

**Ventura County Medi-Cal Managed Care Commission
(VCMMCC) dba Gold Coast Health Plan (GCHP)
Executive / Finance Committee Meeting Minutes
July 10, 2014**

CALL TO ORDER

Chair Araujo called the meeting to order at 3:05 p.m. in the Executive Conference Room at Gold Coast Health Plan, 711 E. Daily Drive, Suite 106, Camarillo, CA 93010.

COMMITTEE MEMBERS PRESENT

David Araujo, MD, Ventura County Medical Center Family Medicine Residency Program
David Glycer, Private Hospitals / Healthcare System
Dee Pupa, Ventura County Medical Health System

ABSENT / EXCUSED

Antonio Alatorre, Clinicas del Camino Real, Inc.
Gagan Pawar, MD, Clinicas del Camino Real, Inc.

STAFF IN ATTENDANCE

Michael Engelhard, CEO
Michelle Raleigh, CFO
Robert Hernandez, Legal Counsel
Traci R. McGinley, Clerk of the Board
Guillermo Gonzalez, Government Affairs Director
Steve Lalich, Communications Director
Allen Maithel, Controller
Al Reeves, MD, CMO
Lyndon Turner, Financial Analysis Director
Ruth Watson, COO

PUBLIC COMMENTS

None.

1. APPROVE MINUTES

a. May 7, 2014 Special Meeting Minutes

Committee Member Glycer moved to approve the May 7, 2014 Special Meeting Minutes. Committee Member Pupa seconded. The motion carried with the following vote:

AYE: Araujo, Glycer and Pupa.
NAY: None.
ABSTAIN: None.
ABSENT: Alatorre and Pawar.

2. ACCEPT AND FILE ITEMS

a. CEO Update

CEO Engelhard reviewed the written report with the Committee.

Discussion was held regarding ACA 1202: how some provider's may have been overpaid based on how their original billings were submitted. GCHP will discuss with the Commission whether the Plan needs to go back to those providers to collect overpayments based on an updated State methodology.

b. May Financials

CFO Raleigh reviewed the May financials and noted that new Members are driving the costs and revenue.

Discussion was held regarding the TNE levels and comparisons to risk based capital (RBC).

c. Financial Auditor 2014 Client Service and Audit Plan (presented by McGladrey)

Steve Draxler and Carrie Esler of McGladrey reviewed the report submitted to the Committee.

Discussion was held regarding the LULAC allegations, Carrie Esler advised the Committee that McGladrey is ensuring that controls are in place and will report back to the Committee. Steve Draxler added that McGladrey would like to see the report from Moss-Adams, LLP that is conducting the financial investigation, or meet with them regarding this matter.

Committee Member Pupa moved to accept the file the CEO Update, May Financials and McGladrey's 2014 Client Service and Audit Plan. Committee Member Glyer seconded. The motion carried with the following vote:

AYE: Araujo, Glyer, and Pupa.
NAY: None.
ABSTAIN: None.
ABSENT: Alatorre and Pawar.

3. INFORMATIONAL ITEMS

a. Quarterly Update to Auditor's Recommendations

CFO Raleigh reviewed the update with the Committee.

Committee Member Glyer asked in which department McGladrey believes the payroll function should reside. Steve Draxler responded that he believes it should reside in the Human Resources department, as is currently the practice at GCHP.. However, while there is not a right or wrong answer to where payroll should reside (in Finance versus

Human Resources), McGladrey does review what controls management has in place and if the processes are appropriate. Discussion was held regarding GCHP's process. Steve Draxler indicated that the key is having proper segregation of duties in the payroll functions with one department inputting the information and a different department reviewing it.


COMMENTS FROM COMMITTEE MEMBERS

None.

ADJOURNMENT

Meeting adjourned at 4:28 p.m.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board