

**Ventura County Medi-Cal Managed Care Commission  
(VCMGCC) dba Gold Coast Health Plan (GCHP)  
Commission Meeting Minutes  
February 23, 2015**

**CALL TO ORDER**

Chair Araujo called the meeting to order at 3:03 p.m. Hall of Justice - Pacific Conference Room at the County of Ventura Government Center, 800 S. Victoria Avenue, Ventura, CA 93009.

**ROLL CALL**

**COMMISSION MEMBERS IN ATTENDANCE**

**Antonio Alatorre**, Clinicas del Camino Real, Inc.  
**David Araujo, MD**, Ventura County Medical Center Family Medicine Residency Program  
**Lanyard Dial, MD**, Ventura County Medical Association **Barry Fisher**, Ventura County Health Care Agency **Peter Foy**, Ventura County Board of Supervisors  
**David Glycer**, Private Hospitals / Healthcare System  
**Michelle Laba, MD**, Ventura County Medical Center Executive Committee  
**Darren Lee**, Private Hospitals / Healthcare System  
**Dee Pupa**, Ventura County Health Care Agency

**EXCUSED / ABSENT COMMISSION MEMBERS**

**Pawar Gagan MD**, Clinicas del Camino Real, Inc.  
*Vacant*, Medi-Cal Beneficiary Advocate

**STAFF IN ATTENDANCE**

**Ruth Watson**, Chief Operations Officer and Interim Chief Executive Officer  
**Lyndon Turner**, Financial Analysis Director  
**Traci R. McGinley**, Clerk of the Board  
**Scott Campbell**, Legal Counsel  
**Brandy Armenta**, Compliance Director  
**Stacy Diaz**, Human Resources Director  
**Anne Freese**, Pharmacy Director  
**Guillermo Gonzalez**, Government Relations Director  
**Lupe Gonzalez**, Director of Health Education, Outreach, Cultural and Linguistic Services  
**Steven Lalich**, Communications Director  
**Tami Lewis**, Operations Director  
**Allen Maithel**, Controller  
**Kim Osajda**, Quality Improvement Director  
**Al Reeves, MD**, Chief Medical Officer  
**Melissa Scrymgeour**, Chief Information Officer  
**Nancy Wharfield, MD**, Associate Chief Medical Officer

## **PUBLIC COMMENT**

None.

### **1. APPROVE MINUTES**

#### **a. Regular Meeting of January 26, 2015**

Commissioner Fisher moved to approve the Regular Meeting Minutes of January 26, 2015. Commissioner Alatorre seconded. The motion carried with the following votes:

AYE: Alatorre, Araujo, Dial, Fisher, Glycer, Laba, Lee and Pupa.  
NAY: None.  
ABSTAIN: Foy.  
ABSENT: Pawar.

### **2. APPROVAL ITEMS**

#### **a. Fourth Quarter Quality Improvement Report**

Dr. Reeves, CMO, provided an overview of the report with the Commission. He highlighted the quality improvement projects submitted to the Health Services Advisory Group (HSAG) and noted the measures that did not meet the minimum performance level in 2014.

CMO Reeves reviewed the actions taken by the Medical Board of California against GCHP provider physicians. The Commission expressed concern that the actions taken by the Medical Board could cause or increase GCHP's liability and asked if the Plan should take additional actions against providers such as suspension and/or withdrawal of the physicians' credentials thereby revoking their ability to provide services to GCHP Members. CMO Reeves responded that it is a concern, but the Plan does not have access to all of the information that the Medical Board reviews for these cases. The Credentialing Committee determined that if the Medical Board allows the physician to continue to practice, there is no basis for the Plan to take further action. CMO Reeves added that if the Plan were to take additional action against a provider, that provider would have the right to go before the Hearing Board and GCHP would most likely not prevail.

Chair Araujo added that if the provider has hospital privileges, the hospitals have very strong peer review.

While reviewing the statistics in the Member Services section of the report, the Commission raised concern that information may not be readily available to providers. Operations Director Lewis explained that the call center figures also include a large number of callers who utilize the IVR (Interactive Voice Recognition). Many of the calls are to confirm eligibility, etc. In response to the Commission's concern that provider information was not readily available, staff explained that information for providers can also be found on the website as well as the provider portal.

Commissioner Pupa moved to approve the Fourth Quarter Quality Improvement Report. Commissioner Fisher seconded. The motion carried with the following votes:

AYE: Alatorre, Araujo, Dial, Fisher, Foy, Glycer, Laba, Lee and Pupa.  
NAY: None.  
ABSTAIN: None.  
ABSENT: Pawar.

**b. Ethics Policy**

Legal Counsel Campbell reviewed the report with the Commission.

