

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

February 27, 2017 Regular Meeting Minutes

CALL TO ORDER

Commissioner Darren Lee called the meeting to order at 2:02 p.m. in the Community Room located at Gold Coast Health Plan, 711 E. Daily Drive, Camarillo, California.

PLEDGE OF ALLEGIANCE

Commissioner Lee led the Pledge of Allegiance.

ROLL CALL

Present: Commissioners Antonio Alatorre (arrived at 2:04), Shawn Atin, Lanyard Dial, M.D., Narcisa Egan, Laura Espinosa (arrived at 2:04), Darren Lee, Gagan Pawar, M.D., Catherine Rodriguez, and Jennifer Swenson.

Absent: Commissioners Peter Foy and Michele Laba, M.D.

PUBLIC COMMENT

None.

Commissioners Alatorre and Espinosa arrived at 2:04 p.m.

CONSENT CALENDAR

Commissioner Dial moved to approve the Consent Calendar. Commissioner Alatorre seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

1. Approval of Ventura County Medi-Cal Managed Care Commission Meeting Regular Minutes of January 23, 2017

RECOMMENDATION: Approve the minutes.

2. Appointment of Credentials/Peer Review Committee Member

RECOMMENDATION: Appoint Dr. Rob Steeler, Chief medical Officer, St. John's Regional Medical Center and Pleasant Valley Hospital to the Credentials/Peer Review Committee.

3. Approve Professional Services Statement of Work with MedHOK, Inc.

RECOMMENDATION: Approve the professional services statement of work with MedHOK, Inc., for the implementation of a Medical Management System Platform 3.1 enhanced upgrade with a not to exceed amount of \$137,500.

FORMAL ACTION ITEMS

4. December 2016 Year to Date Financials

RECOMMENDATION: Accept and file the December 2016 Fiscal Year to Date Financials.

Patricia Mowlavi, Chief Financial Officer, reported for the six months ending December 2016, the Plan's performance resulted in a net asset gain of \$3.2 million, which was \$4.8 million higher than budget; the Medical Loss Ratio (MLR) is at 92%; and administrative expenses were \$245 million or \$2.8 million lower than budget. Additionally, there are concerns regarding the repeal of the Affordable Care Act (ACA), as there could be an initial reduction of rates.

A discussion followed between the Commissioners and staff regarding the potential effects of the ACA repeal and the importance of making thoughtful and strategic decisions.

Ruth Watson, Chief Operating Officer, stated the Plan has allocated a \$13 million increase for hospitals and a \$5 million increase to providers for this fiscal year, as well as additional programs, which will be discussed at the March 17 strategic meeting.

Lyndon Turner, Director of Financial Analysis, clarified the Care Management Credit noted on page 31 of the agenda packet consists of the care management expenses and are part of the MLR, which includes any nursing staff in direct contact with the member; the Applied Behavior Analysis Services' negative \$1.2 million was due to data not being available so there was nothing to base the projection on; and the \$3 million bottom line includes the gain amount from the long-term care, but as the AB1629 rate increase was released extremely late, the budgeted amount was based on prior years' rate of increase.

Commissioner Alatorre moved to approve the recommendation. Commissioner Rodriguez seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

5. Receive Resolution No. 2017-001 Amending the Bylaws to Establish Rosenberg's Rules of Order to Govern Certain Aspects of Commission Meetings and to Modify the Composition of the Executive/Finance Committee

RECOMMENDATION: Approve Resolution No. 2017-001.

Scott Campbell, General Counsel, stated the revisions of the bylaws simplify the Commission's rules and changes the mandatory make-up of the Executive/Finance Committee.

Commissioner Pawar moved to approve the recommendation. Commissioner Swenson seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

6. Appointment of Commissioners to Serve on the Executive/Finance Committee

RECOMMENDATION: Appoint Commissioners to serve on the Executive/Finance Committee.

Mr. Campbell stated pursuant to the adopted bylaws, the two members that are required to be on the Executive/Finance Committee are Commissioners Alatorre and Lee and there is a vacancy for the required Ventura County Medical Center position.

