

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

April 25, 2016 Regular Meeting Minutes

CALL TO ORDER

Commissioner Anthony Alatorre called the meeting to order at 3:03 p.m. in the Lower Plaza Assembly Room at the County of Ventura Government Center – Hall of Administration, 800 South Victoria Avenue, Ventura, California.

PLEDGE OF ALLEGIANCE

Commissioner Alatorre led the Pledge of Allegiance.

ROLL CALL

Present: Commissioners Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Peter Foy, Michelle Laba, M.D., Darren Lee, Gagan Pawar, M.D., Dee Pupa, and Jennifer Swenson (arrived 3:24 p.m.)

PUBLIC COMMENT

Amy Cansler, Script Care Vice President, requested the Commission to either move forward with the top two finalists' presentations or engage in a proactive longer extension of the current contract for Agenda Item No. 8 Pharmacy Benefits Manager Contract Extension.

Frank Messina, Script Care General Counsel, proposed two options regarding Agenda Item No. 8 Pharmacy Benefits Manager Contract Extension: an additional three one month extension option or a 36 month extension option.

Earl Hurst, Magellan Rx Management Senior Vice President and General Manager, spoke on behalf of the company's capability in regards to Agenda Item No. 8, Pharmacy Benefits Manager Contract Extension.

Shareh Ghani, Magellan Rx Management Chief Medical Officer, spoke on behalf of the company's capability in regards to Agenda Item No. 8, Pharmacy Benefits Manager Contract Extension.

Susan Whitewood, COPD Access to Community Health Project Director, spoke on behalf of Dr. Higgins, Dr. Underwood, Dr. Landon, and Dr. Bajwa in support of Agenda Item No. 6 Benefit Enhancement – Pulmonary Rehabilitation.

Commissioner Swenson arrived at 3:24 p.m.

Rob Coppola, Magellan Rx Management Vice President of Medicaid Sales, spoke on behalf of the company's capability in regards to Agenda Item No. 8, Pharmacy Benefits Manager Contract Extension.

OATH OF OFFICE

The Clerk of the Board administered the oath of office to Commissioner Swenson.

CONSENT ITEMS

1. February 22, 2016 Regular Meeting and March 9, 2016 Special Meeting Minutes

RECOMMENDATION

Approve minutes for February 22, 2016 Regular Meeting and March 9, 2016 Special Meeting.

Commissioner Lee moved to approve the minutes as corrected. Commissioner Fisher seconded. The vote was as follows:

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Laba, Lee, Pupa, and Swenson.

NOES: None.

ABSTAIN: Commissioners Foy and Pawar.

ABSENT: None.

Commissioner Alatorre declared the motion carried.

2. Department of Health Care Services (DHCS) Contract Term Date Extension

RECOMMENDATION

Approve the Chief Executive Officer to respond in writing to DHCS to accept the contract term date extension to December 31, 2017.

Dale Villani, Chief Executive Officer, gave the staff report.

Commissioner Foy moved to approve the recommendation. Commissioner Fisher seconded. The vote was as follows:

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Alatorre declared the motion carried.

FORMAL ACTION ITEMS

3. Adoption of Resolution No. 2016-01 Amending the Bylaws to Establish Commissioners' Terms of Office

RECOMMENDATION

Adopt Resolution No. 2016-01 as presented.

Scott Campbell, General Counsel, gave the staff report.

Commissioner Foy moved to approve the recommendation. Commissioner Pupa seconded. The vote was as follows:

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Alatorre declared the motion carried.

4. Election of Chairperson and Vice Chairperson to serve two-year terms and appointment of Executive/Finance Committee

RECOMMENDATION

1. Elect a Commissioner to serve as Chairperson for a two-year term.
2. Elect a Commissioner to serve as Vice Chairperson for a two-year term.
3. Make appointments to the Executive/Finance Committee as follows:
 - a. Chairperson
 - b. Vice Chairperson
 - c. Private Hospital Healthcare Representative
 - d. Ventura County Medical Health System Representative
 - e. Clinicas Del Camino Real Representative

Mr. Campbell gave the staff report and noted the election of individual members to these positions does not create any additional conflict of interest that would otherwise exist.

Commissioner Lee and Commissioner Fisher were nominated for Chairperson. Commissioner Fisher declined.

The voice vote carried unanimously to elect Commissioner Lee as Chairperson.

Commissioner Pupa and Commissioner Alatorre were nominated for Vice Chairperson.

A roll call vote was as follows:

Commissioner Pupa for Vice Chairperson: Commissioners Atin, Foy, Lee, Laba, and Swenson.

Commissioner Alatorre for Vice Chairperson: Commissioners Alatorre, Fisher, and Pawar.

Abstaining: Commissioners Dial and Pupa.

The roll call vote carried 5-3-2, Commissioner Pupa was elected Vice Chairperson.

