp.org](mailto:mtorres@goldchp.org) or 805-437-5535.

Sincerely,

C. Albert Reeves, M.D.  
Chief Medical Officer, Gold Coast Health Plan

**AGENDA ITEM NO. 9**

TO: Gold Coast Health Plan Commission  
 FROM: Ruth Watson, Chief Operating Officer  
 DATE: April 24, 2017  
 SUBJECT: COO Update

**OPERATIONS UPDATE**

**Membership Update – April 2017**

As of April 1, 2017, Gold Coast Health Plan’s (GCHP’s) total membership is 202,338. The Plan experienced a net loss of 905 members from March 2017 through April 2017. New applications for March were 4,587 with terminations of 7,555 resulting in the net loss. We continue believe a contributing factor is lack of re-determinations from the prior calendar year. The cumulative total for membership by category is as follows:

<b>Aid Code</b>	<b># of New Members</b>
L1 – Low Income Health Plan (LIHP)	520
M1 – Adult Expansion	55,333
7U – CalFresh Adults	94
7W – CalFresh Children	44
7S – Parents of 7Ws	163
Traditional Medi-Cal	27,672
Total New Membership 1/1/14 – 12/1/16	83,826

All categories of membership saw a decrease in April. Adult Expansion membership (aid code M1) decreased by 206 members or a 10% decrease. This percentage decrease is the same as the previous month’s percentage decrease. M1 members represent 66.01% of GCHP’s membership since January 1, 2014.

	<b>L1</b>	<b>M1</b>	<b>7U</b>	<b>7W</b>	<b>7S</b>
Apr 17	520	55,333	94	44	163
Mar 17	560	55,539	100	48	210
Feb 17	590	55,667	113	55	243
Jan 17	646	55,551	141	50	203
	<b>L1</b>	<b>M1</b>	<b>7U</b>	<b>7W</b>	<b>7S</b>
Dec 16	695	55,820	521	123	240
Nov 16	770	55,567	1,057	216	314
Oct 16	919	55,103	1,227	254	374
Sep 16	1,015	54,740	1,370	280	336
Aug 16	1,162	54,237	1,470	307	361
Jul 16	1,261	53,767	1,593	346	397

Jun 16	1,349	53,864	1,703	386	424
May 16	1,407	52,898	1,820	433	478
Apr 16	1,596	51,769	1,910	462	549
Mar 16	1,800	50,648	2,015	510	620
Feb 16	1,873	50,185	2,110	549	579
Jan 16	1,953	49,653	2,205	608	736

**AB 85 Capacity Tracking** –Adult Expansion members assigned to VCMC as of April 2017 is 30,878. A decrease of VCMC membership of 231 members from the previous month correlates to a 10% decrease in M1 enrollment. VCMC’s target enrollment is 65,765 and is currently at 46.95% of their target.

### **February 2017 Operations Summary**

The **Claims Inventory** at the end of February was 36,267; this equates to a Days Receipt on Hand (DROH) of 4.02 days compared to a DROH maximum goal of 5 days. This reflects a slight increase over the previous month. The root cause of this increase was due to a system outage resulting in loss of production at the vendor. An action plan to bring the inventory to an acceptable level is in place. We expect the inventory to return to an acceptable level over the next couple of weeks. GCHP received approximately 9,018 claims per day in February. Monthly claim receipts from July 2015 through February 2017 are as follows:

<b>Month</b>	<b>Total Claims Received</b>	<b>Receipts per Day</b>
February 2017	171,343	9,018
January 2017	168,660	8,433
December 2016	190,686	9,080
November 2016	170,209	8,510
October 2016	209,638	9,983
September 2016	159,446	7,593
August 2016	180,049	7,828
July 2016	166,955	8,347
June 2016	177,246	8,057
May 2016	157,434	7,497
April 2016	162,287	7,728
March 2016	193,881	8,429
February 2016	176,656	8,833
January 2016	154,770	8,146
December 2015	170,897	7,768
November 2015	142,247	7,902
October 2015	156,109	7,095
September 2015	164,510	7,834
August 2015	152,840	7,278
July 2015	162,237	7,374

**Claims processing results** – Conduent met Service Level Agreements (SLAs) in the month of February.

- **Claims Turnaround Time (TAT)** for February was 93.2% vs the regulatory requirement of processing 90% of original clean claims within 30 calendar days of receipt.
- **Financial Claims Processing Accuracy** for February was 99.89% vs a goal of  $\geq 98\%$
- **Procedural Claims Processing Accuracy** was 99.98% vs a goal of  $\geq 97\%$ .

**FY2016/2017 3Q Encounter Data Quality Summary-** The third quarter encounter submissions reflected 789,649 total encounters submitted. Encounter errors totaled 8,698 or an error rate of 1.1%. DCHS received all encounter data timely, without any submission issues.

1Q 2017 ENCOUNTER QUALITY			
MONTH	SUBMITTED	ERRORS	% of ERRORS
JANUARY	291,587	3,427	1.2%
FEBRUARY	251,287	2,332	0.9%
MARCH	246,775	2,939	1.2%
<b>TOTALS</b>	<b>789,649</b>	<b>8,698</b>	<b>1.1%</b>

**Call Center Results** – Conduent continues to work with GCHP to develop and deploy GCHP-specific training documents. Retraining and education will take place for all customer service representatives and new hire training will include all plan specific training. We continue to work with the designated Conduent staff to address and correct any deficiencies in performance. All statistics listed below reflect a combination of all call lines (provider, member, Spanish and English).

- **Call Volume** – February call volume was 10,959, which shows a decrease in volume of 7227 call or 9% over the previous month.
- **Call Volume 12-month Average** – 10,353 calls per month.
- **Average Speed to Answer (ASA)** – 24 seconds vs the SLA goal of  $\leq 30$  seconds.
- **Abandonment Rate** – 2.06% vs the SLA goal of  $\leq 5\%$ .
- **Average Call Length** increased to 6.71 minutes from the prior month. The increased talk time does not pose any concerns at this time.
- **Call Center Phone Quality** – 95.8% versus a goal of 95% or higher. GCHP continues to audit and monitor quality issue and request performance improvement from Conduent.

**Grievance and Appeals** received 15 member grievances and 157 provider-claim payment grievances during February. The 15 member grievances equate to 0.07 grievances per 1,000 members.

Type of Member Grievances	Number of Grievances
Accessibility	1
Billing	2
Eligibility	1
Quality of Service	1
Quality of Care	10
<b>Total Member Grievances</b>	<b>15</b>

There were five (5) clinical appeals in February; two (2) appeals were upheld, two (2) appeals were overturned and one (1) was withdrawn. There were three (3) State Fair Hearing cases in February and they were all dismissed.

### **Member Orientation Meetings**

Twenty-eight total members (22 English, 6 Spanish) attended Member Orientation meetings for January - February 2017. Of the 28 members, fourteen indicated they learned about the meeting as a result of the informational flyer included in each new member packet.

### **Conduent Contract Extension/New Contract Negotiation**

The existing Administrative Services contract with Conduent is currently extended through April 30, 2017. GCHP's procurement department is working with Conduent to extend the contract beyond April 2017, while we pursue an RFP strategy. This will provide GCHP the option to re-vend or bring in-house various services based on the RFP response compared to the evaluation of work effort to support teams internally.

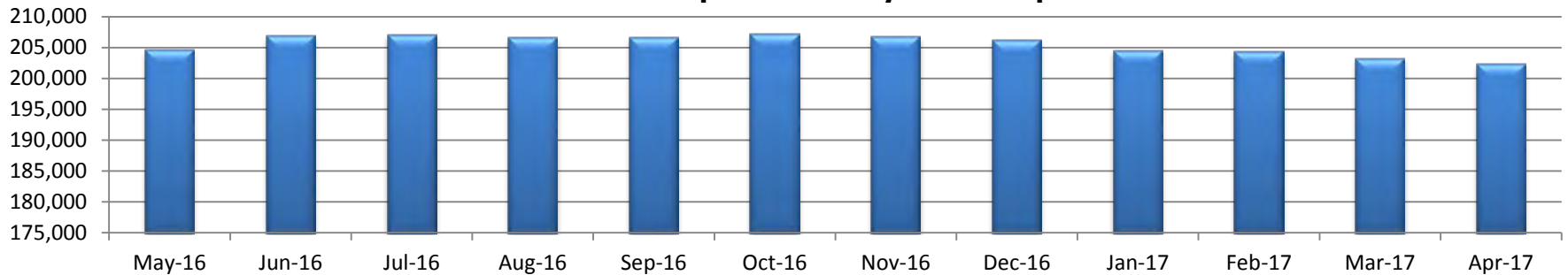


# GCHP Membership

Total Membership as of April 1, 2017 – 202,338

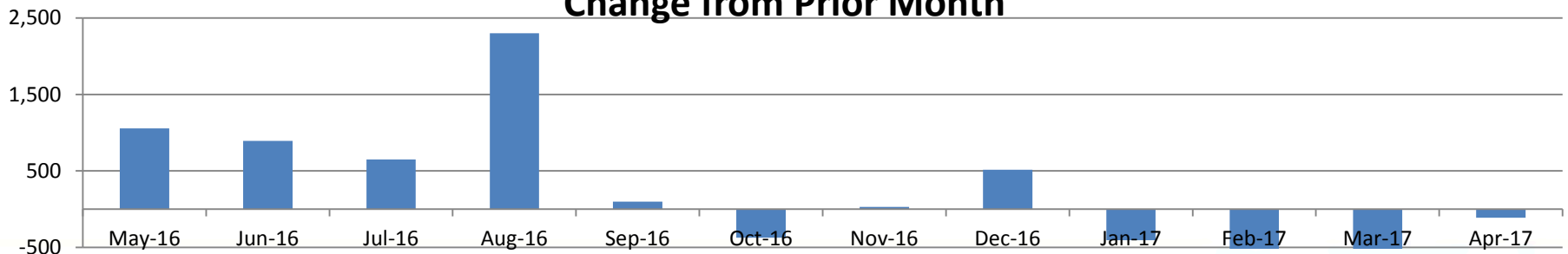
\*New Members Added Since January 2014 – 83,826

