

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

**Antonio Alatorre**  
**Lanyard Dial, M.D.**  
**Supervisor Peter Foy**  
**Michelle Laba, M.D.**  
**Gagan Pawar, M.D.**

**Shawn Atin**  
**Barry Fisher**  
**David Glyer**  
**Darren Lee**  
**Dee Pupa**

Dale Villani  
Patricia Mowlavi  
C. Albert Reeves, M.D.

Ruth Watson  
Scott Campbell  
Melissa Scrymgeour

**February 22, 2016**

The Commission met in regular session in the Lower Plaza Assembly Room at the County of Ventura Government Center – Hall of Administration, 800 South Victoria Avenue, Ventura, California. The meeting was called to order by Commissioner Alatorre at 3:06 p.m.

### **ROLL CALL**

Present: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Michelle Laba, M.D., Darren Lee, and Dee Pupa.

Absent: Supervisor Peter Foy, and Gagan Pawar, M.D.

Commissioner Alatorre presided.

### **PLEDGE OF ALLEGIANCE**

Commissioner Alatorre led the Pledge of Allegiance.

### **PUBLIC COMMENT**

#### **SPEAKERS**

Members of the Public: Joe Hoffman on behalf of Oxnard Drug, Nader Djahangiri on behalf of Herbay Pharmacy – Script Care, Ali Karandish on behalf of Stan's Drugs, Amy Cansler on behalf of Script Care, Frank Messina on behalf of Script Care, Kevin Brown on behalf of Script Care, Carlos Varela on behalf of Medicine Shoppe #387, Amani Hishmeh on behalf of Medicine Shoppe of Ojai, Mukesh "Max" Rai on behalf of Script Company Inc., Ramesh Paminaii on behalf of Medicine Shoppe #383, Christina Velasco on behalf of Clinicas del Camino Real. All of the individuals listed spoke regarding Agenda Item No. 9 – Pharmacy Benefits Manager (PBM) Request for Proposal (RFP) Finalist Selection. Diego Herrera spoke in regards to Ventura County Medical Center - Patient Safety.

## DOCUMENTS

Handout: Diego Herrera.

Commissioner Foy arrived at 3:20 P.M.

## **CONSENT ITEMS**

### **1. Minutes**

#### RECOMMENDATION

Approve minutes of regular meetings of January 25, 2016 with correction on item No. 17 vote – Commissioner Glyer was not present.

Commissioner Fischer moved to approve the recommendation. Commissioner Dial seconded. The vote was as follows:

AYES: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Michelle Laba, M.D., Darren Lee, and Dee Pupa.

NOES: None.

ABSENT: Commissioner Gagan Pawar, M.D.

Commissioner Alatorre declared the motion carried.

### **2. Financials – December 2015**

#### RECOMMENDATION

To accept the Financial Reports as presented for December of 2015.

#### DISCUSSION

Chief Financial Officer (CFO) Patricia Mowlavi stated the financials were vetted thoroughly in the Executive / Finance committee.

Commissioner Glyer moved to approve the recommendation. Commissioner Pupa seconded. The vote was as follows:

AYES: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Peter Foy, David Glyer, Michelle Laba, M.D., Darren Lee, and Dee Pupa.

NOES: None.

ABSENT: Commissioner Gagan Pawar, M.D.

Commissioner Alatorre declared the motion carried.

### **FORMAL ACTION ITEMS**

3. **Proposed Resolution Amending the Bylaws to Establish Commissioners' Terms of Office**

**RECOMMENDATION**

Receive the proposed Resolution and approve the Resolution at the March 28, 2016 Commission Meeting.

**DISCUSSION**

Counsel stated the Resolution would clarify election terms for both Chair and Vice Chair. Terms would be staggered.

General Counsel Scott Campbell presented the proposed resolution to amend the bylaws and adopt the change at the next Commission meeting in March. The purpose is to make certain that elections of the Chair, Vice Chair of the Commission and appointments of the Executive / Finance Committee occur after the County has completed their appointment process.

Commissioner Foy moved to receive the recommendation. Commissioner Fisher seconded.

The vote was as follows:

AYES: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Peter Foy, David Glyer, Michelle Laba, M.D., Darren Lee, and Dee Pupa.

NOES: None.

ABSENT: Commissioner Gagan Pawar, M.D.