Commissioner Fisher moved to approve the Ethics Policy requiring that Commissioners, committee members and designated staff complete AB 1234 training every two years. Commissioner Foy seconded. The motion carried with the following votes:

AYE: Alatorre, Araujo, Dial, Fisher, Foy, Glycer, Laba, Lee and Pupa.  
NAY: None.  
ABSTAIN: None.  
ABSENT: Pawar.

**c. Investment Policy**

Lyndon Turner, Financial Analysis Director, reviewed the report with the Commission.

Commissioner Foy mentioned that the County Pooled Investment Fund is considered one of the top in the Country. Financial Analysis Director Turner noted that the County Fund is one of the choices and GCHP is looking at several other options as well, such as the Local Agency Investment Fund and the Joint Powers Authority Pool.

Commissioner Lee asked if there are standards within the policy regarding the percentage of funds and/or how much will be investment. Financial Analysis Director Turner stated that there are caps on asset classes, there are some percentages that are yet to be determined. Commissioner Lee asked if both the within how much in a class and overall dollar amounts to be invested. Financial Analysis Director Turner clarified that it is limited by percentage of available investments.

Interim CEO Watson reiterated that some of the investments must be short-term because a great amount of the increase in revenue is contributed to the Adult Expansion (AE) MLR of 85% versus GCHP's current MLR. The State requested a mini rate development template for additional information on this population, the last time this was done the rates were cut 20% so we are anticipating an additional cut in rates (across the State).

Discussion was held regarding the programs and expenditures for the AE population. Interim CEO Watson added that GCHP is trying to do some programs around pay for performance" and will likely send a letter to medical groups and hospitals. Programs around quality designed around this population and if you have existing programs we can help reimburse and help fund to some of that to go towards the medical expense for this population and use the funds more effectively.

In response to Commissioner Pupa's request, CEO Watson advised the Commission that

the current MLR across the State is between 40-50% versus the State's 80%; however newer members are accessing the system much faster and increasing.

In response to Chair Araujo, Financial Analysis Director Turner confirmed that for diversification purposes, at least three banks will be used for GCHP accounts.

Commissioner Foy moved to approve the Investment Policy. Commissioner Lee seconded. The motion carried with the following votes:

AYE:	Alatorre, Araujo, Dial, Fisher, Foy, Glycer, Laba, Lee and Pupa.
NAY:	None.
ABSTAIN:	None.
ABSENT:	Pawar.

**d. Credentialing Policy**

CMO Dr. Reeves reviewed the report with the Commission, one major change is requiring new providers be either Board Certified or eligible. Any current providers that are not certified will be grand-fathered in. Chair Araujo asked how many providers are impacted and asked about a time-frame requiring Board certification versus being grandfathered. CMO Reeves responded that it may affect approximately 20-25 providers and for providers that has been practicing for many years and do well in their specialty, but would be difficult to go back and get Board Certified.

Commissioner Fisher asked if the Credentialing Policy could be amended to prohibit contracting with physicians placed on probation for more than five years. CMO Reeves deferred to Legal Counsel Campbell as to whether this was appropriate and if it would institute the fair hearing if it was a credentialing requirement. Legal Counsel Campbell stated that he would discuss with legal counsel Selinko and report back to the Commission.

In response to Commissioner Foy's concern about additional liability to the Plan, Legal Counsel Campbell stated that it would be case-by-case basis and hesitant to say that anything a provider does subjects the Plan to liability.

Interim CEO Watson added that these could be monitored through the Medical Board. CMO Reeves stated that there are different reasons a physician may be put on probation, one of the two currently on probation has a medical problem and the Medical Board has placed reporting requirements on the physician. Commissioner Lee added that it comes down to risks to the Plan.

Commissioner Fisher moved to approve the Credentialing Policy. Commissioner Pupa seconded. The motion carried with the following votes:

AYE:	Alatorre, Araujo, Dial, Fisher, Foy, Glycer, Laba, Lee and Pupa.
NAY:	None.
ABSTAIN:	None.
ABSENT:	Pawar.

**e. Sponsorship Policy**

Lupe Gonzalez, Director of Health Education, Outreach, Cultural and Linguistic Services reviewed the report with the Commission.

Discussion was held regarding the sponsorship budget and number of anticipated applications. CEO Watson responded that it would be developed in the coming budget.

Commissioner Pupa moved to approve the Sponsorship Policy. Commissioner Alatorre seconded. The motion carried with the following votes:

AYE: Alatorre, Araujo, Dial, Fisher, Foy, Glycer, Laba, Lee and Pupa.  
NAY: None.  
ABSTAIN: None.  
ABSENT: Pawar.

**f. Reorganization and Structure of Committees**

CMO Dr. Reeves reviewed the report with the Commission.