**GCHP Membership Trend May 2016 - Apr 2017**



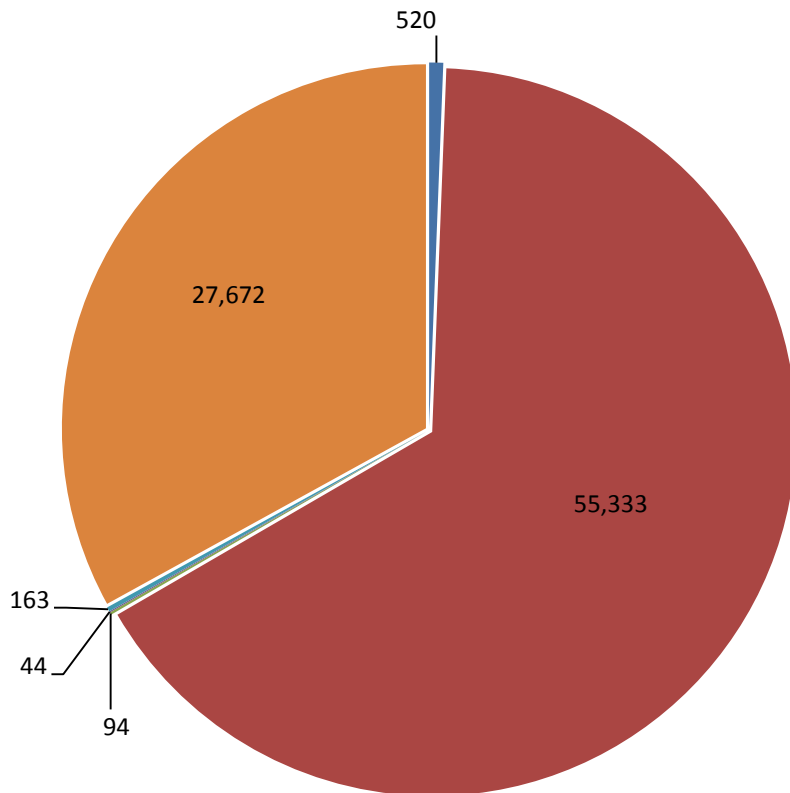
	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17
Active Membership	204,619	206,920	207,019	206,644	206,672	207,188	206,780	206,252	204,529	204,417	203,243	202,338

**Change from Prior Month**



# Membership Growth

**GCHP New Membership Breakdown**



- L1 - Low Income Health Plan - 0.62%
- M1 - Medi-Cal Expansion - 66.01%
- 7U - CalFresh Adults - 0.11%
- 7W - CalFresh Children - 0.05%
- 7S - Parents of 7Ws - 0.19%
- Traditional Medi-Cal - 33.01%

## GCHP Membership Churn Summary

	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17
<b>Membership from Prior Month</b>	203,075	203,969	204,619	206,920	207,019	206,644	206,672	207,188	206,780	206,252	204,529	204,417	203,244
<b>Prior Month Members Inactive in Current Month</b>	5,723	5,642	5,584	5,881	6,182	6,083	5,575	6,866	6,054	8,733	6,682	7,555	8,028
<b>Sub-total</b>	197,352	198,327	199,035	201,039	200,837	200,561	201,097	200,322	200,726	197,519	197,847	196,862	195,216
<b>Percentage of Inactive Members from Prior Month</b>	2.82%	2.77%	2.73%	2.84%	2.99%	2.94%	2.70%	3.31%	2.93%	4.23%	3.27%	3.70%	3.95%
<b>Current Month New Members</b>	4,742	4,368	6,316	4,378	3,916	4,256	4,193	4,533	3,809	5,165	4,118	4,088	4,587
<b>Sub-total</b>	202,094	202,695	205,351	205,417	204,753	204,817	205,290	204,855	204,535	202,684	201,965	200,950	199,803
<b>Percentage of New Members Reflected in Current Membership</b>	2.32%	2.13%	3.05%	2.11%	1.90%	2.06%	2.02%	2.19%	1.85%	2.53%	2.01%	2.01%	2.27%
<b>Retroactive Member Additions</b>	1,875	1,924	1,569	1,602	1,891	1,855	1,898	1,855	1,717	1,845	2,452	2,294	2,601
<b>Active Current Month Membership</b>	<b>203,969</b>	<b>204,619</b>	<b>206,920</b>	<b>207,019</b>	<b>206,644</b>	<b>206,672</b>	<b>207,188</b>	<b>206,780</b>	<b>206,252</b>	<b>204,529</b>	<b>204,417</b>	<b>203,244</b>	<b>202,404</b>
<b>Percentage of Retroactive Members Reflected in Current Membership</b>	0.92%	0.94%	0.76%	0.77%	0.92%	0.90%	0.92%	0.90%	0.83%	0.90%	1.20%	1.13%	1.29%

## GCHP Auto Assignment by PCP/Clinic as of April 1, 2017

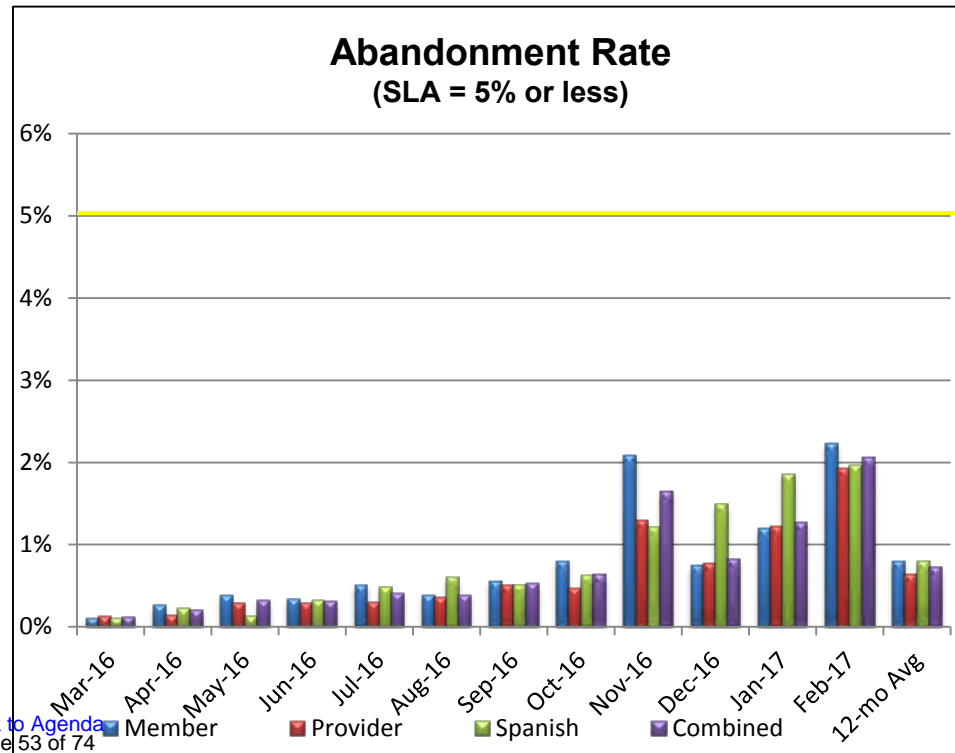
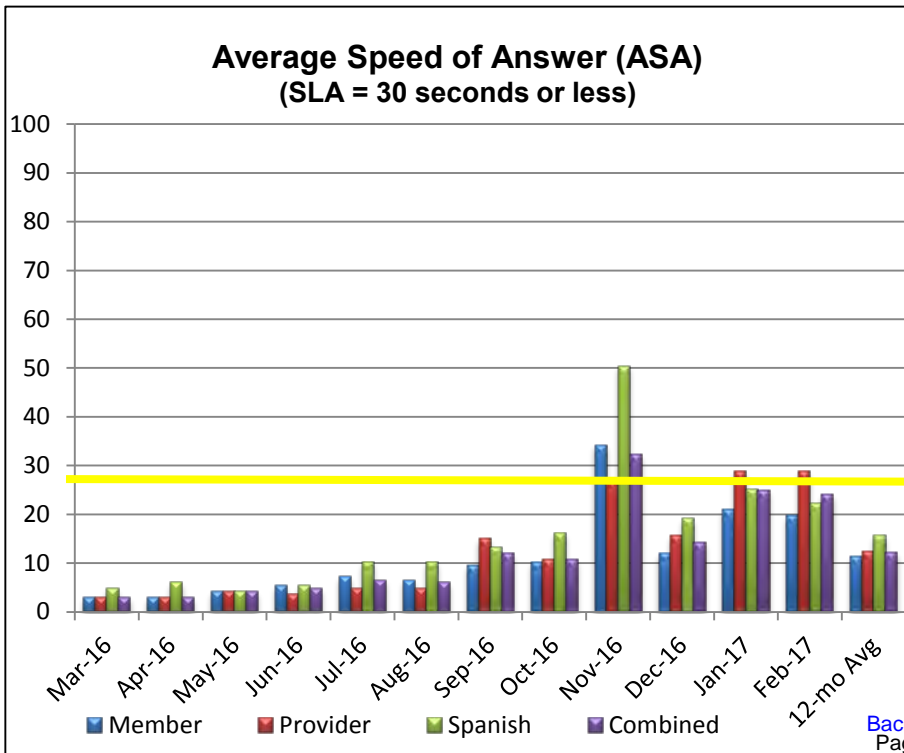
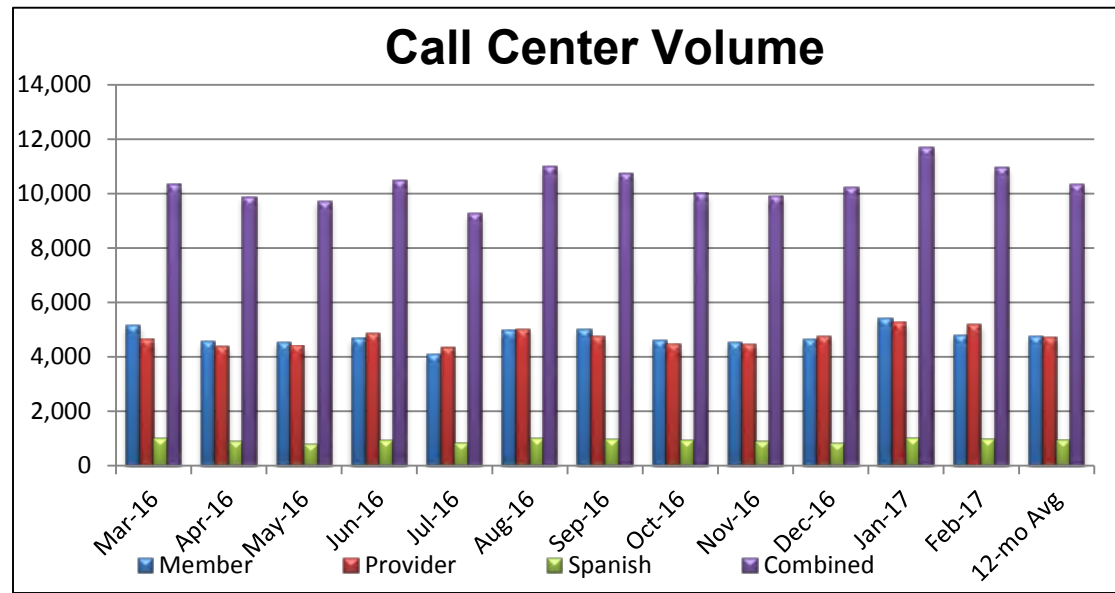
	Apr-17		Mar-17		Feb-17		Jan-17		Dec-16		Nov-16	
	Count	%	Count	%	Count	%	Count	%	Count	%	Count	%
<b>AB85 Eligible</b>	<b>1518</b>		<b>2141</b>		<b>1357</b>		<b>1,000</b>		<b>1,030</b>		<b>1,003</b>	
VCMC	759	50.00%	1070	49.98%	678	49.96%	499	49.90%	772	74.95%	752	74.98%
Balance	759	50.00%	1071	50.02%	679	50.04%	499	49.90%	258	25.05%	251	25.02%
<b>Regular Eligible</b>	<b>1,567</b>		<b>2,121</b>		<b>1,102</b>		<b>888</b>		<b>1,161</b>		<b>1,262</b>	
<b>Regular + AB85 Balance</b>	<b>2,326</b>		<b>3,192</b>		<b>1,781</b>		<b>1,387</b>		<b>1,419</b>		<b>1,513</b>	
Clinicas	552	23.73%	726	22.74%	396	22.23%	314	22.64%	358	25.23%	365	24.12%
CMH	299	12.85%	391	12.25%	225	12.63%	170	12.26%	185	13.04%	178	11.76%
Independent	57	2.45%	82	2.57%	33	1.85%	32	2.31%	38	2.68%	25	1.65%
VCMC	1418	60.96%	1993	62.44%	1127	63.28%	871	62.80%	838	59.06%	945	62.46%
<b>Total Assigned</b>	<b>3,085</b>		<b>4,262</b>		<b>2,459</b>		<b>1,888</b>		<b>2,191</b>		<b>2,265</b>	
Clinicas	552	17.89%	726	17.03%	396	16.10%	314	16.63%	358	16.34%	365	16.11%
CMH	299	9.69%	391	9.17%	225	9.15%	170	9.00%	185	8.44%	178	7.86%
Independent	57	1.85%	82	1.92%	33	1.34%	32	1.69%	38	1.73%	25	1.10%
VCMC	2,177	70.57%	3,063	71.87%	1,805	73.40%	1,370	72.56%	1,610	73.48%	1,697	74.92%