Commissioner Alatorre declared the motion carried.

4. **Approval of Healthcare Effectiveness Data and Information Set (HEDIS) Vendor**

**RECOMMENDATION**

To accept the vendor contract as presented.

**DISCUSSION**

Kim Osajda, Quality Improvement (QI) Director reviewed the process and scoring. GCHP wanted to find a vendor that knew Medicaid and was NCQA certified. The

Plan received responses from four vendors. Scoring was done by Procurement, the Director of Quality Improvement, Quality Improvement Project Manager, IT Business Solutions Manager, and a Senior Decision Support Analyst. The scoring was reviewed and two finalists were selected, Inovalon Inc. and Altegra Health. Inovalon scored highest in most major areas. They provide tools that are beneficial such as custom reports and graphing. There is a projected savings of \$100,596. The Plan would incur more training in order to use Altegra Health. The plan recommends Inovalon – implementation is projected for April 1, 2016.

Commissioner Fisher asked how long Inovalon has been in business. QI Director Osajda stated they have a majority share of the market and been in business a long time. Chief Medical Officer (CMO) Dr. Reeves added Inovalon has been highly recommended by other health plans. Commissioner Atin asked about price difference. QI Director Osajda responded there would be a projected savings of \$100,000. Commissioner Lee asked about costs for training. QI Director Osajda stated the staff would have to be trained and it would be approximately \$16,000 the first year – we would only be charged as used. Inovalon will work with GCHP whereas Altegra would need to have staff fly out to Arizona. Commissioner Foy asked what else is offered for the 10% more? These will be recording capabilities – the other vendor had temporary staff and not able to graph.

CMO Dr. Reeves stated will give monthly run of HEDIS rates to make sure how members are receiving care. A lot of pre-work is currently done at the plan, which is a significant cost internally in the IT department. Inovalon will be able to do it for GCHP. Chief Information and Strategy Officer (CISO) Melissa Scrymgeour added it is very labor intensive work to have the IT staff do the work, the Plan would need to add staff to support HEDIS.

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

The vote was as follows:

AYES: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Peter Foy, David Glycer, Michelle Laba, M.D., and Darren Lee.

ABSTAIN: Dee Pupa.

NOES: None.

ABSENT: Commissioner Gagan Pawar, M.D.

Commissioner Alatorre declared the motion carried.

## 5. Approval of Fourth Quarter Quality Improvement Committee (QIC) Report

### RECOMMENDATION

To accept the QIC Report as presented.

### DISCUSSION

CMO Dr. Reeves informed the Commission that the Quarterly Quality Improvement Projects are the same as previously reported. Upon reviewing the report it was noted a focus group was created to improve service and satisfaction; this included 27 English speaking and 17 Spanish speaking participants. The focus group was done due to questions from the previous CAPS Survey in 2013-14. There were issues with getting care quickly and with customer service. The QI department developed the project and focus groups with members to evaluate their experience in order to improve their service and satisfaction. The group included adult members both under and over the age of 55 and parents of minor members. Sessions were offered in English and Spanish, during daytime, evenings and weekends. Participates were offered a one hundred dollar gift card; the process was approved by the Department of Health Care Services (DHCS). It was found that members were confused about the difference between member services and the call center. About 25% of participants expressed they had problems with the call center wait time, connection, lack of training, and lack of knowledge. At least 50% indicated the plan met their expectations and praised the Plan.

The State changes required all plans for Performance Improvement Process (PIP). There are multiple modules in each PIP which must be approved by DHCS. The PIP #1 was submitted in September 2015. The first PIP was to improve immunizations rates for children under two years of age. Las Islas Clinic in the VCMC system was selected for this PIP. Modules 1-3 have been submitted and approved. The PIP #2 was to improve Screening, Brief Intervention and Referral to Treatment (SBIRT). The PIP #2 was denied by the State. A new PIP was submitted and approved for Developmental Screening.

DHCS had a problem with the Plan's monitoring of the Initial Health Assessment (IHA) Facility Site Reviews. The Plan completed 28 IHA's and found five sites were below 80%. The Plan is currently working with those facilities for improvement. Potential Quality Issues (PQI) were reviewed and it was noted most were coming from Health Services Department. Commissioner Pupa asked if it was low for a Plan of our size. CMO Dr. Reeves responded he didn't know what was considered "low". The PQI class has successfully found issues between facilities that would have otherwise not been found. The Plan was able to make the facilities aware of the issues.

