

**Ventura County Medi-Cal Managed Care Commission
(VCOMMCC) dba Gold Coast Health Plan (GCHP)
Commission Meeting Minutes
August 27, 2012**

CALL TO ORDER

Chair Gonzalez called the meeting to order at 3:06 p.m. in Suite 200 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

The Pledge of Allegiance was recited.

ROLL CALL

COMMITTEE MEMBERS PRESENT

David Araujo, MD, Ventura County Medical Center Family Medicine Residency Program
Maylee Berry, Medi-Cal Beneficiary Advocate
Anil Chawla, MD, Clinicas del Camino Real, Inc.
Lanyard Dial, MD, Ventura County Medical Association
John Fankhauser, MD, Ventura County Medical Center Executive Committee
Robert Gonzalez, MD, Ventura County Health Care Agency
Robert S. Juarez, Clinicas del Camino Real, Inc.
Catherine Rodriguez, Ventura County Medical Health System

EXCUSED / ABSENT COMMITTEE MEMBERS

Laurie Eberst, Private Hospitals / Healthcare System
David Glycer, Private Hospitals / Healthcare System
Kathy Long, Ventura County Board of Supervisors

STAFF IN ATTENDANCE

Cassie Undlin, Interim CEO
Nancy Kiersten Schreiner, Legal Counsel
Sonia DeMarta, Interim Chief Financial Officer
Charlie Cho, MD, Chief Medical Officer
Guillermo Gonzalez, Government Relations Director
Steven Lalich, Communications Manager
Traci R. McGinley, Clerk of the Board
Paula Cabral, Administrative Assistant

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

PUBLIC COMMENT / CORRESPONDENCE

David Cruz, President of Health Education League Association (HELA) and Operating Officer of Channel 25, requested a town hall meeting to bring together the community, Commission and incoming CEO. He noted that recently Erika Reyes, Guillermo Gonzalez and Dr. Robert Gonzalez from the Plan were on his radio program to answer questions.

Marco Benitez stated that there will be many changes with the new CEO and requested more communication with the community, especially with the Mixteco community. He noted that it had been requested a number of times that the meeting time change from 3:00 to 6:00 p.m. to allow people the time to get to the meetings.

Carmen Jasso requested assistance with the treatment of her feet. She stated that she continues to work, but does not feel she is being treated properly. She has also had payment and collection issues.

Ramon Ortiz explained that he has lived, worked and raised a family in the community for the last 35 years. He belongs to the migrant program and represents over 300 families; as well as some of the people from the dialysis clinic. He requested the hour of the meeting be changed because they work and are unable to attend during the day. He stated that Clinicas provides service and understands that they desperately need the service.

Maria Cruz, Ph.D., Education Researcher at UCSB, stated that she was representing many women, some of which were unable to attend the meeting because it was the first day of school for many children. She explained that she goes into the community and sees the needs of the people. She stated that she is looking forward to working with the organization.

Martha Diaz expressed concern for her elderly neighbor as it is difficult for her to get around due to the great deal of pain she endures and the lack of medical care.

Ursala Petronila stated that she has been going to El Camino Real in Las Islas since June. She is in great pain, has received MRI's and X-rays, and needs a hip replacement. She has Medi-Cal and is receiving huge bills, the doctor's office said they will fix it, but she continues to receive bills. She indicated that an explanation of billing is needed so patients do not have the added stress of worrying about paying bills.

Antonio Bernal spoke regarding his work situation, unemployment and the fact that he is unable to receive disability benefits. Medi-Cal was taken away and he is only receiving Medicaid and getting a small amount from Social Security. He noted that he has medical issues and wanted to know about receiving assistance for medical bills that are not being covered.

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

1. **APPROVE MINUTES**

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

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

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

2. **CEO REPORT**

Interim CEO Undlin updated the Commission regarding the RGS transition. An Interim Human Resources Manager has been brought in and payroll will move effective September 1, 2012. Contracts have been prepared for employee's signature. She stated that she will bring an agreement for health benefits with CalPERS to the Commission for formal ratification before the end of September.

Interim CEO Undlin noted that she is working with ACS to enhance the management of the contract and assess and monitor issues. The Plan is still being monitored by DHCS. As part of our contract, in October we will be doing a customer satisfaction survey. In the process of performing a patient access survey, after hour calls and surveying wait times will be performed, which is all part of the contract with the State.

