

**Ventura County Medi-Cal Managed Care Commission
(VCOMMCC) dba Gold Coast Health Plan (GCHP)
Commission Meeting Minutes
November 16, 2015**

CALL TO ORDER

Vice-Chair Alatorre called the meeting to order at 3:07 p.m. Hall of Justice – Pacific Room at the County of Ventura Government Center, 800 S. Victoria Avenue, Ventura, CA 93009.

The Pledge of Allegiance was recited.

SWEAR IN OF NEW COMMISSIONER

New Commissioner Shawn Atin was sworn in by Clerk McGinley.

ROLL CALL

COMMISSION MEMBERS IN ATTENDANCE

Antonio Alatorre, Clinicas del Camino Real, Inc.

Shawn Atin, County of Ventura

Lanyard Dial, MD, Ventura County Medical Association

Barry Fisher, Ventura County Health Care Agency

David Glycer, Private Hospitals / Healthcare System

Michelle Laba, MD, Ventura County Medical Center Executive Committee

Darren Lee, Private Hospitals / Healthcare System

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

Dee Pupa, Ventura County Health Care Agency

EXCUSED / ABSENT COMMISSION MEMBERS

Peter Foy, Ventura County Board of Supervisors

Vacant, Medi-Cal Beneficiary Advocate

STAFF IN ATTENDANCE

Dale Villani, Chief Executive Officer

Patricia Mowlavi, Chief Financial Officer

Traci R. McGinley, Clerk of the Board

Scott Campbell, Legal Counsel

Brandy Armenta, Compliance Director

Anne Freese, Pharmacy Director

Danita Fulton, Senior Human Resources Director

Vicki Hewlett, Interim Chief Diversity Officer

Steven Lalich, Communications Director

Tami Lewis, Operations Director

Kim Osajda, Quality Improvement Director

Al Reeves, MD, Chief Medical Officer

Melissa Scrymgeour, Chief Information Officer
Lyndon Turner, Financial Analysis Director
Ruth Watson, Chief Operations Officer
Nancy Wharfield, MD, Associate Chief Medical Officer

PUBLIC COMMENT

GCHP employee Traci McGinley spoke regarding concerns she had with the Personnel policies as proposed.

1. APPROVE MINUTES

a. Special Meeting of October 29, 2015

Commissioner Lee moved to approve the Special Meeting Minutes of October 29, 2015. Commissioner Pupa seconded. The motion carried with the following votes:

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

2. CONSENT ITEMS

a. Financials – September 2015

CFO Mowlavi provided a brief review of the financial performance of the first quarter of FY 2015-16 which had been presented at the Executive and Finance Committee Meeting. Commissioner Pupa moved to approve and file the September 2015 Financials. Commissioner Pawar seconded. The motion carried with the following votes:

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

3. APPROVAL ITEMS

a. FY 2014-15 Audit Results (Presented by Moss Adams)

CFO Mowlavi introduced John Blakey and Stelian Damu of Moss Adams. The previous audit firm McGladrey was exiting the Medi-Cal market, but the Plan was able to quickly engage Moss Adams for the FY 2014-15 audit and leverage their Medi-Cal specialization to complete the audit. Moss Adams is the auditor for approximately 75% of Medi-Cal managed care plans in California.

John Blakey and Stelian Damu of Moss Adams provided an overview of the draft Financial Statement and Audit Report. They explained that areas where significant and critical misstatements can occur were reviewed using a risk based approach. Their experience in health care plans and hospitals allows them to understand the unique

risks that health plans face and it assists them in efficiently designing audits to identify those risks. Based on the testing performed by Moss Adams, the revenue and receivables have been reported appropriately; no major misstatements or unusual items were found; and previous material weaknesses were corrected.

John Blakey explained to the Commission that Moss Adams goes through a robust client acceptance process. This was a first year engagement so they had to gain an understanding of Plan's internal processes, checks and balances. They also considered findings from the prior year audit as well as the allegations in 2014 involving workplace issues and financial improprieties.

They noted that the prior year audit reported several significant deficiencies and material weaknesses in the internal controls. Moss Adams reviewed McGladrey's draft report and list of reported deficiencies, gained an understanding of the nature of the errors and built that into their audit process. Moss Adams found that those issues had been remediated and testing did not show similar control deficiencies.

Moss Adams also considered the financial allegations from 2014; the nature and severity of the allegations, as well as what GCHP did to address those allegations. Moss Adams drew their own conclusions about how that impacted management's integrity, the integrity of the controls, the financial reporting system and whether Moss Adams could render a fair opinion. They concluded that there was no evidence to support the allegations and they were satisfied with the depth of the independent review that the Commission directed and the findings from that independent review. Moss Adams tested the areas surrounding financial issues that were identified in the independent review and confirmed that GCHP had addressed those items. The allegations not related to financial issues were not necessarily reviewed, but considered as part of management's integrity. Moss Adams also considered whether certain allegations could have a material impact. GCHP has gone through significant changes in management, systems and controls. The issues were highlighted, addressed in the audit and Moss Adams was satisfied that the deficiencies outlined or alleged have been remediated.

