

**Ventura County Medi-Cal Managed Care Commission
(VCOMMCC) dba Gold Coast Health Plan (GCHP)
Executive / Finance Committee Meeting Minutes
October 3, 2013**

CALL TO ORDER

Chair Gonzalez called the meeting to order at 3:01 p.m. in Suite 230 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

COMMITTEE MEMBERS PRESENT

Eileen Fisler, Ventura County Medical Health System
David Glycer, Private Hospitals / Healthcare System
Robert Gonzalez, MD, Ventura County Medical Health System
Roberto Juarez, Clinicas del Camino Real, Inc.

ABSENT / EXCUSED

Vacant, 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

Guillermo Gonzalez, Government Relations Director
Lyndon Turner, Finance Manager

PUBLIC COMMENTS

None.

1. APPROVE MINUTES

a. August 1, 2013 Regular Meeting Minutes

Clerk McGinley noted that under *Introductions*, "Matt Moschel from Berkley Research Group (BRG)" should read: "Matt Levine from Berkley Research Group (BRG)."

Committee Member Glycer moved to approve the August 1, 2013 Regular Meeting Minutes as corrected. Chair Gonzalez seconded. The motion carried. **Approved 3-0**, with Committee Member Juarez abstaining.

2. ACCEPT AND FILE ITEMS

a. CEO Update

CEO Engelhard provided an update on proposed rules for the Basic Health Plan option that were recently released by Centers for Medicare and Medicaid Services (CMS).

The California Medical Association filed a petition with the U.S. Supreme Court to review a lower court's decision on the AB 97 provider rate reductions.

Starting January 2014 all Medi-Cal managed care plans are required to offer outpatient behavior health benefits. GCHP is waiting for final rules to be published by California Department Health Care Services (DHCS). The Plan is working to meet the tight deadlines and does not expect to receive a contract amendment and rates from DHCS until mid-November.

CEO Engelhard reported that the current federal government shutdown does not impact "mandatory programs" like Medicare, Medicaid and Social Security.

The Healthy Families Program (HFP) Transition has gone smoothly; approximately 90% of children have been assigned to a Primary Care Physician (PCP). Throughout the transition, GCHP staff reached out to Members to inform them on how and where to get assistance and to answer questions. CEO Engelhard also recognized the efforts of contracted providers' outreach efforts to ensure that children had a PCP.

b. August Financials (Unaudited)

CFO Raleigh reviewed the unaudited August Financials and highlighted that the Plan is ahead of budget. The Plan reported positive net income for the month of August. These results helped the Plan build the required TNE to \$10.3 million, just short of the phased-in requirement of \$10.7 million by approximately \$400,000. Further discussion was held regarding the future required levels of TNE.

CFO Raleigh reported that the State has provided a new rate package for FY 2013-14; however there are questions on how some of the figures were determined. CEO Engelhard added that GCHP had a meeting with the State regarding the new rates.

It was noted that page 2b-7 should be disregarded and an update will be provided at the next meeting.

CFO Raleigh continued reviewing the material and noted that due to Targeted Low Income Children (TLIC) population, the Plan increased Incurred But Not Paid (IBNP) reserve up to approximately \$40 million.

Chair Gonzalez suggested that the Plan report on a few, consistent number metrics of the pharmacy data on a monthly basis.

Committee Member Juarez commented about obtaining better reporting on utilization, emergency room, hospitalization and immunization. CEO Engelhard explained that the Plan did report utilization at the last Commission meeting and with MedInsight, the Plan's health care analytical tool; the Plan will begin to have the ability to obtain that type of information from claims data on a more consistent basis. In December the Plan will convert to a new Medical Management System (MMS), MedHOK, which is expected to provide more real-time reporting of utilization data.

CFO Raleigh closed stating that Health Care costs and Administrative Expenses were slightly under budget.

Page 2b-8a and 2b-17 were provided; the first graphs the weekly claims inventory for 2013 and the later Member pharmacy utilization.

Committee Member Glycer moved to accept and file the CEO Report and the Unaudited August Financials. Committee Member Juarez seconded. The motion carried.

Approved 4-0.

3. INFORMATIONAL ITEMS

a. State of California Contract – Updated Capitation Rates

CFO Raleigh reported that the State has provided the new rate package. FY 2012-13 rates have been finalized, but pending approval of CMS. FY 2013-14 rates have been updated; however, the package is still being analyzed by staff. GCHP will incorporate the final FY 2012-13 rates into the audit to reflect an additional \$4 million of revenue for FY 2012-13 results, which will also result in an increase in reported TNE.

CLOSED SESSION

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

ADJOURN TO CLOSED SESSION

The Committee adjourned to Closed Session at 3:49 p.m. regarding the following:

Existing Litigation Pursuant to Government Code Section 54956.9 Lucas v. Regional Government Services et al, VCSC Case No. 56-2013-00432444-CU-CE-VTA

RETURN TO OPEN SESSION

The Regular Meeting reconvened at 4:06 p.m.

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


COMMENTS FROM COMMITTEE MEMBERS

Committee Member Juarez stated that he spoke with officials at the Fair Political Practices Commission (FPPC) and they have not heard of “eight steps” regarding conflicts of interest that legal counsel spoke of at the September Commission Meeting.

ADJOURNMENT

Meeting adjourned at 4:08 p.m.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board