

**Ventura County Medi-Cal Managed Care Commission
(VCMGCC) dba Gold Coast Health Plan (GCHP)
Commission Meeting Minutes
April 22, 2013**

CALL TO ORDER

Chair Gonzalez called the meeting to order at 3:00 p.m. in Suite 200 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

The Pledge of Allegiance was recited.

ROLL CALL

COMMISSION MEMBERS IN ATTENDANCE

David Araujo, MD, Ventura County Medical Center Family Medicine Residency Program

May Lee Berry, Medi-Cal Beneficiary Advocate

Anil Chawla, MD, Clinicas del Camino Real, Inc.

Laurie Eberst, Private Hospitals / Healthcare System

John Fankhauser, MD, Ventura County Medical Center Executive Committee

Peter Foy, Ventura County Board of Supervisors

Robert Gonzalez, MD, Ventura County Health Care Agency

Robert S. Juarez, Clinicas del Camino Real, Inc. (arrived 3:02 p.m.)

Catherine Rodriguez, Ventura County Medical Health System (arrived 3:06 p.m.)

EXCUSED / ABSENT COMMISSION MEMBERS

Lanyard Dial, MD, Ventura County Medical Association

David Glyer, Private Hospitals / Healthcare System

STAFF IN ATTENDANCE

Michael Engelhard, CEO

Nancy Kierstyn Schreiner, Legal Counsel

Michelle Raleigh, CFO

Traci R. McGinley, Clerk of the Board

Charlie Cho, MD, Chief Medical Officer

Melissa Scrymgeour, IT Director

Brandy Armenta, Compliance Officer

Sherry Bennett, Provider Network Manager

Guillermo Gonzalez, Government Relations Director

Lyndon Turner, Finance Manager

Language Interpreting and Translating services provided by GCHP from Lourdes González Campbell of Lourdes González Campbell and Associates.

PUBLIC COMMENT

Christina Velasco, Clinicas CFO, read into the record a letter addressed to CEO Engelhard dated April 18, 2013 regarding Weekly GCHP and Clinicas Conference Calls (*attached hereto and incorporated herein by this reference*).

CEO Engelhard confirmed that GCHP did receive the letter and is currently working on a response.

Tony Alatorre, Clinicas COO, stated that Clinicas is receiving complaints from patients because they are being assigned to the wrong clinic, there seems to be confusion between one of Clinicas' facilities and another clinic. When they checked with the Call Center they were informed that the members had been assigned to the clinic closest to their home; however, that is not accurate. One family that has been with Clinicas temporarily lost Medi-Cal benefits, when they were reinstated they were auto assigned elsewhere even though Clinicas' still had claims pending in the system.

Chair Gonzalez added that other network provider groups were experiencing these problems as well.

CEO Engelhard explained that GCHP received some of this information earlier in the day and additional material is being collected to research this matter.

1. APPROVE MINUTES

a. Regular Meeting of March 25, 2013

Commissioner Glycer moved to approve the Regular Meeting Minutes of March 25, 2013. Commissioner Chawla seconded. The motion carried. **Approved 6-0**, with Commissioners Fankhauser, Foy and Rodriguez abstaining.

2. CONSENT ITEMS

- a. DHCS Contract Amendment 4 & 5**
- b. Line of Credit (LOC)**

Commissioner Berry moved to approve the Consent Items. Commissioner Foy seconded. The motion carried. **Approved 9-0**.

3. APPROVAL ITEMS

a. Intergovernmental Transfer (IGT)

CEO Engelhard explained that the IGT would be a three way agreement with the Plan, County and State. Details of the IGT are contained in the report. The Plan will receive an increase in CAP rates which will be retro adjusted. The IGT is set up for GCHP to retain a portion of the IGT funds for the MCO tax payment and a 2% administrative fee. Documentation will be sent to the State if approved by the Board of Supervisors on

April 23, 2013. The documents will be finalized as needed for funds to come in July, if approved.

Commissioner Fankhauser asked how the administrative fee was determined. CFO Raleigh responded that it was a percentage agreed upon by the Plan and County. CEO Engelhard added that in California the 2% administrative fee is typical.