Dashboards were also reviewed. Baseline is high at 100% - the Plan continues to improve provider services. Pharmacy accuracy is at a high 90% Credential review was also done. There have also been some difficulties with the Call Center as far as staffing. Provider Surveys will be discussed at a later date.

The Pharmacy and Therapeutics Committee reviewed nine new drugs; five were approved and three were not. Five brand name drugs were removed due to the generics being available. Fifteen over the counter drugs were added.

It was previously reported for Credentials/Peer Review that there were three providers who had actions by the Medical Board of California. One provider issue has been closed and two providers continue to be monitored. There was one highly rated PQI – action was taken due to an issue with inappropriate medication change for a diabetic member. This involved a mid-level provider. There were 22 newly credentialed providers and one was denied due to lack of medical board certification requirement.

Culture and Linguistics had 42 Sign Language interpreter requests, six were unfulfilled; the current vendor could not comply. Director of Health Education, Dr. Guadalupe Gonzales is currently seeking additional vendors in order to fulfill needs of public.

CMO Dr. Reeves further review the Grievance and Appeals received in the 3<sup>rd</sup> quarter. Two Quality of Care grievances went to PQI and one to a State Fair Hearing which was approved. Health Services QI projects were reviewed – there is a current collaboration with California Health and Disability Prevention (CHDP). The care management graph was reviewed with the Commission. There is a significant increase noted – it is a requirement to do full case management for Seniors and Persons with Disabilities (SDP) members.

Commissioner Lee asked why 50% of expectations are not met and have those issues been addressed. CMO Dr. Reeves stated there is an issue with the Call Center and making appointments. There is an ongoing problem with the phone tree which needs to be resolved. Members are being surveyed in order to find out how long their wait time is so the issue can be pinpointed. Commissioner Foy asked if the problem with scheduling appointments was an issue with the Plan or with the providers. CMO Dr. Reeves stated the issue is at the doctor's office and getting referrals. The Plan does not require referrals for specialist within the system. Commissioner Lee asked if the connection to Panel of Provider Network. Chief Operations Officer (COO) Ruth Watson stated the panel is sufficient on paper as required but doctors don't take all patients since we are the payer of last resort. They limit how many they see per month. We are looking into higher incentives. Commissioner Lee encouraged the Plan to see if the prior panels actually allow for access. CEO Villani added the issue is reimbursement. Medi-Cal is not reimbursing enough for services. The Plan needs additional means to award and to understand if the issue is across the board or at a particular office. One idea is to do Town Hall Meetings and get feedback from the community or do a "mystery shopper" concept. It was noted there is a struggle across the state for Medi-Cal Managed Care Plans. CMO Dr. Reeves indicated GCHP is surveying approximately 350 members over a six month period and there should be answers by April 8, 2016. A new project is starting which will review records in provider offices – who refers to specialists.

Commissioner Fisher moved to approve the recommendation. Commissioner Pupa seconded.

The vote was as follows:

AYES: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Peter Foy, David Glyer, Michelle Laba, M.D., Darren Lee, and Dee Pupa.

NOES: None.

ABSENT: Commissioner Gagan Pawar, M.D.

Commissioner Alatorre declared the motion carried.

**6. Approval of Consultant Services for Administrative Services Only (ASO) Analysis and possible Request for Proposal (RFP)**