Interim CEO Undlin reported that the Plan has hired a Provider Contract Manager. A Social Worker and four case managers have been added under ACS, but two medical managers have been lost. Interviewing is coming to a close on the Chief Operating Officer. Director of Health Services recruitment has been going on for some time so we are considering a recruiting organization for assistance. A QI Master Training position to perform facility audits has been posted. Human Resources Manager recruitment is in progress. Candidates have been interviewed for the IT Director and a search for Medical Management Managers has been ongoing.

An additional 1,600 square feet of office space was obtained for Health Services and the move is scheduled for the first week of September. Parking for the Plan continues to be an issue; as well as obtaining meeting areas and conference rooms.

Interim CEO Undlin reported that the website activity is very similar to last month, about 6,000 visits. English is the predominant language being accessed with most viewed being the Provider portals and Provider Welcome page.

Interim CEO Undlin and Government Relations Director Gonzalez attended the California CEO meeting on August 16th and met with the other COHS organizations in the State.

The Medicare fee will be paid no lower than the Medicare fee schedule. It was asked if the Medicare fee schedule is for the Providers reimbursement for primary care and if capitation will be going away. Interim CEO Undlin responded that it will not go away, but will be recalculated because Medicare pays higher than Medi-Cal. The capitation rate will need to be reevaluated by January 1, 2013.

Interim CEO Undlin commented on the Healthy Families Kaiser issue, Kaiser will allow a zero percentage administration load to the Plan and there will be work involved in doing that. Discussions with Kaiser have taken place.

Phase 3 of the Healthy Families Program Transition to Medi-Cal is August 1, 2013. The Chief Medical Officer confirmed the need for staffing and the inability to fill some of the Plans positions.

Interim CEO Undlin reported that a claims editing software is being implemented and an enhanced interface with the documentation system has been performed with ACS. Provider mailings have been sent. The pre-authorization list has been updated. The Plan is auto adjudicating far less of the EDI claims than the paper claims. This has been an issue because of additional attachments sent with the paper claims and this will be looked into.

Commissioner Juarez raised concern regarding the Healthy Families transition and the Kaiser "lives" that are in the county which are being proposed to the State with them to be automatically assigned to Kaiser. Interim CEO Undlin stated that it was not completely done. She indicated that she did hear from the State that they like the Kaiser model and do not want to break the "continuity of care." Commissioner Juarez stated that it is his understanding that it is a recommendation, not something we as a COHS must follow; it is not a written mandate. Interim CEO Undlin responded, so noted.

3. ADOPTION OF BUDGET

Interim CFO DeMarta stated that several budget meetings have taken place with the Executive Finance Committee.

Membership has been budgeted for minimal growth (.3% or 268 members). Expect to receive an additional 1,000 from CBAS. Ending enrollment for FY 2013 is 97,808.

Premium increase rates are not finalized but 3.9% PMPM (per member per month) will increase from \$248 to \$258 PMPM excluding CBAS. An additional \$3.7 million per year in loss of revenue is projected for the year. The premium rates do not reflect any reductions with AB97. Operating under the assumption of 2.2% of gross revenue.

Healthcare cost projections are based upon historical data received from Milliman.

Capitation rates are planned to remain the same. Any changes in Medicare rates will take effect in 2013.

There are 23 new positions in the budget. Case Management is expected to stay with ACS until July 2013. There are 55 full time employees through the end of 2013.

Anticipating a move but it has not been budgeted at this time; there will be additional reviews. Admin expenses budgeted for an increase in software purchases for the new Milliman software to be used by the nurses when they transition to Gold Coast.

Anticipating a net profit of about 2% at the end of the year. Our TNE requirements are 68%. Premiums have not been officially finalized by DCHS and it could change. Issues with AB97 are still being adjudicated but could be resolved in a few months or it could go on longer. Utilization rates and history is based on averages because of the limited experience we have. Whatever new legislation comes up between now and next year, including MCO taxes, could also impact our rates and may require revision of the budget.

Chair Gonzalez noted that the membership is lower due to the fact the State is not sending retroactive members into the Plan. Projections are based upon 96,000 plus lives as opposed to the 101,000 lives from last year.