In response to questions from Commissioner Juarez, CEO Engelhard confirmed that the funds were only for County providers. Commissioner Rodriguez clarified that IGTs are for government entities, the originating funds are provided by the government entity, the County in this instance. The County must then provide proof to the State that the money goes back to the Medi-Cal providers.

Discussion was held regarding GCHP originally planning on using the IGT for Tangible Net Equity (TNE) needs. CEO Engelhard reported that the Plan was working with the State and County to temporarily retain some of the funds, but that type of transaction is new and to the best of his knowledge has not been approved by Centers for Medicare and Medicaid Services (CMS) previously. The State and the Plan felt that if CMS denied the request the timeframe was too short for FY 11-12 IGT to be completed. Staff will continue work with the County, DHCS and CMS to request a temporary use of a FY 12-13 IGT matching funds for TNE needs.

Commissioner Foy confirmed that the Plan will keep \$500,000. CEO Engelhard responded yes, but the way the IGT was originally proposed the Plan would have been obligated to pay all of the funds back to the County.

Commissioner Foy moved to authorize the Plan's CEO to submit all necessary documentation to proceed with the IGT funding. Commissioner Araujo seconded. The motion carried. **Approved 7-2** with Commissioners Juarez and Chawla voting no.

b. Podiatry Services

CMO Cho reviewed his written report with the Commissioners. It was noted that the request was not for expanded services, but if approved would allow a Podiatrist to do covered services.

Commissioner Juarez moved to approve Podiatry Services as a covered provider. Commissioner Foy seconded. The motion carried. **Approved 9-0.**

c. Kaiser Contract for Healthy Families Transition

CEO Engelhard reviewed his written report with the Commission and highlighted that the agreement is to ensure continuity of care of the patients. It will be less difficult than most delegated services because the State will have the audit responsibility. The second agreement would allow Kaiser to keep a member if that member had Kaiser commercially prior to becoming eligible for Medi-Cal; again this agreement would be for continuity of care.

Commissioner Foy asked if a parent could move their child from Kaiser and select another provider within GCHP, to which CEO Engelhard responded yes.

Discussion was held regarding Kaiser's minimal contracts for hospital services in Ventura County.

Commissioner Fankhauser raised concern that he could be seeing a patient regularly, but because Kaiser saw them once within the last 12 months they would be moved to the Kaiser Plan. After discussion it was determined that additional clarification was needed in this area.

Commissioner Juarez expressed his disapproval with the agreements as no other organization has been given the protection as Kaiser is receiving. The Plan is supposed to be locally controlled, and goes against the purpose of a County Operated Health System.

Dr. De La Garza of Americas Health Plan, asked if Kaiser would have the same requirements and be held accountable as all other Knox Keene licensees, which would include hospital responsibilities.

CEO Engelhard stressed that if the Plan did not approve the agreements, the State has the right and has indicated that it will offer Kaiser a direct Medi-Cal contract in Ventura County. All other counties have approved the agreements, except one and the State is proceeding along the path of offering a contract to Kaiser in that county.

Commissioner Araujo moved to table the item until the next Commission Meeting. Commissioner Juarez seconded. The motion carried. **Approved 9-0.**

d. Medical Management Systems Selection Update

IT Director Scrymgeour reviewed the written report with the Commission and highlighted the process followed by GCHP. She explained that one and five year financial analyses were being completed. For initial installation and implementation the estimates provided in the RFP's are between \$500,000 and \$1.3 million.

Commissioner Juarez moved to approve continuance of the RFP process and delegation of authority to the Executive / Finance Committee to approve final vendor and system selection based on staff recommendation at the May 2, 2013 meeting. Commissioner Eberst seconded. The motion carried. **Approved 9-0.**

e. Vacation Benefit for Certain Employee Classes

CEO Engelhard reviewed his written report with the Commission.

Commissioner Rodriguez expressed her desire to see a fiscal impact on the requested change prior to voting.

Commissioner Fankhauser moved to approve the increased vacation benefit for chief-level executives at the Plan. Commissioner Foy seconded. The motion carried. **Approved 8-1**, with Commissioner Rodriguez voting no.

f. Attorney Services

Commissioner Juarez moved to authorize the Chief Executive Officer (CEO) to contract with Anderson Kill & Olick, P.C. for legal services as the CEO deems necessary within budgetary and funding constraints. Commissioner Berry seconded. The motion carried. **Approved 9-0**.