In response to Chair Araujo's question, Legal Counsel Campbell confirmed that there are no issues reorganizing the committees wherein they do not report directly to the Commission as those committees report to committees that report directly to the Commission.

Commissioner Dial moved to: 1) Dissolve the original Quality / Utilization / Peer Review Committee; 2) Approve a Quality Improvement Committee, its structure and membership; and 3) Approve a change from the Credentials Committee to Credentials / Peer Review Committee, its structure and membership. Commissioner Fisher seconded. The motion carried with the following votes:

AYE: Alatorre, Araujo, Dial, Fisher, Foy, Glycer, Laba, Lee and Pupa.  
NAY: None.  
ABSTAIN: None.  
ABSENT: Pawar.

**3. ACCEPT AND FILE ITEMS**

**a. Special Investigation Ad Hoc Committee Report**

Commissioner Fisher reported that the financial firm is waiting on documents being retrieved from storage and the main investigator of the human resources firm was out of the office for several weeks. The Commission should receive the draft reports by the second or third week in March.

**b. CEO Update**

Interim CEO Watson reviewed the written CEO Update with the Commission. She noted that the DHCS Audit is going very well and the State is planning on leaving the Plan a day early. Interim CEO Watson stressed that the report contained a lot of significant issues.

**c. CFO Update – December Financials**

Financial Analysis Director Turner presented the financials to the Commission items. He highlighted the increase in membership of approximately 7,200 of which 3,600 is from AE population. Also, the AE population is increasing utilization, through September new enrollees were spending about 1% their first month in October it increased dramatically.

Commissioner Foy's questioned repayment of the Ventura County LOCs. Interim CEO Watson explained that an agreement had been made but the State must approve repayment but the State will not approve repayment until GCHP has an audited financial statement which is on hold pending the financial part of the Special Investigation.

**d. COO Update**

Interim CEO Watson presented the report and highlighted that membership is just short of 179,000. Claims inventory continues to grow, claims turn-around has increased due to loss of staff, but GCHP and ACS has put a plan in place to get the number up again by the second quarter. AB 85 requires that 75% of the AE members that do not auto- assign must be assigned to the County, 23,000 AE members have been assigned to the County since January; the Counties target enrollment is 65,000.

**e. CIO Update**

CIO Scrymgeour provided a review of the CIO Update. Discussion was held regarding the ICD-10 testing with providers, to which CIO Scrymgeour advised the Commission that some testing activities would ramp up beginning in March but testing with all providers will start in the June and July timeframe.

**f. Health Services Update**

Associate Medical Officer, Dr. Wharfield, reviewed the written report. Discussion was held regarding the percentage of bed days decreasing. Interim CEO Watson responded that the reports are being changed to show which populations are utilizing bed days, this will allow staff to determine how much of the changes are from programs that GCHP has put in place versus the increased membership not utilizing the service.

Commissioner Dial moved to Accept and File the Special Investigation Ad Hoc Committee Report, CEO Update, CFO Update-December Financials, COO, CIO and Health Services Updates.

Commissioner Alatorre questioned the AB 85 graph on 3d-7, and whether the County would receive a portion of the auto-assignments after they have received 75% off the top. Interim CEO Watson explained that AB 85 requires that 75% of the AE members that do not select a PCP are automatically assigned to the County. The remaining 25% are then auto-assigned according to the Plan's policy.

Commissioner Pupa seconded. The motion carried with the following votes:

AYE: Alatorre, Araujo, Dial, Fisher, Foy, Glycer, Laba, Lee and Pupa.  
NAY: None.

ABSTAIN: None.  
ABSENT: Pawar.

### **CLOSED SESSION**

Legal Counsel Campbell explained the purpose of the Closed Session items and added that the anticipated litigation is related to LULAC report and request from State Agencies to access to some reports, as well as discussion regarding CEO compensation.

### **RECESS**

A recess was called at 4:59 p.m. The meeting was reconvened at 5:03 p.m.

### **ADJOURN TO CLOSED SESSION**

The Commission adjourned to Closed Session at 3:48 p.m. regarding the following items:

- a. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**  
**Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9:**  
**Number of Cases:** Unknown
- b. **CONFERENCE WITH LABOR NEGOTIATORS**  
**Agency Designated Representatives:** Stacy Diaz, Scott Campbell and Gold Coast Health Plan Commissioners  
**Unrepresented Employee:** Chief Executive Officer

### **RETURN TO OPEN SESSION**

The Regular Meeting reconvened at 6:04 p.m.

Legal Counsel Campbell stated there were no announcements from Closed Session.

### **COMMENTS FROM COMMISSIONERS**

None.

### **ADJOURNMENT**

Meeting adjourned at 6:05 p.m.

APPROVED:

  
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Traci R. McGinley, MMC, Clerk of the Board