The Executive/Finance Committee appointments were made per the Commission's By-Laws: Commissioners Lee, Pupa, and Swenson.

Commissioner Alatorre was nominated and by unanimous consent, appointed to the Executive/Finance Committee.

Commissioner Fisher was nominated and by unanimous consent, appointed to the Executive/Finance Committee.

Commissioner Lee assumed the Chairperson's position for the remainder of the meeting.

5. Appointment of a New Member to the Human Resources Cultural Diversity (HRCD) Committee

RECOMMENDATION

Appoint a new committee member to the HRCD Committee.

Mr. Campbell gave the staff report.

Commissioner Lee was nominated and by unanimous consent, appointed to the HRCD Committee.

6. Benefit Enhancement – Pulmonary Rehabilitation

RECOMMENDATION

Approve pulmonary rehabilitation as presented.

Nancy Wharfield, M.D., Associate Chief Medical Officer, gave the staff report.

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

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

7. Benefit Enhancement - Podiatry

RECOMMENDATION

Approve podiatry rehabilitation as presented.

Dr. Wharfield gave the staff report.

A discussion followed between the Commissioners and staff clarifying the fiscal impact is an additional \$72,000.

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

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

8. Pharmacy Benefits Manager (PBM) Contract Extension

RECOMMENDATION

Approve the extension of the current PBM contract for six additional one month extensions.

At 3:58 p.m. Mr. Villani recused himself as he had previously owned stock in Magellan.

Anne Freese, Director of Pharmacy, gave the staff report.

A discussion followed between Commissioners and staff regarding: the contract extension giving the Commission additional time to complete the Request for Proposals, which will produce a new contract with new terms by next spring; the transition time if switching PBMs would be six months; and the status of the current RFP would be discussed in closed session.

The Commission unanimously agreed to hold the item until after closed session discussion.

At 4:05 p.m. Mr. Villani returned to the Commission meeting.

9. Provider Advisory Committee Membership

RECOMMENDATION

Appoint the individuals listed in the report to the Provider Advisory Committee membership.

Ruth Watson, Chief Operations Officer, gave the staff report. She stated that in addition to the three individuals listed in the staff report, one more individual needs to be appointed as Sue Anderson is stepping down from the committee.

Commissioner Foy moved to approve the appointment of Sim Mandelbum, Joan Buck-Plassmeyer, S. Marsha Smith, and Richard Montminy to the Provider Advisory Committee membership. Commissioner Atin seconded.

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

10. Quality Improvement 2015 Work Plan Evaluation and Yearly Quality Improvement Report

RECOMMENDATION

Approve the 2015 Quality Improvement Work Plan Evaluation and 2015 Quality Improvement Program Evaluation Summary.

C. Albert Reeves, M.D., Chief Medical Officer, stated as yearly requirements, an evaluation of the previous years' Quality Improvement Work Plan and the current 2016 Work Plan, are to be provided to the Commission.

Kim Osada, Quality Improvement Director, gave the staff report.

A discussion followed between the Commissioners and staff addressing concerns regarding the inability to evaluate programs when data from HEDIS is unavailable. Suggestions made from the Commission included changing the verbiage to "preliminary data" and asked staff to consider how to provide the report so it more accurately reflects staff's efforts. Staff stated the finalized HEDIS results will be presented at the August Commission meeting. Clarification was made that per Department of Health Care Services' requirements, the Commission needs to approve the Work Plan by a certain date and going forward, the HEDIS rates can be provided on a quarterly basis.

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

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

11. Quality Improvement Program Description and Work Plan for 2016

RECOMMENDATION

Approve the 2016 Quality Improvement Program Description and Work Plan.

Ms. Osada gave the staff report.

A discussion followed between the Commissioners and staff concerning the definition of "minority" as being both ethnicity or underserved and gave staff direction to change "minority" to "disparity".

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

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

12. Policy Number QI-023 Potential Quality Issue Investigation and Resolution

RECOMMENDATION

Approve Policy Number QI-023 Potential Quality Issue Investigation and Resolution.

Dr. Reeves gave the staff report.

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

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

13. February 2016 Fiscal Year to Date Financials

RECOMMENDATION

Accept and file the February 2016 Fiscal Year to Date Financials.

Patricia Mowlavi, Chief Financial Officer, gave the staff report.

Staff noted the February report does not reflect the loan repayment made to the County of Ventura.

Commissioner Fisher moved to approve the recommendation. Commissioner Pupa seconded.

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

14. National Health Foundation: Ventura Recuperative Care Program (ARCH)

RECOMMENDATION

Approve the National Health Foundation sponsorship application request for thirty-eight thousand seven hundred dollars (\$38,700) for the Ventura Recuperative Care Program.

Ralph Oyaga, Executive Director for Government, Regulatory and External Relations, gave the staff report.

