

**Ventura County Medi-Cal Managed Care Commission
(VCOMMCC) dba Gold Coast Health Plan (GCHP)
Special Executive / Finance Committee Meeting Minutes
February 7, 2013**

Notice of said meeting was duly given in the time and manner prescribed by law.
Affidavit of compliance is on file in the Clerk of the Board's Office.

CALL TO ORDER

Chair Gonzalez called the Special meeting to order at 1:49 p.m. in Suite 230 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

COMMITTEE MEMBERS PRESENT

David Glycer, Private Hospitals / Healthcare System
Robert Gonzalez, Ventura County Medical Health System
Catherine Rodriguez, Ventura County Medical Health System

EXCUSED / ABSENT COMMITTEE MEMBERS

Anil Chawla, Clinicas del Camino Real, Inc.
Roberto Juarez, Clinicas del Camino Real, Inc.

STAFF IN ATTENDANCE

Michael Engelhard, CEO
Michelle Raleigh, CFO
Nancy Kierstyn Schreiner, Legal Counsel
Traci R. McGinley, Clerk of the Board
Sonia DeMarta, Controller
Lyndon Turner, Finance Manager
Guillermo Gonzalez, Government Affairs Director
Melissa Scrymgeour, IT Director

PUBLIC COMMENTS

None.

1. APPROVE MINUTES

- a. **November 1, 2012 Regular Meeting Minutes**
- b. **January 9, 2013 Special Meeting Minutes**

Chair Gonzalez moved to approve the November 1, 2012 Regular Meeting Minutes and the January 9, 2013 Special Meeting Minutes. Committee Member Glycer seconded. The motion carried. **Approved 3-0.**

2. ACCEPT AND FILE ITEMS

a. CEO Update

CEO Engelhard introduced Stuart Busby, Chief of the Department of Health Care Services Capitated Rate Development Division. Staff works very closely with him on all of the Plan's rate development and financial oversight with regard to the CAP (Corrective Action Plan).

CEO Engelhard highlighted that during the *Financial Forecast Update* CFO Raleigh will explain how the Plan will earn its way out of TNE issues. The Plan has some cash and cash flow concerns so staff will be looking at cash management activities to ensure the Plan meets all of its obligations. However, staff believes that once the initiatives that were put into the financial forecast take hold, there will not be as much of a concern.

b. December Financials

CFO Raleigh reviewed the December Financials.

Committee Member Glycer questioned why there was still a \$7 million TNE adjustment in August since there had been adjustments made after the year-end Audit. CFO Raleigh responded that it was kept in as a conservative measure. Now that claims are stabilizing the reserve levels will be reviewed to determine if it should be restated.

Chair Gonzalez requested that "Prior Month Paid" in the Paid Claims graph be divided into three time periods.

Discussion was held as to the recent spike in medication costs due to flu season. Chair Gonzalez suggested educating providers when to use those types of medications.

Committee Member Glycer moved to accept and file the December Financials. Committee Member Rodriguez seconded. The motion carried. **Approved 3-0.**

3. APPROVAL ITEMS

a. FY 2012-13 Financial Audit Contract

CFO Raleigh reviewed her report.

Committee Member Glycer moved to recommend approval of the FY 2012-13 Financial Audit Contract to McGladrey. Committee Member Rodriguez seconded. The motion carried. **Approved 3-0.**

4. INFORMATIONAL ITEMS

a. Financial Forecast Update

CFO Raleigh reviewed the report; she added that it highlights the progress of the initiatives and shows how the Plan is doing according to staff's forecast. She closed stating that the documentation will be provided to the State on a monthly basis.

In response to questions raised, CEO Engelhard explained that the Plan could not get the funds retroactively from the State for incorrect aid coding of Members.

b. State Budget Update

Government Relations Director Guillermo Gonzalez reviewed the State Budget overview information provided in the material.

c. Healthy Families Transition to Medi-Cal

Government Relations Director Guillermo Gonzalez reviewed his report. Questions arose regarding the Medi-Cal expansion and who is considered part of the newly eligible mix. CEO Engelhard noted that staff would obtain better clarification on this issue.

d. Medical Management System Replacement

IT Director Scrymgeour reviewed her report.

e. Intergovernmental Transfer (IGT)

CEO Engelhard reviewed his report. If the IGT went forward, the County would enter into an agreement with GCHP and the State to bring incremental money into the County to serve the Medi-Cal population. The Plan is still working with the County and the State to determine the size of the potential IGT.

CEO Engelhard closed stating that it has not yet been determined if the IGT money can be used to address some of the TNE deficiencies as this has not been done in the past.

Committee Member Glycer asked the magnitude of the IGT. CEO Engelhard responded that it depends on the rate range. Committee Glycer questioned if it would affect Ventura County Medical Center's funding ability. Chair Gonzalez responded that the County was checking into options as it had not yet been determined.

RECESS:

A recess was called at 3:14 p.m. The meeting was reconvened at 3:17 p.m.

f. Incurred But Not Reported (IBNR) Presentation

CFO Raleigh explained that the presentation was a background on how the IBNR is calculated. Chair Gonzalez noted that Commissioners have varied background so the information needs to go forward to the full Commission. It was suggested that it go forward as an Informational Item.

The Committee Members requested that a slide showing a claims lags example be placed into the presentation prior to it going to the Commission.

CLOSED SESSION

Legal Counsel Kierstyn Schreiner explained the purpose of the Closed Session.

ADJOURN TO CLOSED SESSION

The Commission adjourned to Closed Session at 3:20 p.m. regarding the following item:

Closed Session Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9 Sziklai v. Gold Coast Health Plan *et al* VCSC Case No. 56-2012-00428086-CU-WT-VTA

RETURN TO OPEN SESSION

The Regular Meeting reconvened at 3:37 p.m.

Legal Counsel Kierstyn Schreiner reported that there was no reportable action.

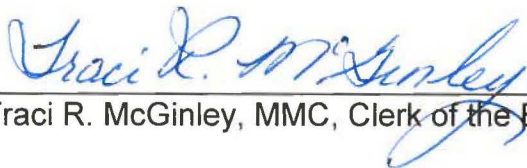
COMMENTS FROM COMMITTEE MEMBERS

None.

ADJOURNMENT

The meeting adjourned at 3:37 pm.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board