John Blakey and Stelian Damu of Moss Adams reported that there were no significant adjustments needed which spoke highly of management and the work that was put into this audit. One significant deficiency was found around segregation of duties: an individual had access to different modules of the payroll system that really should be segregated. GCHP does have compensating controls in place to monitor payroll payments and it does not appear that it could impact financial payments; however, it is something management should address and fix.

b. FY 2013-14 Audit Results

CFO Mowlavi informed the Commission that Moss Adams reviewed the material weaknesses reported in the McGladrey FY 2013-14 Audit Results and found them no longer relevant.

Commissioner Glyer moved to approve the FY 2013-14 and FY 2014-15 Audit Results. Commissioner Pupa seconded. The motion carried with the following votes:

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

c. Appointment of Audit Committee

CFO Mowlavi reviewed the report with the Commission. General discussion was held regarding the needs of the Committee and its functions.

Commissioner Fisher moved to appoint Commissioners Alatorre, Glyer and Pupa to the Audit Committee. Commissioner Atin seconded. The motion carried with the following votes:

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

d. Approval of Resolution Amending / Revising and Ratifying Personnel Rules, Regulations and Policies

Senior Human Resources Director Fulton reviewed the presentation with the Commission. Discussion was held regarding vacation tiers, accrual of sick leave, and administrative days.

Commissioner Atin expressed concern that the Chief Diversity Officer's (CDO) role was not contained in the Whistle Blower Policy. CEO Villani explained that any Personnel Policies that require modification once the CDO is hired will be brought back to the Commission. Legal Counsel Campbell added that the Cultural Diversity Program itself will contain specific rules and regulations.

Commissioner Atin moved to approve the Resolution contingent upon clarification in the policies regarding the CDO duties. Commissioner Lee seconded. The motion carried with the following votes:

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

RESOLUTION NO. 2015-007

A RESOLUTION OF THE VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION DBA GOLD COAST HEALTH PLAN, REPEALING RESOLUTION NO. 2012-001 (ADOPTING RULES AND REGULATIONS FOR THE ADMINISTRATION OF THE PERSONNEL SYSTEM) AND ADOPTING PERSONNEL RULES, REGULATIONS, AND POLICIES

e. Quality Improvement Committee Report – 3rd Quarter 2015

CMO Reeves reviewed the Quality Improvement Committee Report with the Commission. The following items were highlighted:

- Quality Improvement Projects (QIP):
 - HEDIS:
 - Diabetic Retinal Eye Exam Member Incentive
 - Cervical Cancer Screening – reminder letters
 - Children and Adolescents Access to primary care providers member incentive
 - Postpartum Exam member incentive
 - Medication Management in People on Persistent Medications
 - CAHPS Satisfaction Improvement: - Focus Groups
- California Performance Improvement Project (PIP) Transition Plan: Department of Health Care Services (DHCS) retired the statewide QIP on readmissions. Each plan will now be required to do two Performance Improvement Projects (PIP): The Quality Improvement Committee selected immunizations of 2 year olds from the four available topics as the first PIP. The second PIP must be plan specific, provided to DHCS by January 2016 and then approved by DHCS.
- Facility Site Reviews – Initial and Interim: GCHP is required to monitor providers for the adequacy of their offices, physical access and medical records. CMO Reeves provided an overview of the initial and interim Facility Site Reviews, the 3rd Quarter 2015 Initial Health Assessment (IHA) Medical Record Reviews regarding IHA Monitoring and the Potential Quality Issues.
- CMO Reeves reviewed the Quality Improvement Dashboard detailing the measures, what they entailed and the scoring.

Commissioner Pupa asked about the increase in requests for translation services. CMO Reeves explained that it was good as it shows that providers and members are becoming more aware of the service.

CMO Reeves continued to highlight the report as follows:

- Pharmacy Benefit Manager (PBM) oversight.
- Inter-Rater Reliability (IRR) Review.

- Changes to the Formulary: six drugs were added due to significant clinical advantages and 15 brand name drugs were removed due to new generics now available.
- Monitoring of Medical Board of California (MBC) Actions against GCHP providers.
- Potential Quality Issues (PQI) Peer Review Referrals. Five cases were highly rated cases or cases of concern that resulted in a letter to the provider.
- Credentialing and Recredentialing.
- GCHP Credentialing and Recredentialing Internal Audits
- Medical Advisory Committee (MAC) approved six new policies.
- Health Education and Outreach.
- Grievance and Appeals statistics were reviewed.

