

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

**Executive/Finance Committee Meeting**

**Regular Meeting**

**Thursday, October 8, 2020 – 3:00 p.m.**

**Community Room at Gold Coast Health Plan**

**711 E. Daily Drive, Suite 106, Camarillo, CA 93010**

**Executive Order N-25-20**

**Conference Call Number: 805-324-7279**

**Conference ID Number: 950 726 731#**

**AGENDA**

**CALL TO ORDER**

**ROLL CALL**

**PUBLIC COMMENT**

The public has the opportunity to address Ventura County Medi-Cal Managed Care Commission (VCMMCC) doing business as Gold Coast Health Plan (GCHP) on the agenda. Persons wishing to address VCMMCC should complete and submit a Speaker Card.

Persons wishing to address VCMMCC are limited to three (3) minutes unless the Chair of the Commission extends time for good cause shown. Comments regarding items not on the agenda must be within the subject matter jurisdiction of the Commission.

Members of the public may call in, using the numbers above, or can submit public comments to the Committee via email by sending an email to [ask@goldchp.org](mailto:ask@goldchp.org). If members of the public want to speak on a particular agenda item, please identify the agenda item number. Public comments submitted by email should be under 300 words.

## **CONSENT**

### **1. Approval of Executive Finance Committee Regular Meeting Minutes of August 6, 2020.**

Staff: Maddie Gutierrez, MMC – Clerk to the Commission

RECOMMENDATION: Approve the minutes.

## **UPDATES**

### **2. System Conversion / HSP MediTrac Update**

Staff: Debbie Rieger, Senior Executive Business Transformation Consultant  
Eileen Moscaritolo, HMA Consultant

RECOMMENDATION: Receive and file the update.

### **3. Provider Network Update**

Staff: Steve Peiser, Sr. Director of Network Management  
Vicki Wrighster, Contracts Manager

RECOMMENDATION: Receive and file the update.

### **4. Solvency Action Plan Update**

Staff: Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Receive and file the update.

### **5. Calendar Year (CY) 2021 DHCS Rate Package**

Staff: Kashina Bishop, Chief Financial Officer

RECOMMENDATION: Receive and file the update.

## **FORMAL ACTION**

### **6. Provider Contracting Credentialing, and Data Management (PCCM) System Implementation – Approval of Additional Funds**

Staff: Nancy Wharfield, Chief Medical Officer  
Eileen Moscaritolo, HMA Consultant

**RECOMMENDATION:** Approve additional fund to complete five year PCCM implementation and maintenance.

## **COMMENTS FROM COMMITTEE MEMBERS**

## **ADJOURNMENT**

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Administrative Reports relating to this agenda are available at 711 East Daily Drive, Suite #106, Camarillo, California, during normal business hours and on <http://goldcoasthealthplan.org>. Materials related to an agenda item submitted to the Committee after distribution of the agenda packet are available for public review during normal business hours at the office of the Clerk of the Board.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact (805) 437-5512. Notification for accommodation must be made by the Tuesday prior to the meeting by 3 p.m. will enable the Clerk of the Board to make reasonable arrangements for accessibility to this meeting.

## **AGENDA ITEM NO. 1**

TO: Executive Finance Committee  
FROM: Maddie Gutierrez, MMC - Clerk to the Commission  
DATE: October 8, 2020  
SUBJECT: Executive Finance Committee Meeting Minutes of August 6, 2020.

### **RECOMMENDATION:**

Approve the minutes.

### **ATTACHMENTS:**

Copy of the Regular Executive Finance Committee meeting minutes of August 6, 2020.

**Ventura County Medi-Cal Managed Care Commission (VCMMCC)  
Executive/Finance Committee  
Regular Meeting via Teleconference**

**August 6, 2020**

**CALL TO ORDER**

Committee Chair Dee Pupa called the meeting to order at 3:02 p.m. via phone conference call. The Clerk and Assistant Clerk were in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Camarillo, California.