Commissioner Rodriguez moved to accept the budget with an extension to revisit the budget when the new CEO comes on board in September. Commissioner Juarez seconded. The motion carried. **Approved 8-0.**

4. ADOPTION OF PERSONNEL, RULES, REGULATIONS AND POLICIES

Agenda Item #4, #6 and #7 were taken together.

5. ADOPTION OF SALARY SCHEDULE

Interim CEO Undlin reported that she met with the Human Resources Compensation Committee and established minimum and maximum salary ranges for the job positions in the organization. There are seven levels per position. Based upon this review and a review of current salaries it will require approximately \$45,000 for adjustments to bring some employees up to the minimum.

Commissioner Juarez added that the Committee discussed that since the amounts were fairly minimal and some people were brought in at a lower range this is why the salary adjustments were needed. Most are in the \$1,200-\$1,500 range. He stated that the Committee recommended that the Commission approve the budget and the salary increases for the entry level employees.

Commissioner Juarez moved to approve the adoption of the Salary Schedule and salary increases for those staff members. Commissioner Araujo seconded. The motion carried. **Approved 8-0.**

6. ADOPTION OF HAZARD COMMUNICATION PROGRAM

Agenda Item #4, #6 and #7 were taken together.

7. ADOPTION OF INJURY AND ILLNESS PREVENTION PROGRAM

Interim CEO Undlin noted that RGS allowed Gold Coast Health Plan to use their Personnel, Rules, Regulations and Policies; Hazard Communication Program and their Injury and Illness Prevention Program. Interim CEO Undlin was requesting approval with the idea that the new CEO will work on recreating these policies on a timeframe with his vision of the organization.

Commissioner Juarez stressed that there were personnel policies that had been discussed at the Human Resources Compensation Committee, such as the benefit package being at 42% and he was not pleased were still in the policies. Interim CEO Undlin responded that the comments were duly noted and the intent is to roll over the current staff on day one.

Legal Counsel Schreiner stated the policies and benefit plans will go into effect on September 2, 2012, but can be amended and / or revised in the future and provided to all employees after the new CEO has had an opportunity to review them. Interim CEO Undlin explained that a hiring freeze has been issued until this has been reviewed. Legal Counsel Schreiner noted that the benefits listed are what is being offered to employees receiving employment agreement letters and that they are in effect until the Commission adopts or rescinds them. She added that the CEO does not have authority to change the personnel rules.

Commissioner Dial moved Agenda Item #4 *Adoption of Personnel, Rules, Regulations and Policies*; Agenda Item #6 *Adoption of Hazard Communication Program* and Agenda Item #7 *Adoption of Injury and Illness Prevention Program* and no new employees be hired effective after September 2, 2012 until the benefit package has been reviewed by the new incoming CEO and brought back to the Commission. Commissioner Juarez seconded. The motion carried. **Approved 8-0.**

8. ADOPTION OF CODE OF CONDUCT

Interim CEO Undlin noted that she put together the Code of Conduct along with staff, but that it went through the Compliance Committee. Commissioner Rodriguez and Legal Counsel Schreiner attended the meeting. It details what is expected in the way employees are to conduct business. Commissioner Juarez questioned the Commission being held under different standards. Commissioner Rodriguez explained that it has been reviewed and the Commission is held under higher standards (i.e. gifts, etc.).

Commissioner Rodriguez moved to approve the adoption of the Code of Conduct. Commissioner Berry seconded. The motion carried. **Approved 8-0.**

9. APPOINTMENT OF PROVIDER ADVISORY COMMITTEE

A recommendation was brought forward by a Provider Advisory Committee Member to fill the position left open by Terrie Stanley with Joan Araujo.

Commissioner Berry moved to appoint Joan Araujo to the Provider Advisory Committee; Commissioner Fankhauser seconded. The motion carried. **Approved 7-0**, Commissioner Araujo recused himself.

ADJOURN TO CLOSED SESSION GC§ 54956.9

- **Conference with Legal Counsel-Anticipated Litigation pursuant to Government Code Section 54956.9 (3 case)**

The Commission adjourned to Closed Session at 4:55 pm.

RETURN TO OPEN SESSION

The Regular Meeting reconvened at 6:10 p.m. There were no announcements made from Closed Session.

COMMENTS FROM COMMISSIONERS

Commissioner Berry noted that the Outreach Advisory Committee is doing an outstanding job.

ADJOURNMENT

Meeting adjourned at 6:15 pm.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board