### Auto Assignment Process

- 75% of eligible Adult Expansion (AE) members (M1 & 7U) are assigned to the County as required by AB 85
- The remaining 25% are combined with the regular eligible members and assigned using the standard auto assignment process, i.e., 3:1 for safety net providers and 1:1 for all others
- The County's overall auto assignment results will be higher than 75% since they receive 75% of the AE members plus a 3:1 ratio of all other unassigned members
- VCMC's target enrollment is 65,765
  - VCMC has 30,878 assigned Adult Expansion members as of April 1, 2017 and is currently at 46.95% of capacity

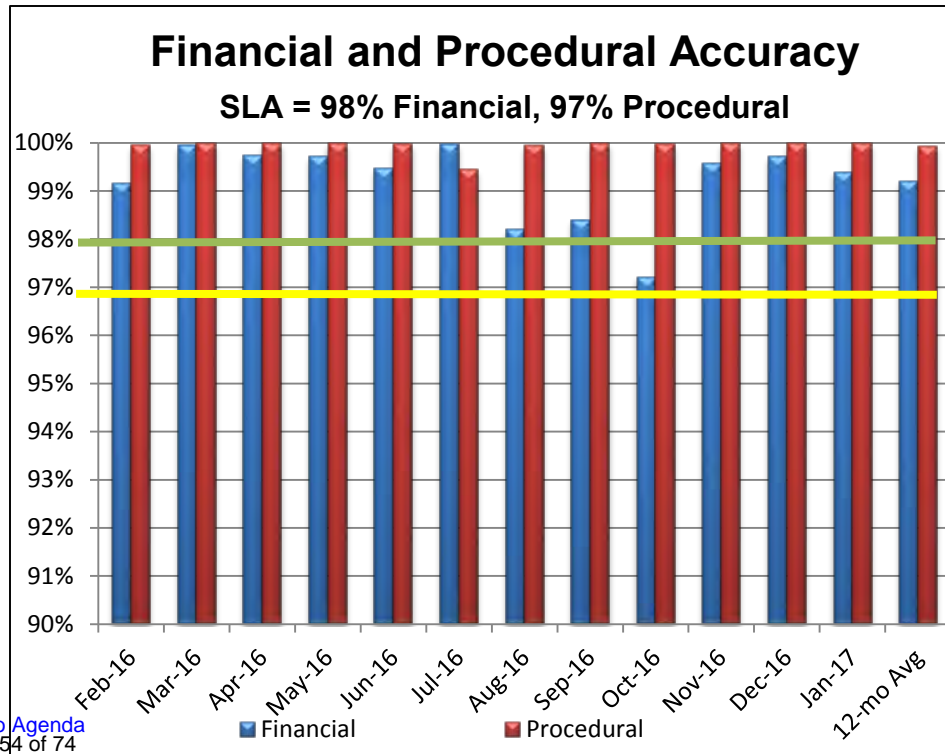
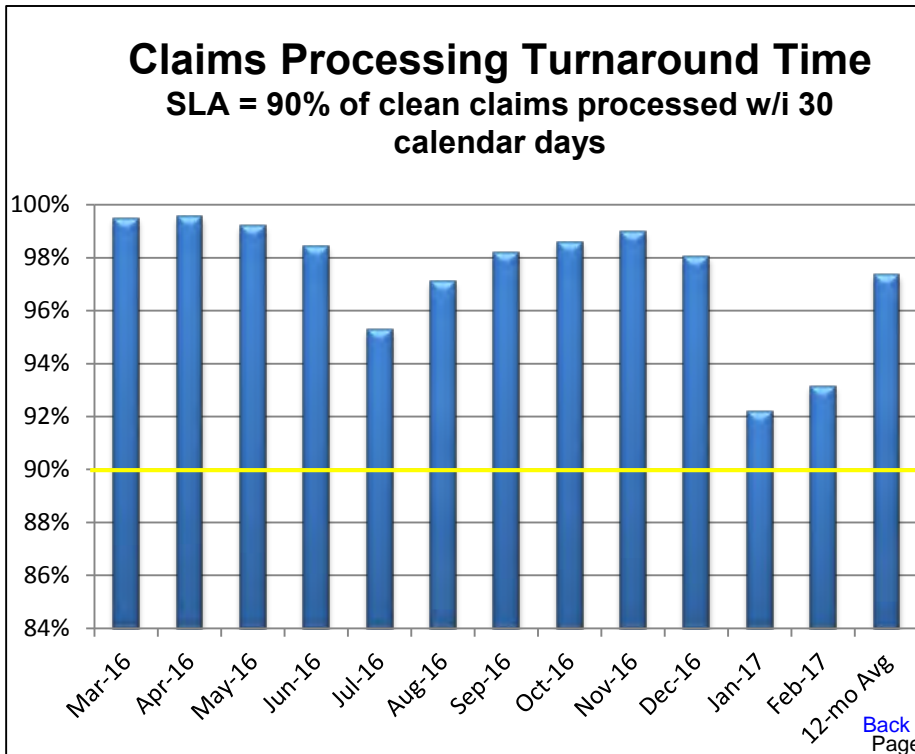
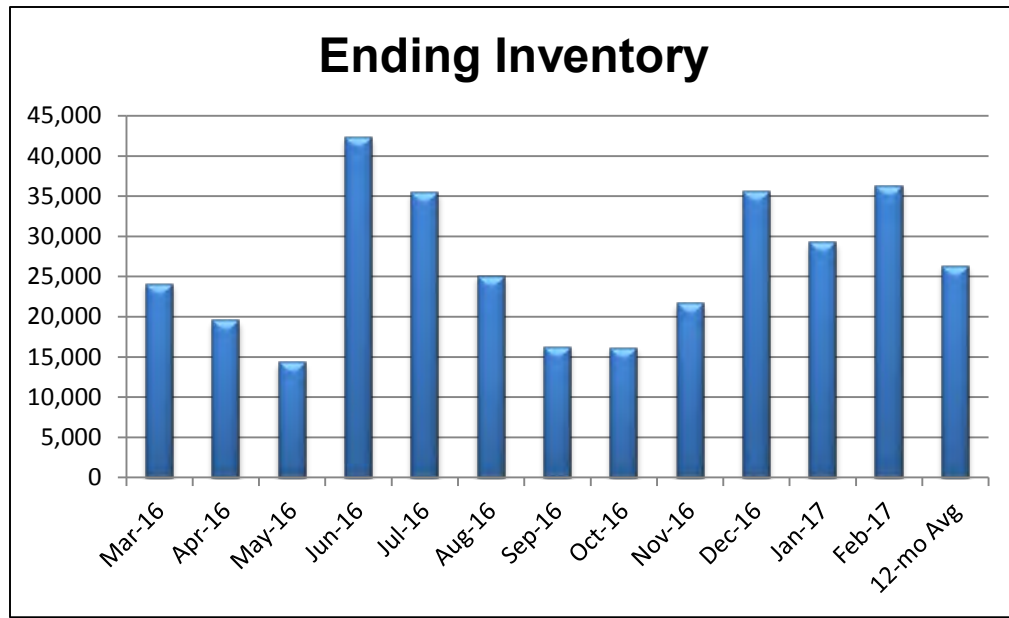
# GCHP Call Center Metrics – February 2017