The following GCHP staff was on the conference call:

- Margaret Tatar, Interim Chief Executive Officer
- Nancy Wharfield, M.D., Chief Medical Officer
- Ted Bagley, Interim Chief Diversity Officer and Human Resources Executive Director
- Kashina Bishop, Chief Financial Officer
- Eileen Moscaritolo, HMA Consultant
- Marlen Torres, Exec. Director of Strategies & External Affairs
- Steve Peiser, Sr. Director, Network Management
- Anna Sproule, Director of Finance
- Robert Franco, Compliance Director
- Michael Murguia, Exec. Director of Human Resources
- Bob Bushey, Procurement Officer
- Susana Enriquez, Public Relations Manager
- Debbie Rieger, ETP Consultant
- Scott Campbell, BBK
- Cathy Salenko, BBK

**ROLL CALL**

Present: Committee members Fred Ashworth, Shawn Atin, Dee Pupa and Jennifer Swenson.

Absent: Committee member Antonio Alatorre was not present at time of Roll Call.

**PUBLIC COMMENT**

None.

## **CONSENT**

### **1. Approval of Executive Finance Committee Special Meeting Minutes of June 17, 2020 and July 9, 2020.**

Staff: Maddie Gutierrez, CMC – Clerk to the Commission

**RECOMMENDATION:** Approve the minutes.

Committee member Ashworth motioned to approve all the minutes. Committee member Swenson seconded.

AYES: Committee members Fred Ashworth, Shawn Atin, Dee Pupa, and Jennifer Swenson.

NOES: None.

ABSENT: Committee member Antonio Alatorre.

Committee Chair Pupa declared the motion carried.

## **UPDATES**

### **3. Gold Coast Health Plan Solvency Action Plan (SAP) Update**

Staff: Margaret Tatar, Chief Executive Officer  
Kashina Bishop, Chief Financial Officer

**RECOMMENDATION:** Accept and file the update.

Chief Financial Officer, Kashina Bishop reviewed her PowerPoint presentation on the Solvency Action Plan Progress Report for August 2020. She reviewed the required TNE, the comparison to California Public Plans, and the State budget and financial implications. She will also present an initiative update on the SAP and identify risks and challenges for the upcoming quarter.

CFO Bishop stated rate decrease notices were sent to providers. Staff meets weekly on the SAP. SAP has become a mindset in the organization.

PCP will decrease by September 1, 2020 and we are looking for savings in the administrative side. We will be trying to save \$4.5million per year.

Exec. Director of Human Resources (HR), Michael Murguia, stated there is a potential savings in using contractors and he is currently reviewing the process and policies. His intention is to work with higher efficiency over the next six months.

The area of focus is now Phase 2. CFO Bishop will be analyzing outlier contract rates, improve contract language as well as extend capitation arrangements.

CFO Bishop noted there are unknown impacts to medical expenses due to the pandemic. There is an increase in membership, which will help the Plan.

CEO Tatar noted there will be a special session at the State level, and updates will be presented as received.

## **2. State Update**

Staff: Margaret Tatar, Chief Executive Officer  
Marlen Torres, Executive Director of Strategy & External Affairs

**RECOMMENDATION:** Accept and file the update.

Executive Director of Strategy & External Affairs, Marlen Torres, presented a high-level PowerPoint presentation outlining State updates.

Ms. Torres noted the State budget was signed in July 2020. She highlighted the optional expansion benefits that will be maintained, along with community-based adult services and multipurpose senior services program. She noted there was a delay with the CalAIM implementation.

Ms. Torres highlighted Long Term Care benefits, how they will be implemented and reviewed the recommendations.

The 1115 Waiver Renewal was also reviewed with information on financing, the timeline and dates for public hearings.