Staff clarified the amount is a one-time startup cost.

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

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

15. Ventura County Area Agency on Aging: Senior Nutrition Program (ARCH)

RECOMMENDATION

Approve the Ventura County Area Agency on Aging sponsorship application request for twenty-thousand dollars (\$20,000) for the Senior Nutrition Program.

Mr. Oyaga gave the staff report.

Staff clarified the amount is a one-time sponsorship.

Commissioner Lee moved to approve the recommendation. Commissioner Fisher seconded.

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

REPORTS

16. Chief Executive Officer (CEO) Update

Mr. Villani announced Tracy Oehler as the new Clerk of the Board, thanked Maddie Guterrez-Roberts for acting as Interim Clerk of the Board, welcomed new Commissioner Swenson, and congratulated Commissioner Fisher on his upcoming retirement.

Update highlights included: the repayment of the line of credit to the County of Ventura, which demonstrates to the Department of Health Care Services (DHCS) Gold Coast Health Plan's increasing financial stability. However, there is still a financial CAP in effect.

DHCS is presently conducting the annual medical audit which focuses on six areas. The exit conference is expected to be conducted in June.

Ms. Watson will be addressing SB 75 - Full Scope Medi-Cal for All Children. The State is estimating 2,917 children for Ventura County, but speculation is the actual number of children will be higher.

17. Employee Satisfaction Results

Mr. Villani introduced Vicki Hewlett, Interim Chief Diversity Officer, and Niosha Sharoori. He stated the survey was an important foundational element to the Plan's mission and values and included questions approved by the Human Resources/Cultural Diversity Committee about diversity. The employee response rate was 75% and over 80% of employees would recommend working at GCHP.

Ms. Hewlett and Ms. Sharoori gave a PowerPoint presentation on the employee satisfaction survey and reviewed the results. Overall results were positive and illustrated confidence that GCHP supports diversity. A handout of the slides was

distributed and is on file. Areas of opportunity include compensation, promotion and performance review process, training/coaching, and openness.

Commissioners requested GCHP to continue its emphasis on diversity concerns, of being sensitive to the smaller groups in the workplace, and acknowledged the high participation level and positive survey results.

18. Chief Medical Officer (CMO) Update

None.

19. Health Education Update

Lupe Gonzalez, MPH, PhD, Director of Health Education, Outreach, Cultural and Linguistic Services, gave a summary of activities for the months of February and March 2016. Two upcoming events are the 5th Annual Community Resource Fair on May 14 at Plaza Park in Oxnard and a "Diabetes Day" community resource fair on June 11 at Pacific High School in Oxnard in a partnership with the American Diabetes Association. Seven sponsorships were awarded and one letter of support was approved.

20. Health Services Update

Dr. Wharfield stated there was a 44% decrease in the average bed days per 1,000 members per calendar year due to tighter utilization processes. Pregnancy related diagnoses continue to surpass all other admitting diagnoses for calendar year 2015 and current year to date.

21. Chief Operations Officer (COO) Update

Ms. Watson highlighted SB 75 – Full Scope Medi-Cal for All Children, which will impact two populations of children. The first group is the transition population and is comprised of the 2,900 children previously discussed by CEO Villani. The second group is the new enrollee population, which are children under the age of 19 who meet all eligibility requirements for SB 75, but are not currently enrolled in the Medi-Cal program. These children will need to apply for Medi-Cal through the current application process, but cannot apply for coverage until May 16, 2016. DHCS is estimating that approximately 55,000 undocumented children under the age of 19 are currently eligible statewide and are not enrolled, and that 50% will obtain coverage over a 12-month period once the program is operational. It is believed this figure is an underestimation due to the State's agricultural industry. One of the challenges for this group is the issue of being on restricted Medi-Cal.

When the Medi-Cal Expansion population was brought on, there was a year moratorium on redetermination. The new group will have to do a redetermination within a month of their original determination date. There is concern this could cause a fall from the roles thereby creating difficulties in managing care. GCHP is working in partnership with the County to reach out to the Plan's members to help navigate the program and assist in redetermination.

The Commission expressed concern about the increase in members and whether there were sufficient providers to fulfill the members' needs. It was stated from a ratio perspective, the Plan has sufficient providers to serve this membership. The issue is the providers' willingness to see the members and limitations placed on the number of children seen. To help mitigate this issue, GCHP is working on pay for performance programs to incentivize providers, possibly sponsoring pediatricians to come to Ventura County, and rate increases across the board.

It was noted the Commission had approved at the February meeting the selection of Optimity Advisors to assist in the review of the existing administrative services contract with Xerox. The project kick-off date occurred March 17. Optimity Advisors has conducted interviews with all internal stakeholders and are in the process of gathering industry financial information regarding service benchmarks for analysis in preparation of completing the vendor assessment report.