- Call volume remained above 10,000 during the month; GCHP received 10,959 calls during February
- Service Level Agreements (SLA) for ASA (24 seconds vs the contractual requirement of ≤ 30 seconds) and Abandonment Rate (2.06% vs the contractual requirement of ≤ 5%) ASA and Abandonment Rate were met for February



# GCHP Claims Metrics – February 2017

- The 30 Day Turnaround Time (TAT) remained in compliance at 93.2% for clean claims and 73.34% for the unclean claims
- Ending Inventory was 36,267 which equates to a Days Receipt on Hand (DROH) of 4.02 days vs a target DROH ≤ 5 days
- Service Level Agreements (SLAs) for Financial Accuracy (99.89%) and Procedural Accuracy (99.98%) were both met in February



**Gold Coast Health Plan**  
**Weekly Claims Processing Dashboard**  
**December 07,2016 - March 29,2017**

	12/07/16	12/14/16	12/21/16	12/28/16	01/04/17	01/11/17	01/18/17	01/25/17	02/01/17	02/08/17	02/15/17	02/22/17	03/01/17	03/08/17	03/15/17	03/22/17	03/29/17
<b>Corrective Action Plan Tracking</b>																	
<b>CAP Reference</b>																	
3c - Percentage of Claims Denied (1)	14.08%	15.99%	13.77%	18.10%	20.21%	13.81%	14.81%	13.96%	15.37%	14.68%	14.65%	18.00%	16.28%	12.32%	13.15%	11.95%	11.98%
3e - Number of Claim Adjustments (2)	708	686	702	624	2,199	1,386	932	815	2	854	816	949	1	961	835	1,533	1,173
3f - Number of Claims Processing FTEs (3)	70	69	69	69	68	67	66	65	63	62	62	62	62	62	62	61	61
3g - Auto Adjudication Rate (4)	58.85%	52.65%	59.30%	60.29%	55.87%	50.43%	49.93%	53.18%	48.16%	54.63%	54.89%	56.46%	61.10%	50.10%	58.53%	61.89%	58.14%
3g - Auto Adjudication Rate including Autobot (4)	68.89%	68.14%	70.02%	71.65%	70.00%	64.67%	62.30%	62.94%	59.52%	66.01%	66.21%	67.81%	67.45%	70.21%	70.95%	72.36%	70.55%
4a - Number of Items in ACS Refund Check Queue (5)	119	85	116	176	203	228	275	271	279	290	265	239	234	232	187	176	150
4a - Number of Items in ACS Refund Check Queue > 20 Days TAT (5)	69	75	77	98	155	180	197	223	240	203	196	206	184	169	133	124	84
4a - Number of Items in Non-Indexed Refund Check Queue (5)	37	71	60	19	20	42	27	80	83	42	32	41	53	34	71	40	35
<b>Claim Receipts</b>																	
Total Claim Receipts	45,205	43,345	45,357	39,774	36,882	39,905	40,424	41,641	39,461	46,006	43,772	37,910	43,655	45,270	43,767	44,238	43,942
Average Claims Receipts (6)	7,495	7,773	8,114	8,153	8,684	8,268	8,096	7,849	7,943	8,072	8,377	8,544	8,357	8,567	8,530	8,530	8,847
<b>Mailroom Inventory on Hand</b>																	
Items in EDGE to be worked (8)	11	11	11	11	11	11	11	11	11	11	11	11	11	9	9	9	9
Claims with Front-end Errors (9)	2,030	1,348	1,348	1,314	1,757	1,799	1,722	1,887	1,178	1,170	1,302	1,395	1,487	1,594	1,974	2,343	2,180
<b>IKA Inventory on Hand</b>																	
Pended Inventory	22,274	25,225	28,279	32,619	33,472	34,330	32,790	31,009	28,058	28,306	28,161	31,410	34,769	31,909	35,768	39,386	41,734
Working Inventory (10)	24,315	26,584	29,638	33,944	35,240	36,140	34,523	32,907	29,247	29,487	29,474	32,816	36,267	33,512	37,751	41,738	43,923
Claims Ready to Pay (11)	3,835	3,619	4,147	5,432	2,843	3,865	4,310	4,002	3,843	3,731	4,608	3,444	4,372	4,360	4,787	4,775	4,843
Current Inventory	28,150	30,203	33,785	39,376	38,083	40,005	38,833	36,909	33,090	33,218	34,082	36,260	40,639	37,872	42,538	46,513	48,766
DROH Working Inventory (10, 12)	3.2	3.4	3.7	4.2	4.1	4.4	4.3	4.2	3.7	3.7	3.5	3.8	4.3	3.9	4.4	4.9	5.0
DROH Current Inventory (12)	3.8	3.9	4.2	4.8	4.4	4.8	4.8	4.7	4.2	4.1	4.1	4.2	4.9	4.4	5.0	5.5	5.5
<b>Clean Claims Aging (7)</b>																	
31 to 60 Days	3,455	3,515	3,724	3,906	5,374	4,964	4,824	4,768	3,809	3,493	3,184	2,963	2,989	3,120	3,221	3,389	2,794
61 to 90 Days	1,391	1,573	1,306	1,105	1,035	935	713	53	9	7	13	17	22	33	41	57	19
90+ Days	84	163	141	142	136	9	5	2	3	1	4	4	3	3	9	13	6
Total Clean Claims Aged > 30 Days	4,930	5,251	5,171	5,153	6,545	5,908	5,542	4,823	3,821	3,501	3,201	2,984	3,014	3,156	3,271	3,459	2,819
<b>Contested Claims Aging (7)</b>																	
0 to 30 Days	3,359	1,839	434	645	179	199	268	352	600	396	753	381	315	206	252	208	152
31 to 60 Days	33	27	15	8	249	56	29	38	62	39	94	35	52	51	100	65	50
61 to 90 Days	117	92	18	24	8	13	34	3	1	1	1	0	1	0	0	1	0
90+ Days	0	8	0	0	36	0	0	0	0	0	1	1	1	1	1	1	1
Aging of Total Contested Claims	3,509	1,966	467	677	472	268	331	393	663	436	849	417	369	258	353	275	203
<b>Productivity</b>																	
EDI Claims Rejected	0	0	0	0	0	0	4,784	0	0	0	0	0	0	0	0	0	0
Deleted Claims (13)	748	1,088	1,170	837	2,685	631	845	959	1,392	794	889	900	991	917	1,198	885	857
Denied Claims	4,980	6,605	5,486	6,461	6,919	5,226	6,132	5,854	6,469	6,690	5,991	6,308	6,129	5,443	5,233	4,892	4,722
Allowed Claims	30,389	34,708	34,364	29,234	27,314	32,618	35,261	36,079	35,613	38,870	34,892	28,728	31,520	38,733	34,555	36,035	34,704
Actual Weekly Production (14)	35,369	41,313	39,850	35,695	34,233	37,844	41,393	41,933	42,082	45,560	40,883	35,036	37,649	44,176	39,788	40,927	39,426
Total Weekly Production (15)	36,117	42,401	41,020	36,532	36,918	38,475	47,022	42,892	43,474	46,354	41,772	35,936	38,640	45,093	40,986	41,812	40,283
Average Daily Production (16)	7,128	5,691	5,962	5,990	6,655	7,794	7,660	7,716	7,955	8,404	8,741	8,740	8,349	8,162	8,104	8,042	8,393
DWOH Working Inventory (10, 17)	3.4	4.7	5.0	5.7	5.3	4.6	4.5	4.3	3.7	3.5	3.4	3.8	4.3	4.1	4.7	5.2	5.2
DWOH Current Inventory (17)	3.9	5.3	5.7	6.6	5.7	5.1	5.1	4.8	4.2	4.0	3.9	4.1	4.9	4.6	5.2	5.8	5.8

**Gold Coast Health Plan**  
**Weekly Claims Processing Dashboard**  
**December 07,2016 - March 29,2017**

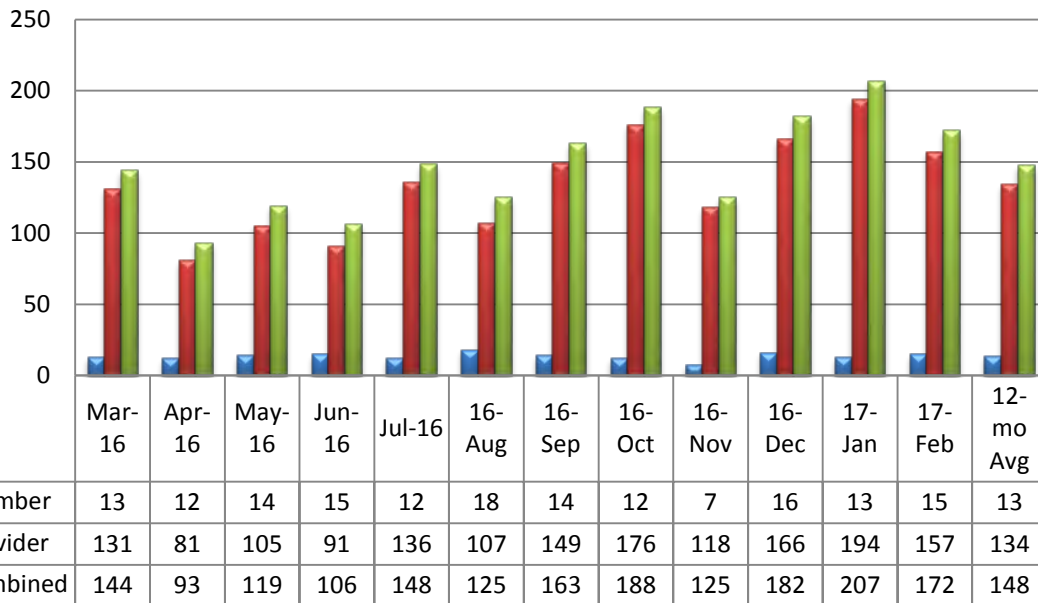
Notes:

- (1) Percentage of Claims Denied is calculated as the number of Denied claims divided by Actual Weekly Production (total denied and allowed claims for the week).
- (2) Number of Claims Payment Adjustments processed in the ika claims system as reported by Xerox on the claims Financial Transaction Summary Report.
- (3) Number of Xerox claims processing FTEs as reported in the Roster Report provided by Xerox.
- (4) Auto Adjudication Rate calculated from "Inventory Tracking to Date" using week to date productivity totals as of Wednesday of each week.  
Auto Adjudication Rate including Autobot includes claims processed with Autobot, which allows for systematic processing of claims.
- (5) Number of Items in Refund Queue reflects the number reported by Xerox in the "Queue Aging Report" as of Wednesday of each week.
- (6) Average Claims Receipts is calculated as the number of receipts in the past four weeks divided by 20 days.
- (7) Reflects the aging reported by Xerox on the "Claims Aging Report" as of Wednesday of each week.
- (8) Count of items still in EDGE process that have not been loaded into KWIK or ika.
- (9) Includes claims that need additional research to determine whether or not they can be loaded into ika.
- (10) Working inventory includes mailroom inventory on hand and pending claims inventory. It does not include claims that have been adjudicated and have a status of ready to pay.
- (11) Claims Ready to Pay have been adjudicated and are ready for payment stream.
- (12) Days Receipt on Hand (DROH) is calculated as the Working/Current Inventory divided by the Average Claim Receipts.
- (13) Deleted claims have been replaced by a new claim. Deleted claims are still in ika; however, the status has been changed to deleted so the new claim can be worked.
- (14) Actual Weekly Production is the total number of Denied and Allowed claims.
- (15) Total Weekly Production includes Deleted, Denied and Allowed claims.
- (16) Average Daily Production is calculated as the total production in the past four weeks divided by 20 days.
- (17) Days Work on Hand (DWOH) is calculated as the Working/Current Inventory divided by the Average Daily Production.

Sources: Claims Financial Transaction Summary Report, GCHP Inventory Tracking to Date, Claims Aging Report, Queue Aging Report, Xerox Roster Report



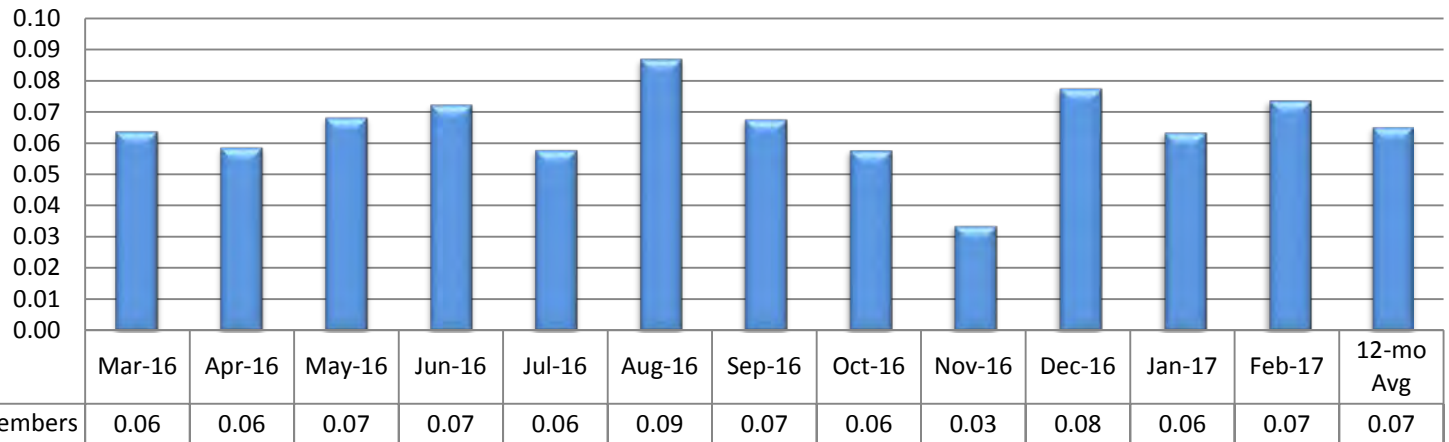
# Total Grievances



# GCHP Grievance & Appeals Metrics – Feb. 2017

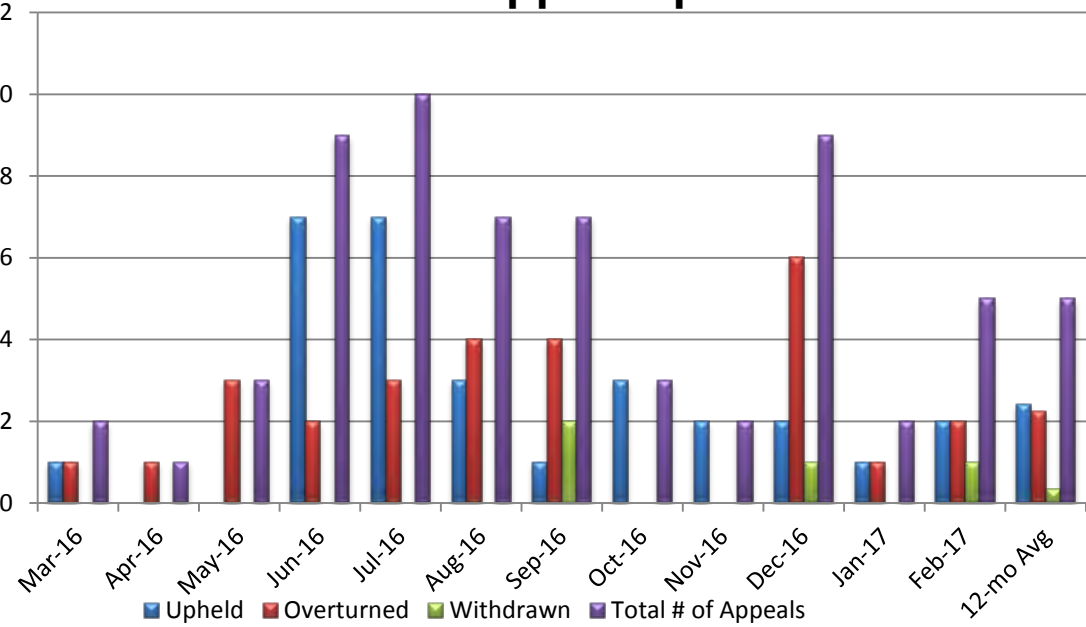
- GCHP received 15 member grievances (0.07 grievances per 1,000 members) and 157 provider grievances during February 2017
- GCHP’s 12-month average for total grievances is 148
  - 13 member grievances per month
  - 134 provider grievances per month

# Member Grievance per 1000 Members



Membership Count	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	12-mo Avg
	203,075	203,969	204,619	206,920	207,019	206,644	206,672	207,188	206,780	206,252	204,529	203,243	205,576
Total Member Grievances Filed	13	12	14	15	12	18	14	12	7	16	13	15	13
# of Grievance per 1000 Members	0.06	0.06	0.07	0.07	0.06	0.09	0.07	0.06	0.03	0.08	0.06	0.07	0.07

# Total Clinical Appeals per Month

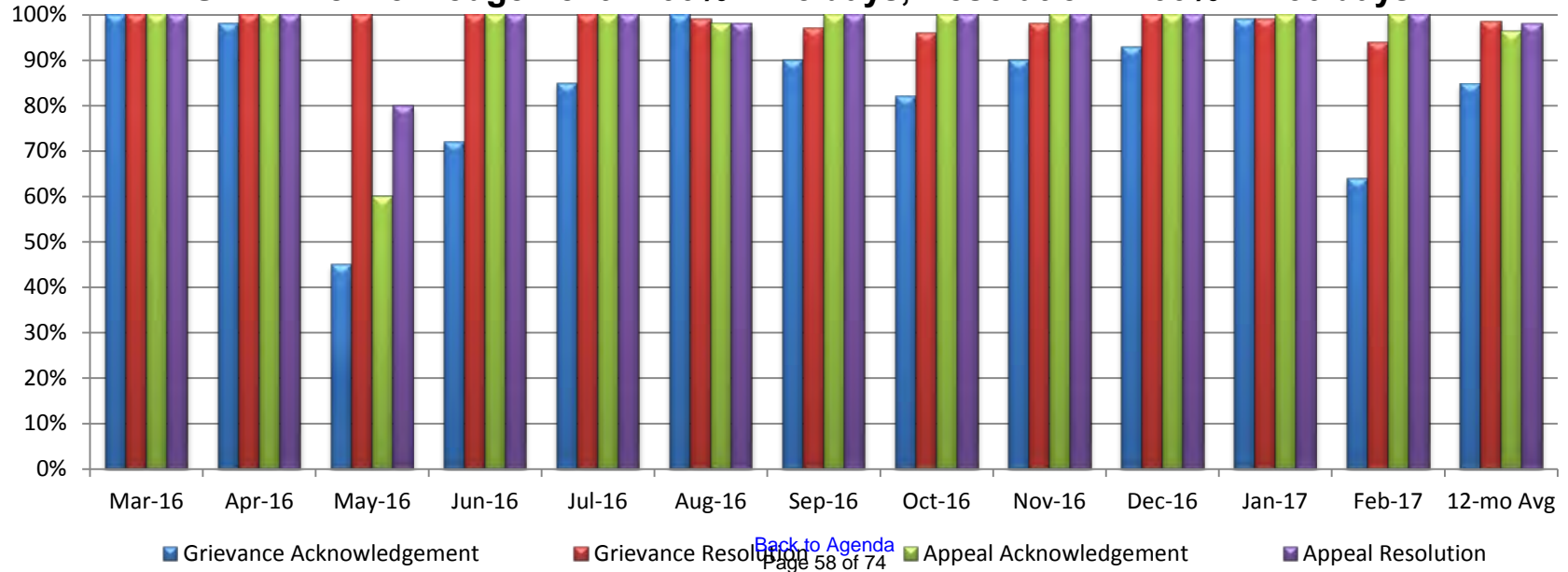


# GCHP Grievance & Appeals Metrics – February 2017

- GCHP had 5 clinical appeals in Jan; 2 upheld, 2 overturned and 1 withdrawn
- TAT for grievance acknowledgement was non-compliant at 64% due an increase in grievances
- TAT for grievance resolution was non-compliant at 99%
- TAT for appeal acknowledgement and resolution was non-compliant at 94%.
- 3 State Fair Hearings filed with the State of California in February. All three (3) were withdrawn.