**Committee member Antonio Alatorre joined the meeting at 3:23 p.m.**

## **4. System Conversion/Enterprise Transformation Project Update**

Staff: Debbie Rieger, Senior Executive Business Transformation ETP Project Consultant

**RECOMMENDATION:** Accept and file the update.

Ms. Rieger presented a PowerPoint presentation on ETP/ and the Conduent MediTrac Implementation. She reviewed recent accomplishments and upcoming milestones. She reviewed the project health legend which included schedules, budget, resources, and scope.

## **5. Strategic Planning Schedule and Update**

Staff: Marlen Torres, Executive Director of Strategy & External Affairs

**RECOMMENDATION:** Accept and file the update.

Ms. Torres reviewed the process for the Strategic Planning along with a proposed timeline. Ms. Torres reviewed core elements. The elements she listed are as follows: Clear outcomes which will include information to the Commission. CAC and PAC will also provide feedback. She plans to focus on the GCHP mission and COHS commitment, there will be a continued focus on equity and diversity, as well as a focus on SAP management. Strive to have a successful system conversion and a successful collaboration with DHCS with pharmacy benefit transition.

Ms. Torres will begin to meet with the Strategic Planning Subcommittee in September in order to get input from the members.

Committee member Ashworth motioned to approve Updates 2-5. Committee member Alatorre seconded.

**AYES:** Committee members Antonio Alatorre, Fred Ashworth, Shawn Atin, Dee Pupa, and Jennifer Swenson.

**NOES:** None.

Committee Chair Pupa declared the motion carried.

## **FORMAL ACTION**

## **6. Revised June 2020 Fiscal Year to Date Financials**

Staff: Kashina Bishop, Chief Financial Officer

**RECOMMENDATION:** Staff recommends that the Executive Finance Committee approve the revised June 2020 financial package.

Chief Financial Officer, Kashina Bishop reviewed the financial statement adjustments. The net reduction to the TNE is \$8,401,956. The Net loss in June was a total of \$4.6



million. Fiscal year to date net loss is \$4.3 million and the TNE is 205% of the minimum required. Medical loss ratio is 94.6% and administrative ratio is 6.2%. CFO Bishop reviewed the TNE 3-year forecasts. She did note that TNE will drop to 175% at the end of 2020.

Committee member Swenson motioned to approve the revised June 2020 financials. Committee member Alatorre seconded.

AYES: Committee members Antonio Alatorre, Fred Ashworth, Shawn Atin, Dee Pupa, and Jennifer Swenson.

NOES: None.

Committee Chair Pupa declared the motion carried.

### **ADJOURNMENT**

Committee Chair Pupa adjourned the meeting at 3:53 p.m.

Approved:

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Maddie Gutierrez, MMC  
Clerk to the Commission



**AGENDA ITEM NO. 2**

TO: Executive Finance Committee

FROM: Debbie Rieger, Senior Executive Business Transformation Consultant  
Eileen Moscaritolo, HMA Consultant

DATE: October 8, 2020

SUBJECT: System Conversion / HSP MediTrac Update

**Verbal Presentation  
With  
PowerPoint**

**ATTACHMENTS:**

*ETP Update*

# Gold Coast Health Plan Executive Finance Mtg ETP Update

October 8, 2020

Eileen Moscaritolo  
HMA Consultant

Debbie Rieger  
Senior Executive Business  
Transformation Consultant

# Overview

1. ETP Scheduled 'Go Live': 12/14/2020
2. Project Risks
3. Project Risk Mitigation Strategies
4. Implications and strategies vis a vis our Provider Community

# ETP Risks

1. Data Warehouse
  - a. Migration to a new system resulting in changes to the data and data structure
  - b. Impact to existing internal reports and external data files
  - c. Requires reworking the existing data structures to support internal and external reporting and file exchange requirements.
2. Testing
  - a. Testing is a critical component for a system migration.
  - b. Conduent and GCHP teams are currently conducting User Acceptance Testing within the HSP MediTrac system.
  - c. Testing is behind schedule in some critical functional areas.

