

**Ventura County Medi-Cal Managed Care Commission
(VCMMCC) dba Gold Coast Health Plan (GCHP)
Commission Meeting Minutes
March 24, 2014**

CALL TO ORDER

Chair Gonzalez called the meeting to order at 3:01 p.m. in Suite 200 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

ROLL CALL

COMMISSION MEMBERS IN ATTENDANCE

Antonio Alatorre, Clinicas del Camino Real, Inc.
David Araujo, MD, Ventura County Medical Center Family Medicine Residency Program
May Lee Berry, Medi-Cal Beneficiary Advocate
David Glycer, Private Hospitals / Healthcare System
Robert Gonzalez, MD, Ventura County Health Care Agency
Michelle Laba, MD, Ventura County Medical Center Executive Committee
Gagan Pawar, MD, Clinicas del Camino Real, Inc. (arrived at 3:05 p.m.)
Dee Pupa, Ventura County Health Care Agency

EXCUSED / ABSENT COMMISSION MEMBERS

Lanyard Dial, MD, Ventura County Medical Association
Peter Foy, Ventura County Board of Supervisors
Laurie Harting (*previously Laurie Eberst*), Private Hospitals / Healthcare System

STAFF IN ATTENDANCE

Michael Engelhard, Chief Executive Officer
Nancy Kierstyn Schreiner, Legal Counsel
Michelle Raleigh, Chief Financial Officer
Traci R. McGinley, Clerk of the Board
Brandy Armenta, Compliance Director
Sherri Bennett, Network Operations Director
Julie Booth, Quality Improvement Director
Charles Cho, MD, Chief Medical Officer (2011-2013)
Stacy Diaz, Human Resources Director
Anne Freese, Pharmacy Director
Lupe Gonzalez, Manager of Health Education & Disease Management
Steven Lalich, Communications Director
Vickie Lemmon, Health Services Director
Tami Lewis, Operations Director
Allen Maithel, Controller
Jenny Palm, Health Services Director (retiring)
Al Reeves, MD, Chief Medical Officer

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

The Pledge of Allegiance was recited.

RECOGNITION OF RETIRING CMO CHARLES CHO, MD

CMO Cho spoke for a moment and stated that it has been quite a journey and he really grew to enjoy the challenges.

Chair Dr. Robert Gonzalez recognized Dr. Cho's contributions and that Dr. Cho had also stepped up as Interim CEO when he was approached by the Commission and was needed at GCHP.

CEO Michael Engelhard highlighted that Dr. Cho has a longstanding history of serving the community and that he came out of retirement to step into the CMO position at GCHP. The Plan would not be where it is today without Dr. Cho's contributions.

Brian Miller, Chief of Staff for Board of Supervisor Peter Foy, acknowledged all that Dr. Cho has done for the area and provided a Certificate of Recognition from the Board of Supervisors.

PUBLIC COMMENT

None.

1. APPROVE MINUTES

a. Regular Meeting of January 27, 2014

Commissioner Berry moved to approve the Regular Meeting Minutes of January 27, 2014. Commissioner Glycer seconded. The motion carried with the following votes:

AYE: Araujo, Berry, Gonzalez, Glycer, Laba, Pawar and Pupa.
NAY: None.
ABSTAIN: Alatorre.
ABSENT: Dial, Foy and Harting.

2. CONSENT ITEMS

- a. Provider Advisory Committee (PAC) Charter Policy and Procedure**
- b. Extension of Auditors Contract (McGladrey)**
- c. ICD-10 Vendor Selection**

Commissioner Glycer moved to approve the Consent Items. Commissioner Pupa seconded. The motion carried with the following votes:

AYE: Alatorre, Araujo, Berry, Gonzalez, Glycer, Laba, Pawar and Pupa.
NAY: None.
ABSTAIN: None.
ABSENT: Dial, Foy and Harting.

3. **APPROVAL ITEMS**

a. **Election of Vice-Chair**

The nomination process opened. Commissioner Laba nominated Commissioner Glycer and Commissioner Pawar nominated Commissioner Alatorre for Vice-Chair of the Commission. The nomination closed.

The following Commissioners supported Commissioner Glycer as Vice-Chair:
Araujo, Gonzalez, Laba and Pupa.