Commissioner Pawar asked if any of the 23 Quality of Care Grievances were significant. CMO Reeves explained that all grievances are reviewed by a clinical nurse and 10 were referred to the Quality Committee as PQIs for review. Commissioner Pawar asked if they were investigated. CMO Reeves responded that they are in the process of being reviewed or have been concluded and could be included in the five PQIs.

In response Commissioner Fisher's question, CMO Reeves responded that the Plan bears the cost of State Fair Hearings.

CMO Reeves continued, and the following areas were highlighted.

- Network Planning:
 - Required Provider to Member Ratios
 - PCP - 1:2000
 - Total Physicians - 1:1200
 - GCHP August Ratios
 - PCP - 1:819
 - Total Physicians - 1:136
- Provider Access Survey – in process
- Provider Satisfaction Survey – in process
- Network Planning: Call Center Statistics
- Utilization Management Statistics: Beacon Mental Health Utilization
- Delegation Oversight

In response to Commissioner Pawar's question regarding delegated oversight, CMO Reeves responded that in addition to Clinicas del Camino Real, Inc., Ventura County Medical Center (VCMC) also has delegated oversight.

Vice-Chair Alatorre asked which entities had utilization management delegation. CMO Reeves responded Kaiser and Beacon.

Commissioner Pupa moved to approve the Quality Improvement Committee Report - 3rd Quarter 2015. Commissioner Pawar seconded. The motion carried with the following votes:

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

f. Provider Credentialing Policy and Organizational Providers Credentialing Policy

CMO Reeves reviewed the report with the Commission.

Commissioner Atin moved to approve the Provider Credentialing Policy and Organizational Providers Credentialing Policy. Commissioner Pupa seconded. The motion carried with the following votes:

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

g. Chief Diversity Officer Job Description and Salary

Legal Counsel Ortiz reviewed the report with the Commission providing an update of the Committee's actions.

Commissioner Lee expressed concern that the job description was broader in scope than required by the County Ordinance and asked why it was changed to include responsibilities that are traditionally handled by Human Resources and specifically excludes Human Resources involvement in those areas.

Commissioner Atin stated that the Ordinance gives the CDO independent authority to take disciplinary action against employees, with the exception of the CEO, for failure to comply with the Cultural Diversity Program. The Committee wanted to ensure the job description clearly reflected the CDO's duties and authority provided by the Ordinance.

Commissioner Lee stated that according to the Ordinance there are the following four requirements: 1) implement a cultural diversity program; 2) have the CDO report directly to the Commission; 3) that the CDO has the authority to discipline; and 4) that the CDO will provide quarterly reports to the Ventura County Board of Supervisors, through the County's Chief Executive Officer. He then expressed concern that the job description was directive in nature but should be worded in more of a collaborative nature, promoting a diversity program and then holding people accountable.

Commissioner Atin stated that the job description should clearly define what the job entails. For an individual in that position to be successful within GCHP, the person needs to be collaborative; however, the nature of the job description is to delineate the position's authority to hold individuals accountable.

Legal Counsel Ortiz explained that due to the concerns previously raised in the community, the Committee wanted to take a strong proactive approach. A needs assessment has not yet been done so the program will initially need to be flexible. It is the Commission's discretion at any time to reassess the program needs, change the duties of the CDO and to determine if the position needs to be expanded or folded into another position.

Commissioner Lee added that it was not uncommon to have one part of an organization be in charge of the investigation and another to have the authority to implement and execute corrective action. Commissioner Fisher stated that there would need to be collaboration with Human Resources on some issues.

Commissioner Dial suggested that the CDO be required to have essential Human Resources background.

Legal Counsel Ortiz noted that an experienced CDO would have a Human Resources or similar background. There are a number of ways that the CDO position can be structured to impact the organization and still have independence whether they direct or have oversight of an investigation.

Commissioner Lee stressed that he wanted to ensure the structure and processes put into place drive the desired changes to the organization.

Commissioner Fisher added to hear the thoughts from the other two Committee Members. Commissioner Glyer and Vice-Chair Alatorre responded they were satisfied with the job description as presented and believe it reflects the intent of the Board of Supervisors.

CEO Villani stated that it was his thought that the focus of the CDO would be cultural diversity, where Title 7 categories are much broader. He wanted to ensure that the CDO job description is extremely clear as to whether it is very broad, specific to employment issues, or just Cultural Diversity.

Commissioner Atin stated that he believed the Board of Supervisors intent was to be broad because discrimination can occur in a wide range of areas and it was clearly the Board of Supervisors intent to take the responsibility out of Human Resources.

Commissioner Lee noted that he would like changes to the job description and have further discussions. Commissioner Dial suggested having one additional Commissioner meet with the Committee.