# ETP Risk Mitigation

1. GCHP has instituted daily calls with Conduent to:
  1. Closely monitor progress
  2. Maintain progress
  3. Identify risks and emerging risks on a daily basis
  4. Proactively address risks and remove any barriers.
2. GCHP has created daily action items for Conduent and GCHP to make sure all deliverables are met.
3. GCHP is accessing Conduent's subject matter experts on an open conference call line, which is staffed from 9:30 a.m. - 4:30 p.m., to get any questions answered around testing and functionality

# ETP Risk Mitigation (continued)

## 4. Provider Communication

- a. GCHP created a Provider Resource Guide, which outlines the changes that will occur as the result of the system migration.
  - i. We reviewed with GCHP's Provider Advisory Committee (PAC) during its September 8, 2020 meeting.
  - ii. PAC provided valuable feedback that has been incorporated into a revised version of the guide.
- b. Provider Resource Guide will be posted to the GCHP website provider section.
- c. Provider Resources Guide will be reviewed in webinar-based provider training and education sessions, which are scheduled to begin October 1, 2020 and continue throughout the month.

## 5. DHCS

- a. Encounter data testing started
- b. Completion by 10/31/2020

# Questions

# Thank you!





**AGENDA ITEM NO. 3**

TO: Executive Finance Committee

FROM: Steve Peiser, Sr. Director of Network Management  
Vicki Wrighster, Contracts Manager

DATE: October 8, 2020

SUBJECT: Provider Network Update

**Verbal Presentation  
With  
PowerPoint**

**ATTACHMENTS:**

*Provider Network Update PowerPoint*

**Integrity**

**Accountability**

**Collaboration**

**Trust**

**Respect**

## **EXECUTIVE FINANCE COMMITTEE**

**October 8, 2020**

### **Provider Network Update**

**Steve Peiser, Sr. Director Network Management  
Vicki Wrighster, Manager Contracting**

➤ **Provider Contracting and Credentialing Management (PCCM) System**

- Implementation moved February 2021:
- HSP MediTrac Provider Activities
  - Provider Communications and Webinars
  - Provider Data Validation
    - Contract and rates
    - Demographic information

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➤ **Americas Health Plan (AHP)**

- DHCS approval received on 9/24/20 for Plan-to-Plan Agreement
- Readiness review in process

➤ **Contracting Update**

- Solvency Action Plan (SAP)
  - Phase 1 Complete Projected Savings \$10.1-\$11.1M
  - Phase 1 savings related to contractual and rate adjustments- \$7.6M
  - Phase 2 Solvency Action Plan (SAP)
    - Continued evaluation and analysis
    - Anticipated timeline Q1 2021



**AGENDA ITEM NO. 4**

TO: Executive Finance Committee  
FROM: Kashina Bishop, Chief Financial Officer  
DATE: October 8, 2020  
SUBJECT: Solvency Action Plan Update

**PowerPoint with  
Verbal Presentation**

**ATTACHMENTS:**

*Progress Report: Solvency Action Plan*

# Progress Report: Solvency Action Plan

October 8, 2020

Kashina Bishop  
Chief Financial Officer

# Agenda:

1. Background:
  - a. Required Tangible Net Equity (TNE)
  - b. Comparison to California Public Plans
  - c. State Budget and financial implications
2. Solvency Action Plan – Initiative Update
3. Identify risks and challenges for the upcoming quarter relating to ongoing progress for Solvency Action Plan
4. Questions and comments