22. Network Adequacy Report

Ms. Watson stated the overall network has increased by 8.6%, predominately in the areas of primary care, specialty services, and long term care facilities. GCHP has contracts with all of the 18 long term care facilities located in the County. GCHP meets or exceeds member to provider ratios for primary care and top specialty services, as well as provider to member geographical standards for primary care and top specialty services. It was reiterated there are adequate specialty provider resources to support the Plan's membership with the continuing challenge of ensuring members are seen on a timely basis.

A discussion followed between the Commission and staff regarding closing the gap rate to be more competitive; the lack of certain sub specialties in the County; the use of the emergency room for primary medical care; utilizing Alternative Resources for Community Health (ARCH) programs to incentivize providers; the need to strategize on how to close the gaps in provider access measurements; how to reduce the administrative burden on providers as Medi-Cal requires extensive reporting; the availability of money to fund the ARCH programs; and the need for better metrics regarding appointment availability.

Staff noted there was formula error on page 205 and the PCPs – General Pediatrics total number should be 199.

Staff is working on three pilots for pay for performance programs with implementation scheduled by the end of the fiscal year. The pilots consist of an encounter data submission program, an enhancement reimbursement program for the required data for Pre Intervention Referral Treatment, and a patient navigator program. Future incentive programs are also being vetted.

23. Chief Information and Strategy Officer (CISO) Update

A discussion occurred between the Commission and staff about the availability of data on how quickly Helpdesk Service Tickets are closed. Melissa Scrymgeour, CISO, stated the project steering committee is working on a very aggressive project portfolio for next fiscal year with focus on regulatory compliance, business operations, and operational efficiencies. One of the projects is the member facing mobile application for a diabetes management program text messaging campaign.

24. Chief Diversity Officer (CDO) Update

Mr. Campbell stated the diversity interview panel met with three individuals last Wednesday and another meeting is scheduled for April 26. Once the process is finalized, the candidates will be brought to the Commission on May 23 or June 27 for interviews.

Commissioner Dial moved to accept and file Agenda Item Nos. 16 through 24. Commissioner Foy seconded.

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

Mr. Campbell stated there would be three closed items: the existing litigation with Clinicas; anticipated litigation involving the PBM Request for Proposals and as the facts are unknown to the plaintiffs and will not be disclosed; and the performance evaluation for the Chief Executive Officer. The Clinicas representatives will recuse themselves from Agenda Item No. 25 and Mr. Villani will recuse himself from Agenda Item No. 26 due to previous stock ownership in Magellan.

CLOSED SESSION

The Commission adjourned to Closed Session at 5:50 p.m. regarding the following items:

25. Conference with Legal Counsel – Existing Litigation

Paragraph (1) of subdivision (d) of Section 54956.9

Clinicas Del Camino Real Inc. v. Ventura County Medi-Cal Managed Care Commission dba Gold Coast Health Plan, Ventura County Superior Court Case No. 56-2014-00456149-CU-BC-VTA

26. Conference with Legal Counsel – Anticipated Litigation

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: Two Cases

27. Public Employee Performance Evaluation

Title: Chief Executive Officer

OPEN SESSION

The Regular Meeting reconvened at 6:56 p.m.

Mr. Campbell reported for Agenda Item No. 26, the Commissioners unanimously directed staff to prepare an agenda item for an upcoming special meeting formally rejecting all current bids received for the pharmacy benefit manager (“PBM”) Request for Proposals (“RFP”) process. The Commissioners want to be more active in the selection process. The Commissioners also want the RFP responses to include greater detail on the proposers’ plans to work with local pharmacies as well as a discussion regarding the 340B drug pricing program. The decision to direct staff to prepare staff report rejecting the current bids was also due to the Commission’s concern that CEO Dale Villani’s attendance at two of the three interviews raised potential conflict of interest issues given Mr. Villani’s ownership of some shares in Magellan, one of the companies that submitted a proposal. Mr. Villani did not attend the interview with Magellan. There was no evidence that Mr. Villani’s participation in the two other interviews had any effect on the scoring or outcome of the RFP. However, in abundance of caution, the Commissioners felt it was in the Plan’s best interest to reject all bids and restart the process.

8. Pharmacy Benefits Manager (PBM) Contract Extension

RECOMMENDATION

Approve the extension of the current PBM contract for six additional one month extensions.

Commissioner Lee moved to approve the contract amendment be extended for six additional one month extensions for a total of nine months. Commissioner Foy seconded.

AYES: Commissioners Alatorre, Atin, Dial, Fisher, Foy, Laba, Lee, Pawar, Pupa, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: None.

Commissioner Lee declared the motion carried.

ADJOURNMENT

The meeting was adjourned at 6:59 p.m.

APPROVED:



Tracy J. Oehler, Clerk of the Board