# G&A Acknowledgement and Resolution TAT

**SLA = Acknowledgement - 100% w/i 5 days, Resolution - 100% w/i 30 days**





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

# Network Operations Dashboard

April 24, 2017

**Integrity**

**Accountability**

**Collaboration**

**Trust**

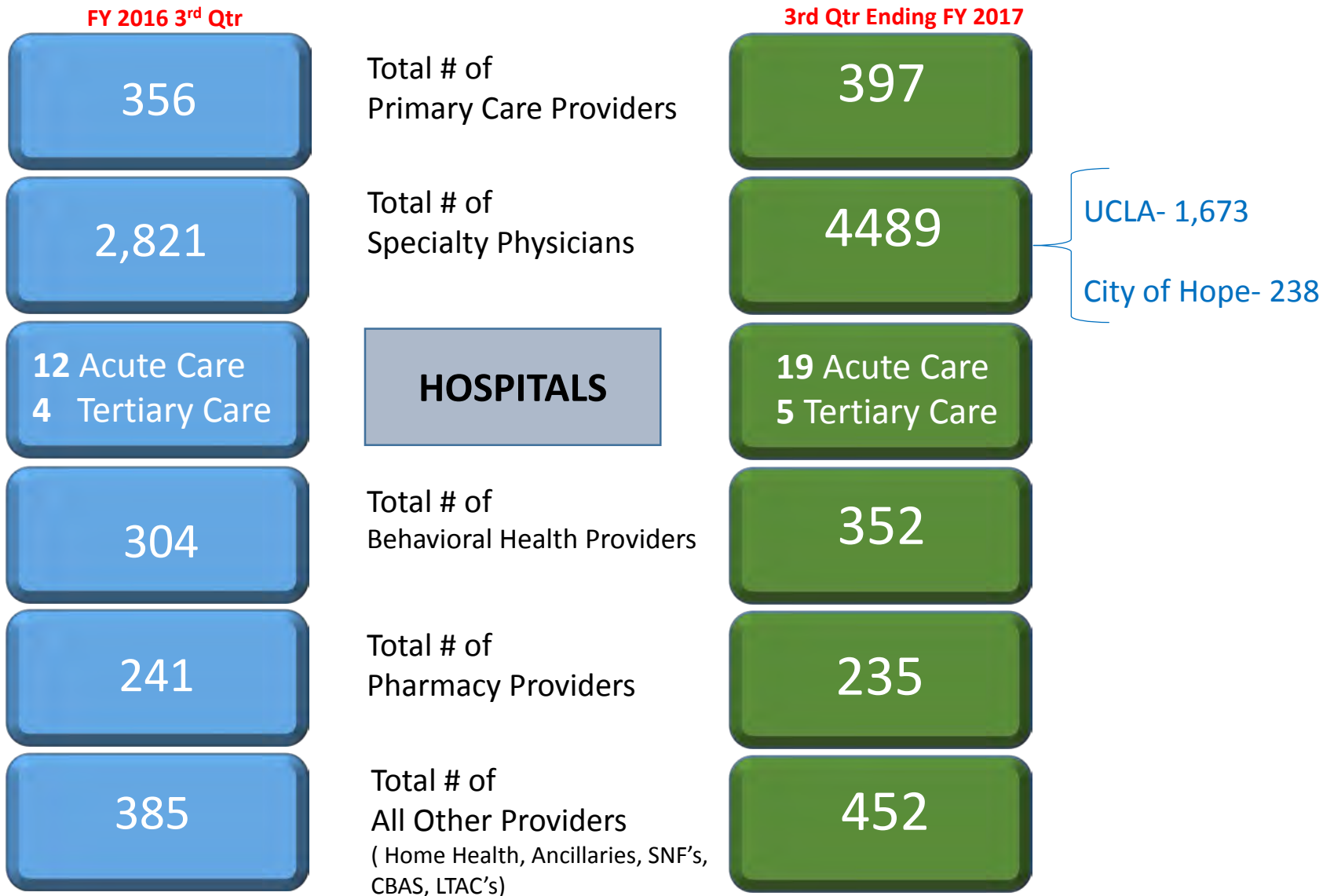
**Respect**

# 2017 MONTH to MONTH PROVIDER NETWORK GROWTH FY 2017 FEBRUARY vs FY 2017 MARCH

FY 2017 February		FY 2017 March
397	Total # of Primary Care Providers	483
4489	Total # of Specialty Physicians	5117
19 Acute Care 4 Tertiary	Total # of Hospitals	19 Acute Care 4 Tertiary
352	Total # of Behavioral Health Providers	358
235	Total # of Pharmacy Providers	235
452	Total # of All Other Providers ( Home Health, Ancillaries, SNF's, CBAS, LTAC's)	458

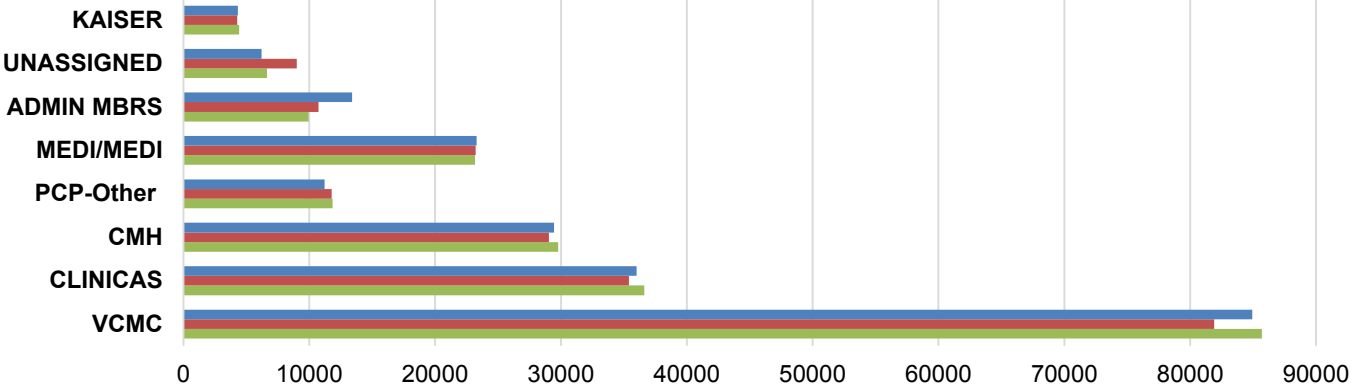
2016 3<sup>rd</sup> Qtr to 2017 3<sup>rd</sup> Qtr

PROVIDER NETWORK GROWTH FYE 2016 3<sup>rd</sup> Qtr- FY 2017 Jan. ENDING



# Member PCP Assignments

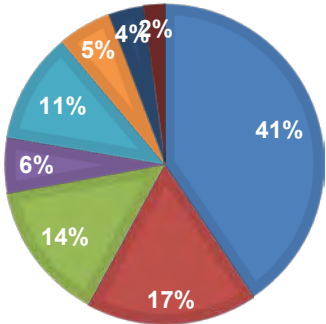
PCP Assignments



	VCMC	CLINICAS	CMH	PCP-Other	MEDI/MEDI	ADMIN MBRS	UNASSIGNED	KAISER
Jan-17	84943	36021	29438	11229	23291	13409	6216	4337
Feb-17	81918	35401	29032	11786	23228	10730	9006	4288
Mar-17	85685	36632	29772	11846	23168	9938	6,638	4,422

MEMBERSHIP ALLOCATION BY %

- VCMC
- CLINICAS
- CMH
- PCP-Other
- MEDI/MEDI
- ADMIN MBRS
- UNASSIGNED
- KAISER



- Unassigned members are Newly Eligible/Enrolled
- Administrative Member(s)
  - Share of Cost (SOC): a Member who has Medi-Cal with a Share of Cost requirement.
  - Long-Term Care (LTC): A Member who is residing in a skilled or intermediate-care nursing facility and has been assigned an LTC Aid Code.
  - Out of Area: A Member who resides outside GCHP’s service area but whose Medi-Cal case remains in Ventura County.
  - Other Health Coverage: A Member who has other health insurance that is primary to their Medi-Cal coverage; this includes Members with both Medi-Cal and commercial insurance. Medi-Cal is the payer of last resort; therefore GCHP Members with other coverage must access care through their primary insurance.