# Background:

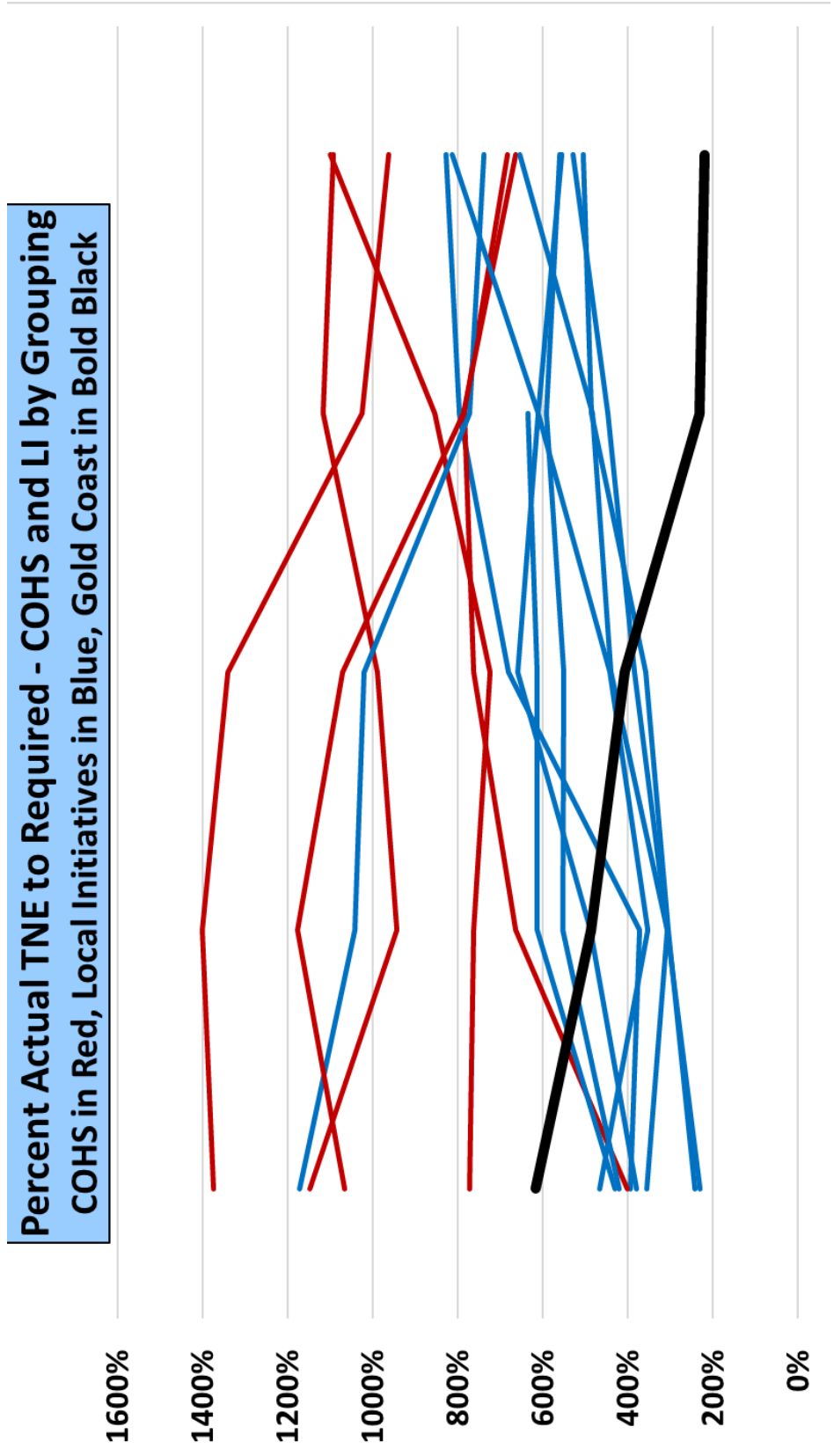
## Tangible Net Equity Requirements

1. TNE is a health plan's total assets minus total liabilities reduced by the value of intangible assets and unsecured obligations of officers, directors, owners, or affiliates outside of normal course of business.
2. Required TNE for a plan is the greater of 1 million dollars or a % of premium revenues or a % of healthcare expenses.
3. Excess TNE is the difference between total TNE and required TNE.