4. ACCEPT AND FILE ITEMS

a. CEO Update

CEO Engelhard reviewed his written report with the Commission and announced that Chief Medical Officer (CMO) Dr. Charles Cho will be cutting back his hours and the Plan will be recruiting for a new fulltime CMO.

b. February Financials

CFO Raleigh provided an overview of the financials and noted that they had been reviewed in detail by the Executive / Finance Committee on April 4, 2013. She added that the Plan is ahead of projections at this time. CEO Engelhard stressed to the Commission that March financial results will be impacted by medical cost seasonal patterns causing it to be an expensive month for health plans.

Commissioner Foy moved to accept and file the CEO Report and the February Financials. Commissioner Eberst seconded. The motion carried. **Approved 9-0**.

5. INFORMATIONAL ITEMS

a. State and Federal Budget Update

b. Tatum Work Update

c. Financial Forecast Update

d. Affordable Care Act PCP Rate Increase Update

CEO Engelhard briefly highlighted that the Plan will have more information of how the State budget will affect GCHP next month, as the State budget would be released in May.

COMMENTS FROM COMMISSIONERS

Commissioner Fankhauser stated that the work Dr. Cho has done is extraordinary and has saved tax dollars. He added that Dr. Cho was one of few doctors in the County who could have accomplished this and handle the doctor committees in that manner.

Commissioner Eberst echoed Commissioner Fankhauser's comments.

Commissioner Berry expressed her appreciation that the outreach was listed in the packet and encouraged everyone to attend the Community Resource Fair.

Commissioner Rodriguez and Chair Gonzalez thanked Dr. Cho for his services to the Plan.

CLOSED SESSION

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

ADJOURN TO CLOSED SESSION

The Commission adjourned to Closed Session at 4:50 p.m. regarding the following items:

Closed Session Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9 Hernandez v. Ventura County Medi-Cal Managed Care Commission, VCSC Case No. 56-2012-00427535-CU-OE-VTA

Closed Session Conference with Legal Counsel – 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

Closed Session Conference with Legal Counsel – Anticipated Litigation Significant Exposure to Litigation pursuant to Government Code Section 54956.9(b) (One Case)

Closed Session pursuant to Government Code Section 54957(e)
Public Employee Performance Evaluation
Title: Chief Executive Officer

RETURN TO OPEN SESSION


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

Legal Counsel Kierstyn Schreiner announced that the Commission unanimously approved standards be established for the CEO's bonus.

ADJOURNMENT

Meeting adjourned at 5:13 p.m.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board

RECEIVED

APR 19 2013



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GOLD COAST HEALTH PLAN

April 18, 2013

Mr. Michael Englehard, CEO
Gold Coast Health Plan
2220 East Gonzales Road, Suite 200
Oxnard, CA 93036

SENT VIA E-MAIL AND REGULAR MAIL

BOARD OF DIRECTORS RE: Weekly GCHP & Clinicas Conference Calls

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ROBERTO S. JUAREZ
Chief Executive Officer

Dear Mr. Engelhard:

As you are aware, Mr. Tony Alatorre, COO, and I have been meeting via conference call every Tuesday morning with your Staff and Consultants to assist us in resolving the many issues that affect our organization. Our last call took place on Tuesday, April 16th and many items continue to remain unresolved. It appears we have hit a "block wall" on many issues as listed below:

1. Simi Valley & Moorpark assignment of patients - We are requesting to be made whole for the damages we suffered when the Gold Coast Health Plan (GCHP) did not follow the proper assignment of patients for two of our Federally Qualified Health Centers. Assigning Clinicas up to 200 patients moving forward does not address the loss we suffered going back to July 2012. You had promised a prompt resolution to this issue back in January. We are asking again to be made whole for our loss.
2. Mental Health material - We have reviewed the material that GCHP provides to members that includes the County's Behavioral Health Star Program for mental health services. We have requested that the material also include the Mental Health Services that Clinicas offers. As it stands, the handbook implies that Medi-Cal members can only seek care for this type of service within the County System. We offer mental health services in all of our 12 health centers and at over 17 school based systems throughout Ventura County. We were told yesterday that the County's MOU with the GCHP is the *only* MOU allowed as per the contract. I would ask that Exhibit A, Attachment 10 & 11 of the GCHP Contract be reviewed. Nowhere does the contract state that the Plan cannot contract with another organization that provides mental health services to the Medi-Cal population. A single source contract does not provide a choice for members seeking services. The Coordination and continuity of care is imperative to the health needs of our patient population. I again ask for Clinicas to secure an MOU with GCHP for Mental Health Services and include us in the Member Notices & Handbooks.