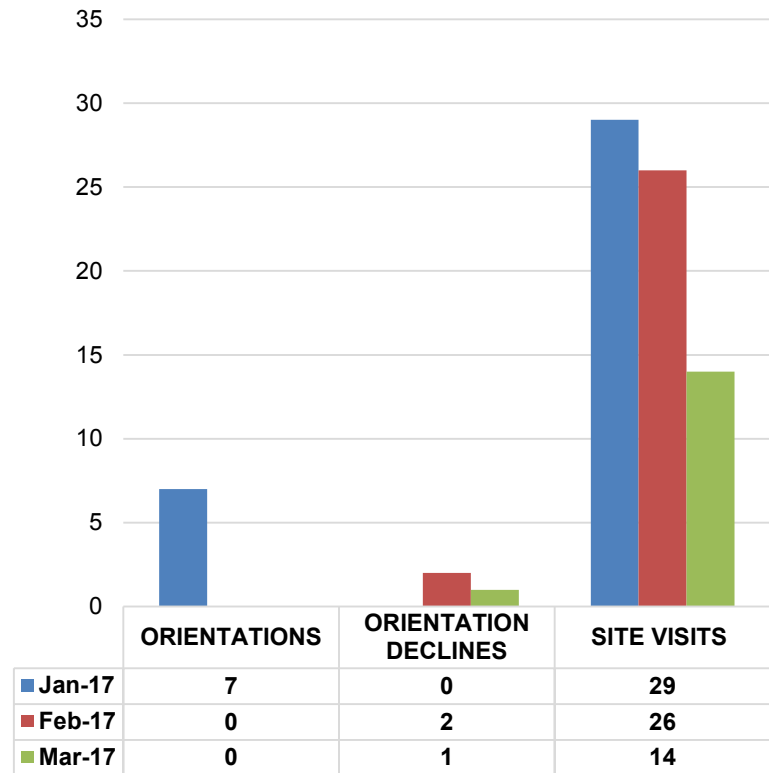
## Provider Site Visits and Orientations

Provider Relations Representatives perform Orientations with newly GCHP contracted Providers and routinely visit provider offices. These visits create opportunities for providers to ask questions and for the representatives to deliver current information and materials. Visits may be pre-scheduled at the providers request to discuss specific issues or concerns and may include representation from other GCHP business areas.

Delegated groups are responsible to provide Orientation with new providers within ten (10) days of the providers effective date of hire.

A total of 3 physician's declined Orientation in Q1 due to joining an established contracted group with GCHP. Established groups participated in previous Orientations therefore are familiar with GCHP policies and procedures.

**Orientations & Routine Site Visits**



**Note:** Feb and March Orientations and site visits declined due to AB 274 initiative

**AGENDA ITEM NO. 10**

TO: Gold Coast Health Plan Commission  
 FROM: C. Albert Reeves, Chief Medical Officer  
 DATE: April 24, 2017  
 SUBJECT: Chief Medical Officer Update

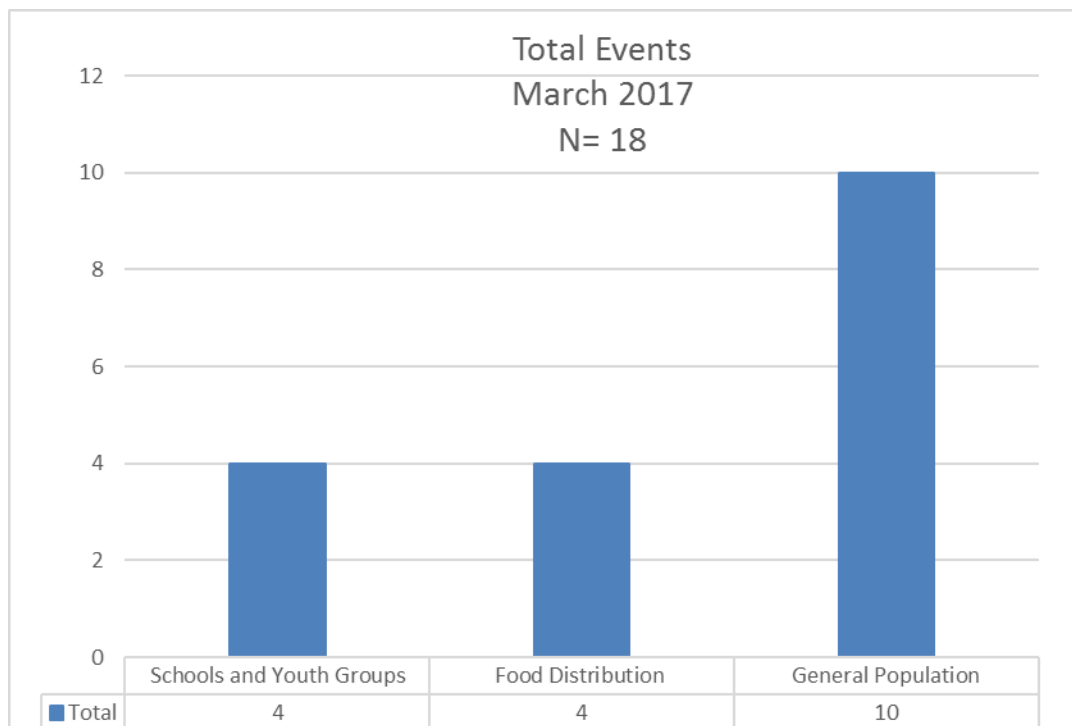
**COMMUNITY OUTREACH SUMMARY REPORT – MARCH 2017**

**Summary**

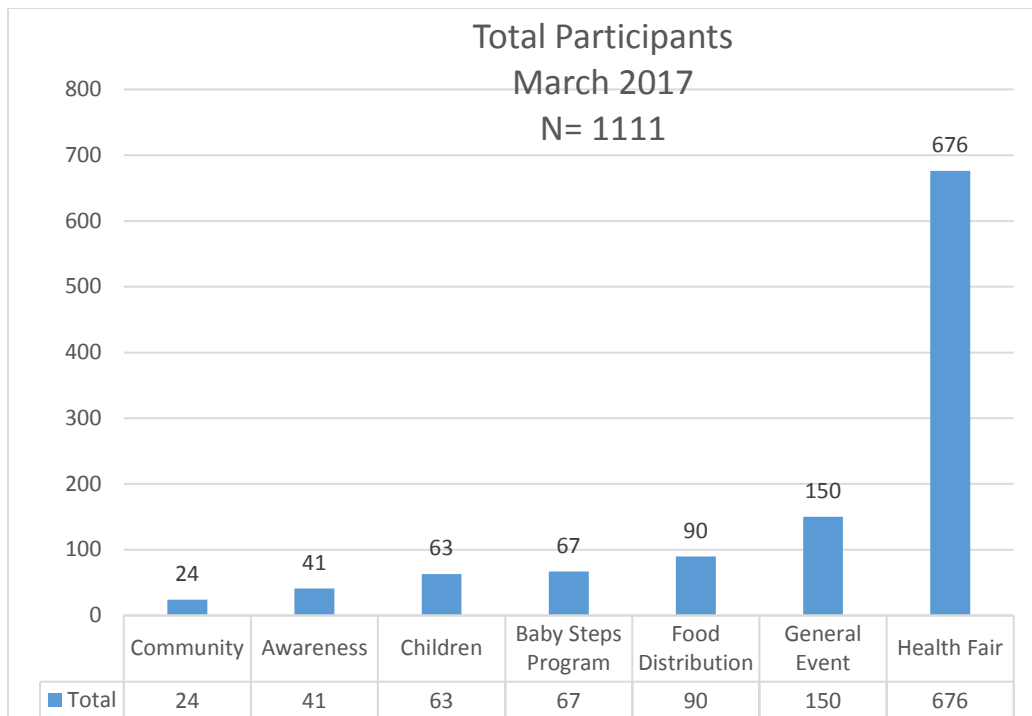
Gold Coast Health Plan (GCHP) continues to participate in community education and outreach activities throughout the county. The health education and outreach team maintains a positive presence in the community by working with various county public health departments, community based organizations, schools, senior centers, faith-based centers and social service agencies.

**Outreach Activities**

Below are the charts that highlight the total number of events and participants for the month of March.







## Outreach Events

Below is a summary of activities during the month of March.

Date	Event
3/1/2017	"Inside the Dark Side" Teens Kick Ash Community Presentation hosted by Oxnard High School, Oxnard
3/3/2017	Sharing the Harvest hosted by Santa Clara Valley Neighborhood for Learning, Santa Paula
3/3/2017	Senior Health & Safety Focus Forum: We've Got Your Back, Seniors!, Camarillo
3/4/2017	AIDS Walk Ventura Health Fair hosted by the Diversity Collective Ventura County, Ventura
3/9/2017	Healthy Living Presentation- Simi Valley High School, Simi Valley
3/10/2017	23 <sup>rd</sup> Annual Carpe Diem Conference Resource Fair hosted by Ventura County special Education Local Plan Area (SELPA), Camarillo
3/11/2017	Ventura County transition Fair sponsored by the Ventura County Interagency Transition Coordinating Council (ITCC), Camarillo
3/14/2017	Baby Steps Program hosted by Ventura County Medical Center, Ventura
3/15/2017	Westpark Community Center Monthly Food Distribution Program & Health Services, Ventura
3/16/2017	Healthy Living Presentation by GCHP, Consulate of Mexico in Oxnard
3/21/2017	Baby Steps Program hosted by Santa Paula Hospital, Santa Paula
3/21/2017	Ansgar Larsen Elementary Open House and CAPSLO Health Fair, Oxnard
3/23/2017	Colorectal Cancer Awareness Workshop - Our Lady of Guadalupe Parish, Oxnard


3/23/2017	Community Market Produce Giveaway hosted by Moorpark Neighborhood for Family Learning, Moorpark
3/23/2017	Community Market Produce Giveaway hosted by Simi Valley Neighborhood for Family Learning, Simi Valley
3/23/2017	Hueneme Elementary School Community Resource Fair, Port Hueneme
3/24/2017	Hueneme High School Health Fair, Oxnard
3/25/2017	Stronger Families Safer Kids 5K Walk/Run hosted by the Partnership for Safe Families & Communities of Ventura County, Calleguas Creek Bike Trail, Camarillo

*\*Note: For information about community outreach events and/or health education classes, please refer to the GCHP website community calendar. Events listed are in English and Spanish.*

## Colorectal Cancer Awareness

March was Colorectal Cancer Month. Among cancers that affect both men and women, [colorectal cancer](#) (cancer of the colon or rectum) is the second leading cause of cancer deaths in the United States. Every year, about 140,000 Americans are diagnosed with colorectal cancer, and more than 50,000 people die from it. Screening tests help prevent colorectal cancer by finding precancerous polyps (abnormal growths) so they can be removed. With early detection of colon cancer, treatment can be most effective. ([www.cdc.gov/cancer/colorectal](http://www.cdc.gov/cancer/colorectal))

As part of our 2017 Healthy Living Workshops awareness campaign, GCHP Health Education Department hosted a workshop on colorectal cancer at Our Lady of Guadalupe Parish in Oxnard on Thursday, March 23, 2017. Below is the flyer in English and Spanish.