# Background:

## GCHP Outlier Status Among Public Plan



# Background:

## Financial Implications of State Budget

As a response to the public health emergency and the negative economic consequences to California, budget proposals include managed care rate reductions and program efficiencies.

1. 1.5% rate reduction retroactive to July 1, 2019 (\$8.5 million)
2. Increase of 10% to Long Term Care facility rate effective March 1, 2020 through the emergency (FYTD Through August - \$3.5 million)
3. Efficiency and acuity adjustments to upcoming rate year beginning January 1, 2021 (\$8+ million)

# Update on the Solvency Action Plan:

Actions	Annualized impact in savings
Continued focus on interest expense reduction	\$500,000
Reduction of LTC facility rates to 100% of Medi-Cal rate	\$1.8 million
Sent notification to providers regarding reduction of Adult Expansion PCP rates	\$4.5 million
Revision to Non-Pharmacy Dispensing Site policy	\$2-3 million
Contract signed – rate reduction to tertiary hospital	\$1.3 million
<b>TOTAL ANNUAL SAVINGS</b>	<b>\$10.1 – 11.1 million</b>

# Next steps -

## Phase 2: Solvency Action Plan

- WORK/ANALYSIS ON SOLVENCY ACTION CONTINUES
- HOWEVER, IMPLEMENTATION OF ANY PROVIDER RATE/CONTRACT CHANGES WILL ON HOLD THROUGH THE SYSTEM CONVERSION
- GCHP remains committed to preparation and planning for CY 2021

# Next steps -

## Phase 2: Solvency Action Plan

Current Focus - includes but not limited to	Annualized \$ Savings
Outlier contract rates	TBD
Implementation of HMS	\$1-3 million
Improved contract language	TBD
Expansion of capitation arrangements	Required TNE and risk reductions
LANE/HCPSC analysis	TBD
Consideration of across the board reductions	TBD

# Next steps -

## Phase 2: Solvency Action Plan Planning and Preparation

1. Outlier rate analysis
2. Contract reviews
3. Input from the Provider Advisory Committee
4. Financial analysis

# Solvency Action Plan – risks and challenges:

1. Coordination with system conversion
2. Provider acceptance of rate decreases and potential impact to network
3. Unknown impact to medical expense with the pandemic
4. Extent of further CY 2021 capitation rate adjustments

# Questions?





**AGENDA ITEM NO. 5**

TO: Executive Finance Committee  
FROM: Kashina Bishop, Chief Financial Officer  
DATE: October 8, 2020  
SUBJECT: Calendar Year (CY) 2021 DHCS Rate Package