Commissioner Pawar nominated Commissioners Egan and Rodriguez.

Commissioner Lee nominated Commissioner Swenson.

Commissioner Atin moved to approve the nominations. Commissioner Alatorre seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

7. Quality Improvement Committee 2016 Fourth Quarter Report

RECOMMENDATION: Accept and file the Quality Improvement Committee 2016 Fourth Quarter Report.

Albert Reeves, M.D., Chief Medical Officer, gave an update on the Quality Improvement Projects. The Performance Improvement Project (PIP) No. 1 is a childhood immunization program in conjunction with Las Islas Clinic and is currently in stage four: testing the proposed interventions, which are to identify members not fully immunized and reach out to the families to schedule appointments for the immunizations. As of October 2016, the immunization rates were at 87.18%.

The Initial Health Assessment (IHA) is required for any new member within 120 days of enrollment, but the Plan has been below compliance due to absent or incomplete Staying Health Assessments and missing TB Risk Assessments. Staff is pursuing using an electronic system through the Alternative Resources for Community Health (ARCH) program, which will enable providers to complete the assessments in a timely manner.

Fifteen new drugs were reviewed resulting in the approval of four to be added to the formulary. One of the approved drugs, Nucynta, is a synthetic opiate medication that has a significant advantage as it has good pain relieving properties, but is significantly less addictive than other available opiate medications. Methadone 40 mg. when prescribed for pain was removed from the

formulary due to the high risk of overdose and the Plan added a requirement for a prior authorization for alprazolam when used in combination with an opiate. OxyContin was also removed from the formulary due to the risk for abuse. Two new Hepatitis C drugs, Zepatier and Epclusa, have been proven to be equally effective as the more expensive drug options and are less expensive therefore resulting in the State reducing the kick-payment.

A discussion followed between the Commissioners and staff regarding there being insufficient data relating to the drugs reducing costs in the treatment of Hepatitis C as they were introduced in 2015. The Commission commended the Plan on the positive trend lines shown in the report, and questioned if there other items that can be identified and measured to continue to improve performance.

The Credentials/Peer Review reported 31 new providers were approved, six providers were recredentialed, and five facilities were credentialed. The one case previously reviewed and rated three with quality of care concerns, was reviewed by the physician's peers in their specialty. The provider was notified the care was below the standard of care resulting in the ongoing monitoring of the provider's cases.

The Group Needs Assessment Project was completed in October, which required the Plan to acquire 411 responses. The Plan received 417 responses in which 218 were English and 199 were Spanish. Key recommendations included increase Well-Child visits for children between the ages of three and six; increase provider education about improving access and preventative services; increase health education programs to reduce childhood obesity; and increase both provider and member education regarding language assistance services. It was noted 39% of the Plan's members speak Spanish.

The Interactive Voice Response (IVR) optimization has been completed successfully and an Explanation of Benefits (EOB) initiative has been started, which will be sent to members indicating the services, charges, and instructions on what to do if the EOB is inaccurate in order to identify fraud, waste, and abuse.

Commissioner Espinosa requested data be provided on what cities or areas of Ventura County have a lower rate of vaccinations in order to see any trends.

A discussion followed between the Commissioners and staff regarding how the Plan would handle a situation involving a member being denied a prescription for medication when it is available over the counter, but at a higher price than the prescription cost. Staff responded there could a variety of reasons the physician denied issuing a prescription and the situation should be run through the grievance process in order to determine what occurred.

Commissioner Atin moved to approve the recommendation. Commissioner Dial seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

REPORTS

8. Chief Executive Officer (CEO) Update

RECOMMENDATION: Accept and file the report.

Dale Villani, CEO, stated staff and trade associations are closely monitoring the potential changes to the ACA and there is a current trend towards moving away from providing care and funding for the Adult Expansion, which is approximately 55,000 members. Staff had the opportunity to meet with congressional leaders in Washington, D.C., and local representatives in Sacramento to discuss federal legislation and policies that affect the Medicaid/Medi-Cal program. He stated the strategic planning meeting is scheduled for March 17, 2017, and includes guest speakers Trent Smith and Don Gilbert, the Plan's lobbyists at Edelstein, Gilbert, Robson & Smith, LLC; and Margaret Tatar, an industry expert from Health Management Associates. Discussions will be centered on Knox Keene licensing, value-based contracts, and participating in the Medicare duals business.