After further discussion, Legal Counsel Campbell confirmed that there was Commission consensus to have Commissioner Lee work with the Committee on changes to the CDO job description and should Commissioner Lee be satisfied with the changes the job description was approved.

Commissioner Fisher suggested the salary range be reviewed. Commissioner Atin reported that the Committee discussed that it be the same salary range as the Senior Human Resources Director. Further discussion was held regarding the salary range.

Commissioner Dial moved to adopt salary range #29. Commissioner Fisher seconded. The motion carried with the following votes:

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

Legal Counsel Campbell reported that the Committee recommended having an interview panel of five people,

Discussion was held regarding LULAC being on the interview panel.

Legal Counsel Campbell advised the Commission that it would have to determine whether an appointment from LULAC to the selection committee would have an appearance of impropriety. There is still an ongoing active matter with the Attorney General and there have been statements in correspondence from LULAC threatening litigation or criticizing individuals in management.

Discussion was held regarding someone from GCHP staff or someone with diversity experience being on the selection committee.

CEO Villani recommended LULAC not be on the selection committee and that it would send the wrong messages to employees. He recommended looking at other organizations.

Commissioner Atin stated that there was considerable discussion at the Committee Meeting regarding the composition of the initial interview panel. Commissioner Lee asked if there had been any consultation with LULAC regarding this matter. Commissioner Atin responded that he and other individuals at the County had been contacted by LULAC. Commissioner Lee stated that he was not comfortable with LULAC being involved.

Commissioner Atin moved to accept the Committee's recommendation for the interview process. Commissioner Pawar seconded. The motion carried with the following votes:

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

RECESS

A recess was called at 5:45 p.m. The meeting was reconvened at 5:55 p.m.

4. ACCEPT AND FILE ITEMS

a. CEO Update

CEO Villani reviewed his report with the Commission and provided a high level overview of the events since he was appointed six months ago.

He discussed the strength of the leadership team, the strong financial performance, the clinical enhancements made in disease management and the pending pharmacy RFP. While the workforce is stable and highly motivated there is noted anxiety around the role of the CDO. He also discussed the uncertainties in Sacramento and the need to maintain a conservative approach to TNE and financial risk management. He indicated a TNE policy would be brought forward to the January Executive/Finance Committee for consideration.

He added that employee morale in general has improved. The goal is to make GCHP a great place to work; however, there is an element of anxiety around the CDO.

b. CFO Update

CFO Mowlavi updated the Commission, she highlighted the financial performance for the last quarter, the Tangible Net Equity (TNE) and the Adult Expansion (AE) Medical Loss Ratio (MLR).

c. COO Update

COO Watson presented the COO report; membership is up to 198,000. GCHP anticipates being very close to 200,000 by the end of the year. She added that GCHP will be conducting an RFP for a consultant to review the Plan's current Administrative Services Organization (ASO) arrangement to determine if GCHP should continue with the current arrangement or bring out source services in-house..

d. CIO Update

CIO Scrymgeour reviewed her report and highlighted projects that may be added at the beginning of the calendar year.

e. CMO / Health Services Update

Associate CMO Wharfield received her report with the Commission. She highlighted utilization, admissions and authorizations.

Commissioner Lee moved to accept and file the CEO, CFO, COO, CIO, CMO / Health Services Updates. Commissioner Fisher seconded. The motion carried with the following votes:

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

4. INFORMATIONAL ITEMS

a. Salary Survey

Senior Human Resources Director Fulton reviewed the salary survey information.

b. General Counsel Discussion on Commission and Staff Relationship

Legal Counsel Campbell explained that BB&K provides updates approximately once per month to public entities. There was Commission consensus that Legal Counsel would send updates to the Commission as they become available.

c. Diversity Committee Report

This item was discussed during Agenda Item 3g, *Chief Diversity Officer Job Description and Salary*.

COMMENTS FROM COMMISSIONERS

None.

CLOSED SESSION

Legal Counsel Campbell explained the purposes of the Closed Session Items.

ADJOURN TO CLOSED SESSION

The Commission adjourned to Closed Session at 6:22 p.m. regarding the following items

- a. **Public Employee Performance Evaluation**
Pursuant to Government Code Section 54957
Title: Chief Executive Officer

- b. **Conference with Legal Counsel - Existing Litigation**
Pursuant to Paragraph (1) of Subdivision (d) of Government Code 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
Number 56-2014-00456149-CU-BC-VTA

RETURN TO OPEN SESSION


The Regular Meeting reconvened at 7:00 p.m.

Legal Counsel Campbell stated that no reportable action was taken in Closed Session.

ADJOURNMENT

Meeting adjourned at 7:01 p.m.

APPROVED:



Maddie Gutierrez-Roberts, Interim Clerk of the Board
(In lieu of Traci McGinley)