**PowerPoint with  
Verbal Presentation**

**ATTACHMENTS:**

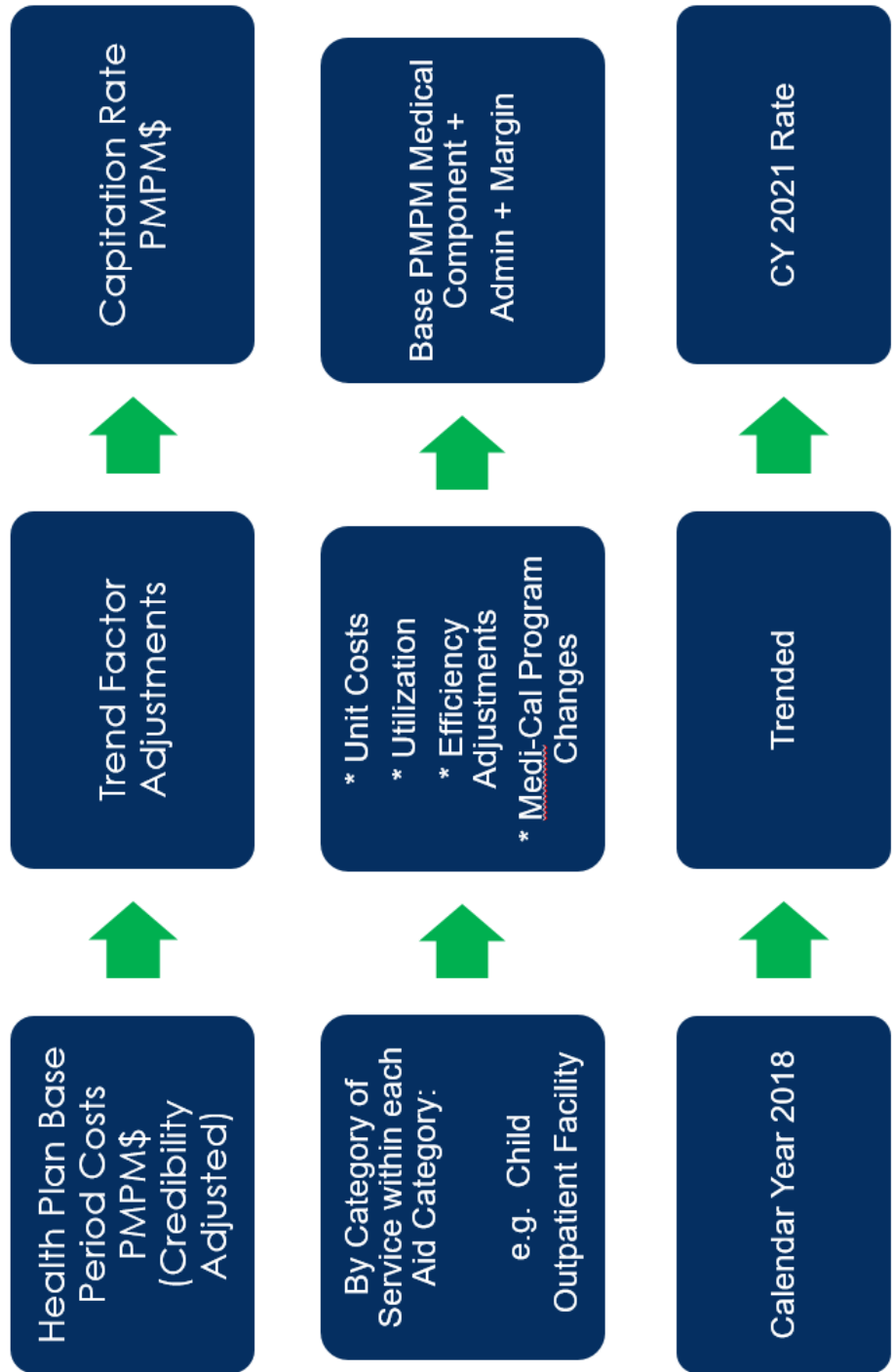
*CY 2021 DHCS Rate Package Update*

# CY 2021 DHCS Rate Package Update

October 8, 2020

Kashina Bishop  
Chief Financial Officer

# DHCS Rate Setting Process:



# CY 2021 Draft Rates:

Received 1<sup>st</sup> version on September 28 – 1.2% and \$8.5 million greater than budget projections, however, we anticipate two more iterations.

# CY 2021 Draft Rates – Version 1 Analysis:

- Includes the following adjustments:
  1. Reduction to allowable medical expense for globally sub-capitated members.
  2. Potentially Preventable Admissions Efficiency Adjustment (PPA).
  3. Healthcare Common Procedure Coding System Efficiency Adjustment (HCPCS).
  4. Reduction to the underwriting gain (2% to 1.5%).
  5. Other program changes and base data adjustments.

# CY 2021 Draft Rates – Version 1 Analysis:

Adjustment	Annualized Dollar Impact
Global Sub-capitated Admin	(\$900,000)
PPA	(\$850,000)
HCPCS	(\$1,750,000)
Underwriting Gain Reduction	(\$3,500,000)
Other	N/A – Base Data Accepted
<b>Total Adjustment</b>	<b>(\$7,000,000)</b>

# CY 2021 Draft Rates – Version 2:

GCHP anticipates a version 2 in October which will include the Low Acuity Non-Emergent (LANE) efficiency adjustment.