In August 2015 the Commission decided to move forward with a RFP for a PBM and extend the current contract with ACA, the Plan's ASO provider. The Plan would like to bring in a consultant to help with the process of evaluating the contract. Located in Lexington, Kentucky, ACS processes claims, counter processing, operates the call center and has 142 staff which supports GCHP. An RFP was done and there were 3 bids. Optimity was selected due to their knowledge in county organized health systems and Medi-Cal. They will be able to identify areas of risk and complete a contract review for a comparison of state and federal best practices. There has been a consistent staffing challenge for the Call Center, which impacts customer service. Optimity will benchmark other plans and make recommendations to maintain outsourcing or build a solution in-house. Phase two will be an official recommendation will help develop the RFP and contract development. The current contract cost is approximately \$9.3 million, \$1.3 million per month. The RFP process represents 2.4% of the contract cost. The contract is volume based, the Plan is beyond the final tier and there is a need to renegotiate the contract in July. Commissioner Lee asked if Optimity would evaluate the current contract and it would look like if services were brought in-house; and if they would help negotiate to stay with the vendor. COO Watson responded she believed they would. CEO Villani added this was an important business decision for GCHP, Xerox and ACS have split and time was critical. Commissioner Lee asked if peer organizations perform these functions in-house. COO Watson stated GCHP was an outlier when it comes to outsourcing; almost all other plans have the services done in-house. Commissioner Atin asked if it was worth hiring talent in-house to help evaluate the contract in-house rather than bringing in a consultant. COO Watson responded it would be a fulltime commitment for a short window of time and there would be some people attached to this project with high skill set. Optimity was chosen because they have best experience and have done consulting for other Plans, their proposal was the best out of the three.

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

The vote was as follows:

AYES: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Peter Foy, David Glyer, Michelle Laba, M.D., Darren Lee, and Dee Pupa.

NOES: None.

ABSENT: Commissioner Gagan Pawar, M.D.

Commissioner Alatorre declared the motion carried.

## **7. 711 East Daily Drive Community Room Construction Contract**

The construction is going well at 770 and the third floor will be in the new space by April 18, 2016. 55 staff will move and there will then be room for expansion. There will be a shuffle within the existing space. There will be a "Community Room" constructed on the first floor. This room will be used for training sessions, community use and Commission meetings. The current contractor opted not to bid on this project since it is considered a "small" contract. Three bids were received and the most cost efficient was chosen. There is a furniture allowance of \$75,000 through BKM. The total of the project is \$295,000. Commissioner Foy asked if it was a part of the current lease and how often the room would be utilized. COO Watson stated there is a ten year lease on the space and the space will be flexible and used often.

Commissioner Dial moved to approve the request. Commissioner Lee seconded.

The vote was as follows:

AYES: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Peter Foy, David Glyer, Michelle Laba, M.D., Darren Lee, and Dee Pupa.

NOES: None.

ABSENT: Commissioner Gagan Pawar, M.D.

Commissioner Alatorre declared the motion carried.

## **RECESS:**

The meeting was recessed at 4:37 p.m.

## **CLOSED SESSION**

Closed Session called to order at 4:43 p.m.



## **8. Discussion Involving Trade Secrets**

Pursuant to Government Code Section 54956.87  
There was no reportable action.

Closed Session was adjourned at 5:50 p.m.

## **OPEN SESSION**

CEO Villani recused himself. Open Session reconvened at 5:52 p.m.

## **9. Pharmacy Benefits Manager (PBM) Request for Proposal (RFP) Finalist Selection**

Dr. Anne Freese, Director of Pharmacy provided information on RFP process for the PBM. GCHP's current PMB is Script Care. The RFP is looking for a PBM who can partner with the Plan to ensure members are receiving good customer service and provide cost effective solutions for the Plan; as well as auditing and quality assurance factors. Commissioner Atin asked how rating worked in regards to network access. Dr. Freese responded that a list of network pharmacies to the PBM and asked them to provide a disruption report to list out pharmacies in the Plan's network that were not in their network, and then a list pharmacies they could potentially add to their network. The percentage of pharmacies was assessed in the network and the ability and need to contract. Commissioner Glyer asked how the Plan could be sure pharmacies were going to continue to get excellent customer service. Dr. Freese responded that member services were looked at for strength in building a call center to service the pharmacies and member needs.

Commissioner Alatorre commented there was concerns from independent pharmacies in the public comments, and asked what percentage of scripts is handled through independent pharmacies. Dr. Freese responded that she searched vendor disruption report; all were listed except for one. The Plan can direct the PBM to contract with any needed pharmacies and prioritize by the number of scripts.

Commissioner Foy asked about guarantees and the ability for the recommended PBM to have a smooth transition. Dr. Freese replied that there are minimum, performance and implementation guarantees. An additional strength in implementation is the timing; kicking off implementation prior to other plans to have a dedicated focus.