The following Commissioners supported Commissioner Alatorre as Vice-Chair:
Alatorre, Berry, Glycer and Pawar.

As the vote resulted in a tie, Commissioner Araujo moved to continue the Election of Vice-Chair to the next regularly scheduled meeting. Commissioner Pupa seconded. The motion carried with the following votes:

AYE: Alatorre, Araujo, Berry, Gonzalez, Glycer, Laba, Pawar and Pupa.
NAY: None.
ABSTAIN: None.
ABSENT: Dial, Foy and Harting.

4. **ACCEPT AND FILE ITEMS**

a. **CEO Update**

CEO Engelhard reviewed the written report with the Commission.

b. **December and January Financials**

CFO Raleigh reviewed the Financial Report and highlighted some of the key results. The Plan continues to generate positive net income. Year to date the net income is at \$11.5 million. The positive net income contributes to the Plan's reserve levels, which are currently above the required levels.

The Plan received the ACA 1202 funds from the State. The funds were not included in the budgeted amounts due to the unknown timeframe of receipt of those funds and more importantly, the funds were originally considered to be pass-through amounts.

Informational Item 5c, *ACA 1202 Update*, goes through this change in more detail. The State recently alerted managed care plans that this money will not be a "pass-through" and the plans may be "at-risk" financially, meaning that GCHP may have to pay physicians more than what the State provides. Health plans and the organizational associations are encouraging the State to reconsider this matter. Although it is not reflected in the January figures provided, if all providers attest and submit complete

encounter information the Plan could end up paying Providers roughly \$1 million more for the first six month time period than it received from the State.

Commissioner Laba moved to Accept and File the CEO Update and Financials. Commissioner Gonzalez seconded. The motion carried with the following votes:

AYE: Alatorre, Araujo, Berry, Gonzalez, Glycer, Laba, Pawar and Pupa.
NAY: None.
ABSTAIN: None.
ABSENT: Dial, Foy and Harting.

5. INFORMATIONAL ITEMS

a. CMO Update

Dr. Reeves, CMO, reviewed the written report with the Commission which highlighted the Quality Improvement Committee. Dr. Reeves reviewed the proceedings and reports from the February 25, 2014 Quality Improvement Committee. Dr. Reeves also highlighted the new Hepatitis C drug, Sovaldi, and indicated that this drug, which produces vastly improved outcomes from prior Hepatitis C drugs, was the Plan's highest cost drug in the month of March at more than \$228,000 paid.

b. Health Services Update

Dr. Wharfield, Medical Director Health Services, reviewed the written report with the Commission. This report highlighted utilization statistics such as Bed Days per 1,000 members, Average Length of Stay for acute hospitalizations, all-cause 30-day readmission rates, and ER utilization.

c. ACA 1202 Update

Commissioners had no questions regarding this item and it was not specifically reviewed, but was briefly discussed during Agenda Item 1b, *December and January Financials*

CLOSED SESSION

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

ADJOURN TO CLOSED SESSION

The Commission adjourned to Closed Session at 4:05 p.m. regarding the following items:

Closed Session Pursuant to Government Code Section 54957(e)

Public Employee Performance Evaluation
Title: Chief Executive Officer

Closed Session Conference with Legal Counsel – Existing Litigation Pursuant to Government Code Section 54956.9 - United States of America et al. ex re Donald Gordon, v. Gold Coast Health Plan, et al, United States District Court, Central District, Case Number: CV 11-5500-IFW (AJWx)

RETURN TO OPEN SESSION

The Regular Meeting reconvened at 5:02 p.m.

Legal Counsel Kierstyn Schreiner announced that the Commission unanimously voted to appoint an Ad Hoc Committee comprised of Chair Gonzalez, Legal Counsel Kierstyn Schreiner and Human Resource Director Diaz to work on and bring back a new Contract for CEO Engelhard.

COMMENTS FROM COMMISSIONERS

Commissioner Berry noted that she attended the March CAC meeting and that staff is doing a great job with that committee.

Chair Gonzalez said how good it was to be back.

Commissioner Pupa stated that she was glad she was a part of the Commission.

ADJOURNMENT

Meeting adjourned at 5:04 p.m.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board