Mr. Villani announced on February 17, 2017, the Department of Health Care Services (DHCS) lifted the financial corrective action plan that the Plan had been under since October 2012 and commended staff on their hard work. DHCS will continue to monitor the Plan occasionally and the annual on-site medical audit is scheduled for April 24 through May 5, 2017.

9. Chief Operations Officer (COO) Update

RECOMMENDATION: Accept and file the report.

Ruth Watson, COO, stated membership is relatively flat and the Plan experienced a loss of 112 members from January 2017 through February 2017.

Ms. Watson introduced the new Director of Operations Christianne Hodina.

Ms. Watson noted on page 118 there was an anomaly in the call center data due to the lack of coverage during the holidays and discussions with Xerox have occurred regarding advance hiring to provide the necessary coverage. Staff is currently renegotiating a two-year extension and are building additional service level guarantees into the contract, which would include a forfeit of premiums.

A discussion followed between the Commissioners and staff regarding the Request for Proposals (RFP), which will consist of seven service towers and the necessity of extending the current contract with Xerox for two years in order to cover the time required to complete the RFP process. Staff will be providing periodic updates on the project along with timelines to the Commission.

Commissioner Dial requested an itemization of the Acute Care and Tertiary Care facilities located outside the County including why and what benefits are being provided to the members and which have 340B programs.

10. Chief Medical Officer (CMO) Update

RECOMMENDATION: Accept and file the report.

Dr. Reeves stated Health Services Update and Community Outreach Summary Report are provided in the agenda packet and staff is available to answer any questions from the Commissioners.

11. Human Resources/Cultural Diversity Subcommittee Update

RECOMMENDATION: Accept and file the report.

Scott Campbell, General Counsel, stated no calls were received on the hotline since the last month and the Human Resources/Cultural Diversity Subcommittee is working on finalizing candidates for the Chief Diversity Officer position, which the Commission will be discussing in Closed Session.

Commissioner Swenson moved to accept and file Report Items Nos. 9 through 11. Commissioner Alatorre seconded.

AYES: Commissioners Alatorre, Atin, Dial, Egan, Espinosa, Lee, Pawar, Rodriguez, and Swenson.

NOES: None.

ABSTAIN: None.

ABSENT: Commissioners Foy and Laba.

Commissioner Lee declared the motion carried.

Mr. Campbell announced Closed Session Agenda Items as listed below with Agenda Item No. 12 Conference with Legal Counsel – Signification Exposure to Litigation concerning correspondence regarding the American Health Plan (AHP) contract with Gold Coast Health Plan.

CLOSED SESSION

The Commission adjourned to Closed Session at 3:03 p.m.

12. CONFERENCE WITH LEGAL COUNSEL – SIGNIFICANT EXPOSURE TO LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: One Case

13. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Name of Case: Script Care v. Ventura County Medi-Cal Managed Care Commission dba Gold Coast Health Plan, Case No. 56-2017-00492349 CV-WM-VTA

14. PUBLIC EMPLOYEE APPOINTMENT

Title: Human Resources Director

15. PUBLIC EMPLOYEE APPOINTMENT

Title: Chief Diversity Officer

16. CONFERENCE WITH LABOR NEGOTIATORS

Agency designated representatives: Ventura County Medi-Cal Commission dba Gold Coast Health Plan and Scott Campbell, General Counsel
Unrepresented employee: Chief Diversity Officer and Human Resources Director

Commissioner Rodriguez left at 3:47 p.m.

OPEN SESSION

The Regular Meeting reconvened at 5:10 p.m.

Mr. Campbell stated there was no reportable action taken.

COMMENTS FROM COMMISSIONERS

None.

ADJOURNMENT

The meeting was adjourned at 5:11 p.m.

APPROVED:



Tracy J. Oehler, Clerk of the Board