**Estimated dollar impact is .25% and \$1,500,000**

# CY 2021 Draft Rates – Version 3:

GCHP anticipates a version 3 in December which will include a potential adjustment for population acuity.

## **Estimated dollar impact – ????**

If .5% = \$3 million

If 2% = \$12 million



# Questions?

## **AGENDA ITEM NO. 6**

**TO:** Executive Finance Committee

**FROM:** Nancy Wharfield, M.D., Chief Medical Officer

**DATE:** October 8, 2020

**SUBJECT:** Provider Contracting and Credentialing Management (“PCCM”) System Implementation

### **SUMMARY:**

Gold Coast Health Plan (“GCHP”) leadership is requesting a revised not-to-exceed-amount approval to complete an in-progress, critical Provider Contracting, Credentialing, and provider data Management (“PCCM”) system implementation.

Medi-Cal Managed Care Health Plans (“MCPs”) have responsibility for managing and reporting on a vast amount of information about provider identification and practice locations, provider contracts, and provider credentialing status. GCHP developed a customized, in-house data base to support production of provider directories and provider network data reporting to the Department of Health Care Services (“DHCS”). Today, credentialing efforts are 100% manual and rely upon the use of Excel spreadsheets. These custom and highly manual approaches are not scalable or configurable to keep pace with increasingly frequent changes to regulatory requirements. To address this, GCHP released a Request for Proposals (“RFP”) for a Provider Credentialing, Contracting, and Provider Data Management business-technology platform in 2017.

In October of 2018, the GCHP Commission approved the Plan entering into a contract with a yet to be identified qualified vendor for a 5-year contract estimated to be \$1.25 million. The RFP considered separate platforms for credentialing, contracting, and provider data as well as an all-in-one solution. GCHP selected Symplr as an all-in-one, integrated solution which provided equivalent software capabilities with improved process efficiencies, decreased implementation time, and lower total costs. Symplr offers features such as eApply, eSearch, and eStatus which support primary source verification, tracking and verifying the education, work history, licensing, renewals, affiliations and references, continuing education, expirations (licenses, insurance, boards, sanctions) and much more with the original source of a specific qualification. All of these functions have previously been supported manually. GCHP staff anticipate completing implementation of this new platform in February 2021.

After contract negotiations with Symplr were completed, a more accurate picture of annual maintenance, hosting, and implementation costs and variance from the original estimate has

been obtained. The revised amount needed for the project is \$343k for a new not-to-exceed ("NTE") total of \$1,592,700 over 5 years. Of note, GCHP staff negotiated 200 hours of annual professional services at a significantly reduced rate resulting in a savings of approximately \$88,000.

#### **FISCAL IMPACT:**

The revised projects costs will impact the FY2020-2021 budget with an additional \$343,000.

The revised 5-year costs are as follows:

<b>Contract Year</b>	<b>Revised Projected Amount</b>
Year 1 - Licensing, Hosting, Implementation Fees	\$ 1,078,600
Year 2 Hosting, Maint Fees, Addr Verif Svc	\$ 104,000
Year 3 Hosting, Maint Fees, Addr Verif Svc	\$ 110,600
Year 4 Hosting, Maint Fees, Addr Verif Svc	\$ 114,000
Year 5 Hosting, Maint Fees, Addr Verif Svc	\$ 117,500
Contingency 20% of new approval request amount (340k)	\$ 68,000
	<b>\$ 1,592,700</b>

#### **RECOMMENDATION:**

GCHP staff recommend the Commission approve and delegate to the CEO the authority to execute agreement amendments and/or change orders with Symplr with a new NTE amount of \$1,592,700 for the duration of the five-year agreement.