3. OB/GYN's being able to accept assignment – Clinicas is designated as a *Patient Centered Medical Home (PCMH)*. This PCMH model allows for integration and coordination of services to take care of our patients' health care needs. We are not a stand- alone OB/GYN practice. As requested, we submitted MMCD Policy Letter 98-12 for review. Clinicas has opted for our OB/GYN providers to accept assignment and be considered in the overall assignment of patient to doctor ratio. This is in consideration that FQHC's do not have a cap on assignment of members. I again ask for GCHP to accept our OB/GYN practitioners as Primary Care Providers.
4. Process for assigning newborns - Currently, GCHP does not have a system in place to link the Newborns with the Mothers. Clinicas often assists new mothers in completing enrollment forms for their newborns and we submit as appropriate. However, when new mothers arrive at our health centers for the infant's 2-week check- up, we discover the newborn has been assigned someplace else. This issue has caused our patients much frustration and anxiety. When is this going to stop? This has become a major continuity of care issue and a solution must be identified as soon as possible.
5. Post-Transplant Patients & Active Treatment - We have a concern that transplant patients are being assigned to our system soon after transplants. It is my understanding that transplant members are administrative members or unassigned Fee for Service Members for 12 months after the transplant is completed. We ask that this be resolved as soon as possible by taking them off our membership assignment. Additionally, patients under active treatment for major conditions are being transferred to Clinicas. This is also a concern with the continuity of care issue. It is best for these members to stay with the Provider who has been actively involved with their care.
6. SNF Issue - Clinicas has been assigned members who are currently living in a Skilled Nursing Facility (SNF). Most of these members have lived in a SNF since GCHP inception or prior. This is obviously the wrong designation for a Clinicas assigned member. We ask that SNF members be taken off our membership assignment. This is a GCHP error that Clinicas should not have to be responsible for.
7. Overall Enrollment Issue - Clinicas has been requesting since inception that GCHP fix its enrollment issue. Today, we are still confronting major issues with enrollment time and time again. Currently, GCHP is trying to determine Best Practices and figuring out the time it takes to process enrollment if a patient calls, faxes, or hand delivers the enrollment. As we advocate for our patients we are often asked for "proof" of enrollment. This process must work regardless of the method a patient chooses to pursue if the GCHP offers a method of enrollment-*Period*. The only resolution I can recommend is to *Do it right the first time and enroll the patient quickly and accurately*
8. Auto Assignment Issue - Clinicas has requested on many, many occasions to resolve the auto assignment issue. This issue became evident when we opened the Simi Valley and Moorpark Health Centers this past year. Members were incorrectly auto-assigned since July 2011, and today there is no resolution by GCHP. Again, we are requesting a resolution to this error and for Clinicas to be made whole.

Mr. Michael Englehard, CEO
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Mr. Engelhard, I am requesting the above mentioned items be resolved immediately. The GCHP Staff and Consultants who have been working on these issues are at all times very professional and competent. I have high regards for their commitment to do a good job. However, they cannot move forward unless direction from you is given.

Part of the Mission of Clinicas del Camino Real, Inc. is to advocate on behalf of the patients we serve. The issues I have listed speak directly to the continuity of care for the most vulnerable population in our practice. I ask that the Gold Coast Health Plan resolve these administrative barriers so that we may continue our Mission of serving the poor. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to be 'Christina M. Velasco', with a long horizontal flourish extending to the right.

Christina M. Velasco
Chief Financial Officer

cc: Mr. Roberto S. Juarez, CEO
Mr. Antonio Alatorre, COO
Mr. Arnoldo Torres, Consultant
Mr. Rudy Diaz, Consultant
Gold Coast Health Plan Commissioners