Concerns were expressed by Commissioner Fisher and Alatorre that a change in PBM would cause VCMC and Clinicas Del Camino to experience a large loss in respects to the 340B Drug Pricing Program. Dr. Freese explained changing PBMs would not interrupt the administrator for 340B with providers. GCHP would experience a change in the way processing is completes, utilizing the 340B savings arrangement. It was a requirement that the PBM would be able to handle 340B claims. The recommended PBM vendor currently works with 17 other 340B

programs and has a wealth of experience. The largest risk in the change would be to the Plan, not to the providers. Commissioner Dial asked if more information could be provided for 340B. The 340B claims process was explained by Dr. Freese to add clarification.

Commissioner Dial stated part of Closed Session was to look at rate – there are significant differences. There is a concern with administrative costs and 340b. Commissioner Foy asked about 3 year contract and options to extend. Ms. Freese stated there is a potential of 5 years total.

Commissioner Foy questioned why the Plan was looking for a new PBM. Counsel Campbell answered the contract with Script Care expires in on September 30, 2016 and the Plan was looking at an implementation date of October 1, 2016. Associates from Script Care and Commissioners discussed the possibility of extending the contract.

Commissioner Dial made a motion to postpone a decision pending Script Care and Magellan making presentations to the Commission. Commissioner Lee seconded.

The vote was as follows:

AYES: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Peter Foy, David Glycer, Michelle Laba, M.D., Darren Lee, and Dee Pupa.

NOES: None.

ABSENT: Commissioner Gagan Pawar, M.D.

#### **10. Chief Executive Officer Update**

CEO Villani recognized and thanked Commissioner Glycer for his time serving on the Commission. The Hospital Association of Southern California nominated Jennifer Swenson from Simi Valley Hospital.

The Employee Survey results have been submitted and a full report will be presented at the following meeting.

The Alternative Resources for Community Health (ARCH) PowerPoint was presented. Examples of potential opportunities to invest in the community, provider payments and programs to avoid hospital admissions were introduced.

#### **11. Compliance Update**

Brandy Armenta, Director of Compliance advised the Commission that GCHP would be audited by DHCS starting on April 25, 2016. The Corrective Action Plan remains open. Delegation Oversight continues to audit as required.

**12. Chief Medical Officer (CMO) Update**

CMO Dr. Reeves had no items to report.

**13. Health Services Update**

Associate Chief Medical Officer Dr. Wharfield reviewed the data and graph for the Health Services department.

**14. Community Outreach Summary Report**

Director of Health Education and Disease Management, Dr. Lupe Gonzales reviewed January events GCHP participated in. The GCHP's 5<sup>th</sup> Annual Community Resource Fair was announced, over 300 participants are expected.

**15. Chief Financial Officer (CFO) Update**

CFO Patricia Mowlavi announced finance has been going well. The budget and administrative costs have been favorable.

**16. Chief Operations Officer (COO) Update**

COO Watson expressed there were some challenges with the Call Center. Commissioner Foy inquired what the estimate of undocumented children joining the Plan is and access to care. COO Watson replied the Plan has more providers than what is required and a new pediatric group has just added.

**17. Chief Information and Strategy Officer (CISO) Update**

The Plan received a certification from CHP4, the Committee on Operating Rules for Information Exchange. CISO Melissa Scrymgeour stated there are a few implementations were getting ready to be kicked-off.

**18. Human Resources Cultural Diversity Sub-Committee Update**

Nine resumes have been submitted for the Chief Diversity Officer position. The interview panel will meet on March 4<sup>th</sup>.

Commissioner Dial moved to approve all updates. Commissioner Fisher seconded.

The vote was as follows:

AYES: Antonio Alatorre, Shawn Atin, Lanyard Dial, M.D., Barry Fisher, Peter Foy, David Glyer, Michelle Laba, M.D., Darren Lee, and Dee Pupa.

NOES: None.

ABSENT: Commissioner Gagan Pawar, M.D.

Commissioner Alatorre declared the motion carried.

**RECESS:**

The meeting was recessed at 7:16 p.m.

**CLOSED SESSION**

Closed Session reconvened at 7:18 p.m.

Commissioner Alatorre recused himself.

**18. Conference with Legal Counsel – Existing Litigation**

There was no reportable action.

**ADJOURNMENT**

Closed Session was adjourned at 7:36 p.m.

**APPROVED:**

  
Magdalen Gutierrez-Roberts, Interim Clerk of the Board