**2017 Healthy Living Workshops!**  
**Talleres de 2017 ¡Viviendo Saludable!**

**Location | Lugar:**  
Our Lady of Guadalupe Parish  
Iglesia de Nuestra Señora de Guadalupe

**Address | Dirección:**  
500 North Juana María Avenue  
Oxnard, CA 93030

**Free Workshops • Open to the Public**  
**Talleres Gratis • Abiertos al Público**

For more information call  
Para más información llame al  
**805-437-5606**  
**TTY 1-888-310-7347**  
[www.goldcoasthealthplan.org](http://www.goldcoasthealthplan.org)

**January 26**  
**Thursday**  
Healthy Living/  
Cervical Cancer  
Awareness Month  
10:00 am – 12:00 pm

**February 23**  
**Thursday**  
Healthy Living/  
Heart Awareness Month  
10:00 am – 12:00 pm

**March 23**  
**Thursday**  
Healthy Living/  
Colorectal Cancer  
Awareness Month  
10:00 am – 12:00 pm

**26 de enero**  
**Jueves**  
Viviendo saludable/  
Mes de concienciación sobre  
el Cáncer de Cuello uterino  
10:00 am – 12:00 pm

**23 de febrero**  
**Jueves**  
Viviendo saludable/  
Mes de concienciación sobre  
las enfermedades del corazón  
10:00 am – 12:00 pm

**23 de marzo**  
**Jueves**  
Viviendo saludable/  
Mes de concienciación sobre  
el Cáncer colorrectal  
10:00 am – 12:00 pm

If you need interpreting services or special assistance to participate, please contact us at least 5 days in advance.  
Si necesita servicios de interpretación o asistencia para participar, por favor contactarnos con nosotros al menos 5 días antes.

**Gold Coast Health Plan**  
A Public Entity

## **Cultural and Linguistic Services**

GCHP Health Education Department coordinates interpreting and translation services for members. GCHP offers interpreting services at no cost and in over 200 languages, including sign language. GCHP monitors requests for interpreting services monthly. Below are the totals for the month of March:

- A) Telephonic Interpreting Services
  - A total of 298 requests for telephonic interpreting services
- B) Sign Language Interpreter Services
  - A total of 31 requests for sign language interpreting services
- C) In-Person Interpreter Services
  - A total of 8 requests for in-person interpreting services

## **Sponsorships Requests**

A total of \$5000 has been allocated to three organizations under the sponsorship program during the month of March. The fiscal year-to-date (YTD) total is \$42,550. Below is a summary of the programs and funding approved.

Agency/Organization	Approved Award Amount	Event/Org Summary
<b>Mixteco/Indigena Community Organizing Project (MICOP)</b>	\$2500	MICOP's Radio Indigena is Ventura County's only indigenous community radio station reaching spans over 20,000 estimated indigenous Latinos living in VC. On March 1, 2017, Radio Indigena launched from Internet broadcast into FM airwaves featuring 16 different programs hosted by volunteer radio DJ's, 10 of which also feature indigenous languages such as Mixteco and Zapoteco.
<b>NAMIWalks Ventura County</b>	\$1000	NAMI, the National Alliance on Mental Illness, is the nation's leading advocate for the millions of Americans suffering from mental illness. The proceeds of this Walk are to help NAMI fund education, support and advocacy programs for individuals with a mental illness and their families in Ventura County.
<b>League of United Latin American Citizens (LULAC) District 17</b>	\$1500	3 <sup>rd</sup> Annual Health & Awareness Fair: "Don't Mess with the Seniors." To advance the educational, economic and health empowerment of the Latino aging population throughout the county.



**AGENDA ITEM NO. 11**

TO: Ventura County Medi-Cal Managed Care Commission  
FROM: Douglas Freeman, Chief Diversity Officer  
DATE: April 24, 2017  
SUBJECT: Chief Diversity Officer Update

VERBAL PRESENTATION

**OCT. 2015- APRIL 2017**  
**DIVERSITY-AND-INCLUSION REVIEW:**  
**ASSESSMENT, TRAINING, HOTLINE,**  
**AND THE CDO-HIRING PROCESS**

**THE GOLD COAST HEALTH PLAN**  
**DIVERSITY SUBCOMMITTEE**

## **2015-2017 DIVERSITY-AND-INCLUSION REVIEW**

### **I. INTRODUCTION & FACTUAL SUMMARY**

On October 6, 2015, the Ventura County Board of Supervisors adopted Ordinance 4481, which required that the Gold Coast Health Plan (Plan) establish a Cultural Diversity Program (“Program”). Section 1382 of Ordinance 4481 also called for the creation of a Chief Diversity Officer (“CDO”) to oversee the program. In furtherance of this directive, the Plan established this Diversity Subcommittee to facilitate the development and implementation of the Program, as well as the creation and recruitment for the CDO position. Initially, Commissioners Antonio Alatorre and David Glycer were appointed to the Subcommittee, and Commissioner Shawn Atin was added once his term on the Commission became effective. In March of 2016, when Commissioner Glycer’s term ended, Commissioner Darren Lee was appointed.

Almost immediately, the Committee started a regular meeting schedule with the purpose of establishing diversity training, needs assessment, and a CDO job description. As of November 2, 2015, the Subcommittee selected ClarusHR as a third-party vendor to perform immediate diversity training and needs assessment. Those training and assessment efforts continued throughout late 2015 and early 2016. As for the CDO job description, there was healthy debate about the proposed scope of duties, and, as of November 16, 2015, the Commission instructed the Subcommittee to work with Commissioner Lee to draft a final, approved job description. As of December 21, 2015, the Subcommittee prepared that job description, making way for the formal CDO recruitment efforts.

As of January 25, 2016, the Subcommittee established a five-person CDO Interview Panel, for the purpose of reviewing resumes, interviewing preliminary candidates, and presenting “two or three” finalists to the Commission as a whole for final selection. Pursuant to Subcommittee direction, the Panel consisted of (1) three Commissioners appointed by the Commission; (2) a representative from the League of United Latin American Citizens (“LULAC”); and (3) a third party panelist with CDO experience. By February 8, 2016, the full Panel had been selected and resume review was underway. For purposes of maintaining inclusiveness and mitigating against any claim of pre-selection, any and all resumes were reviewed and scored by the Panel. The process was exhaustive, but the Panel selected three finalists for interview by the Commission and those candidates were interviewed on June 27, 2016. Unfortunately, the candidate selected by the Commission ultimately rejected the offer of employment. The other candidates were not considered for secondary selection.

The Subcommittee renewed its efforts in September of 2016 and formed a new CDO Interview Panel in order to expedite a second round of interviews. The CDO Interview Panel scored and discussed eighteen (18) resumes and, based on scores, agreed to invite seven (7) candidates for preliminary interview by the Panel. Following interviews and additional scoring by the Panel the highest-scoring candidate, Douglas Freeman, was forwarded to the Commission as a whole for interview on February 27, 2017. Mr. Freeman started his tenure as the Plan’s first Chief Diversity Officer on April 10, 2017.



February 8, 2016	<u>CDO Interview Panel Established.</u> Per Subcommittee instruction, the Panel included: (1) three Commissioners appointed by the Commission; (2) a representative from the LULAC; and (3) a third party panelist with CDO experience. LULAC requests that all resumes be reviewed to limit any allegation of pre-selection.
June 27, 2016	<u>CDO Applicant Finalists Interviewed by Commission.</u> After an exhaustive multi-round interview process, the CDO Interview Panel narrows its recommendations to three finalists, who are interviewed by the Commission. Unfortunately, the sole party selected rejects the offer of employment.
September 19, 2016	<u>Renewed CDO Recruitment Effort.</u> After considering vendor options for the interim role, the Subcommittee instructs staff to develop timelines for a second CDO recruitment effort.
February 27, 2017	<u>CDO Applicant Finalist Interviewed by Commission.</u> After extensive vetting by the CDO Interview Panel, the highest scoring finalist is interviewed by the Commission. An offer of employment is extended.
April 10, 2017	<u>CDO Hiring.</u> Douglas Freeman begins as the first Chief Diversity Officer for the plan. <i>See</i> Press Release. CDO will issue regular quarterly reports following the issuance of this <i>Review</i> .

### **III. SUMMARY OF CHIEF DIVERSITY OFFICER REPORTS**

[Note: Because of *Brown Act* requirements, personnel matters must be handled confidentially and may not be dealt with in detail without significant notice requirements related to potential discipline. Further, best practices are to limit distribution of unproven allegations in order to (1) limit concerns of retaliatory behavior; (2) protect confidentiality of disciplinary files and investigations; (3) limit the coordination of testimony; and (4) protect against allegations of defamation against the Plan. Accordingly, concerns are only generally identified.]



<u>Issue No.</u>	<u>Policy Category/ Issue</u>	<u>Submitted/ Status</u>
<b><u>Sensitivity Concerns:</u></b>		
.00202	Photographic portrayal of Hispanics	10-19-15/Resolved
.00208	Concern manager not sensitive to racial communication styles	9-2016/Unsubstantiated
.00211	Concern re NAACP Comments	9-27-16/Unsubstantiated
<b><u>Hotline Matters (not Harassment related):</u></b>		
.00203	Conduct - Professionalism (hotline): Management not greeting employees	2-11-16/Resolved
.00204	Conduct - Professionalism (hotline): Management not sufficiently responsive	3-31-16/Resolved
.00210	Conduct - Professionalism (hotline): Employees insensitive in communications	9-2016/Resolved
.00213	Conduct – Policy concern (hotline) Concern re raise policy implementation	10-14-16/Unsubstantiated
.00214	Conduct – Policy concern (hotline) Concern re absentee policy implementation	10-17-16/Resolved
<b><u>Harassment Allegations:*</u></b>		
.00201	Retaliation: Allege criticism was retaliatory	10-16-15/Unsubstantiated
.00205	Harassment: Allege Spanish spoken to exclude	8-2016/Unsubstantiated
.00206	Harassment: Allege performance criticism was because of protected category	8-2016/Unsubstantiated
.00207	Sexual Harassment: Leering allegation	8-2016/Unsubstantiated
.00209	Harassment: LULAC cited issue re monkey	9-8-2016/Unsubstantiated

