

**Ventura County Medi-Cal Managed Care Commission
(VCMCC) dba Gold Coast Health Plan (GCHP)
Executive / Finance Committee Meeting Minutes
May 2, 2013**

CALL TO ORDER

Chair Gonzalez called the meeting to order at 3:07 p.m. in Suite 230 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

COMMITTEE MEMBERS PRESENT

Anil Chawla, MD, Clinicas del Camino Real, Inc.
Robert Gonzalez, MD, Ventura County Medical Health System
Roberto Juarez, Clinicas del Camino Real, Inc.
Catherine Rodriguez, Ventura County Medical Health System

ABSENT / EXCUSED

David Glycer, Private Hospitals / Healthcare System

STAFF IN ATTENDANCE

Michael Engelhard, CEO
Michelle Raleigh, CFO
Nancy Kierstyn Schreiner, Legal Counsel
Paula Cabral, Administrative Assistant
Sonia DeMarta, Controller
Guillermo Gonzalez, Government Affairs Director
Lyndon Turner, Finance Manager

PUBLIC COMMENTS

None.

1. APPROVE MINUTES

a. April 4, 2013 Regular Meeting Minutes

Committee Member Chawla moved to approve the April 4, 2013 Regular Meeting Minutes. Committee Member Rodriguez seconded. The motion carried. **Approved 4-0.**

2. ACCEPT AND FILE ITEMS

a. CEO Update

CEO Engelhard provided an update on the FY 2011-12 Intergovernmental Transfer (IGT). The Plan submitted the required documents to the State on April 25th. The

approval to proceed was granted in the Plan's Commission Meeting on April 22nd and the County of Ventura Board of Supervisors Meeting on April 23rd. The documents are being reviewed by the State, who will then submit to the Centers for Medicare and Medicaid Services (CMS). If there are any comments, the Plan should hear in June; and if all goes well funding would commence sometime the end of August and should be completed before the end of the third calendar quarter.

CEO Engelhard stated that permission was granted by the Commission at the April 22nd Commission Meeting to move forward with the additional Line of Credit (LOC) pending approval by the Ventura County Board of Supervisors. The Board of Supervisors granted approval on April 23rd to extend a new \$5 million LOC to the Plan. CFO Raleigh noted that GCHP had received an update from the County and are expecting to draw down on the additional funds by May 3, 2013.

CEO Engelhard said that at the last Commission Meeting, approval was granted for the Executive / Finance Committee to approve the Medical Management System. CEO Engelhard noted that a final system decision has not been made, so staff did not bring the item forward at this time.

Committee Member Juarez stated that he had voted against the IGT at the last Commission Meeting because when it was first presented it was going to temporarily be used for TNE for the Plan but then it changed. Chair Gonzalez explained that it was always the intention for it to go to the Plan for TNE. There were discussions between the State, County and GCHP where it was determined that there was insufficient time to vet the concept with CMS for this year's IGT. Given the timing concerns, a joint decision was made to submit a basic IGT this year and allowing the Plan to retain approximately \$500,000.

Committee Member Juarez moved to accept the CEO Report as presented. Committee Member Chawla seconded. The motion carried. **Approved 4-0.**

b. March Financials

CFO Raleigh reviewed the March financials and noted that GCHP did not have any reinsurance recoveries in March, but paid an approximate \$228,000 premium. Committee Member Rodriguez asked when amounts are booked as a receivable. CFO Raleigh stated that once it is sent to the reinsurance vendor it is booked as a receivable. Member Rodriguez stated that she wants to ensure the Plan is capturing true receivables.

There was an increase for added legal support for the employee handbook and potential claims. Committee Member Juarez asked if the Plan had recovered any legal expenses from the D&L carrier. Legal Counsel Schreiner stated that the D&L carrier did deny some of the claims, but to date nothing has been recovered.

Committee Member Chawla stated that there had been some previous discussions regarding hospital rates and asked if there had been any progress. CFO Raleigh said

there has been one round of meetings with seven different hospitals and another round is scheduled for May.

CEO Engelhard noted that additional staff has been added in the utilization management (UM) and reporting areas and GCHP is seeing some impact in the reduction of hospital days. Committee Member Chawla requested more information regarding UM. CFO Raleigh responded that Dr. Wharfield will be making a presentation to the Commission every other month.

Committee Member Rodriguez requested clarification on the Accrued Premium Reduction (includes AB97 rate cuts). CFO Raleigh noted the FY 2012-13 rates have not been finalized so staff uses an estimated premium and accounts for potential over / under payment by the State. An extra line or a footnote will be provided on next month's report to clarify these receivables and liabilities.

Committee Member Rodriguez moved to approve the March Financials as presented. Committee Member Juarez seconded. The motion carried. **Approved 4-0.**

3. FINANCIAL FORECAST UPDATE

CFO Raleigh presented a review of the 19 Initiatives and highlighted the following:

Correct Coding of Members - LTC Coding. The Plan is working with LTC facilities to convert Members into the correct aid category to allow GCHP to receive the correct amount of revenue from the State. Chair Gonzalez added that this will correct patients getting assigned for primary care when they are in long-term care.

Medicare Part A - Some members are not signed up for Part A. Converting these members to Medicare Part A will decrease costs. CEO Engelhard stated that GCHP will not know for a couple of months how many Members have successfully converted.

Injectables. Committee Member Rodriguez asked if there was a prescription fee for administration. CEO Engelhard responded that for certain injectables there is a \$4.42 per unit charge, but the instructions from the State were not clear and it should be per course of treatment, not per unit of dosage. Chair Gonzalez suggested changing the word "administrative" to "administration."

Committee Member Juarez stated that the presentation does not include specific savings / revenue assumption. Chair Gonzalez noted that some of the initiatives go slower; a report could be submitted quarterly or twice per year. Chair Gonzalez also suggested looking at each Initiative individually and decide what would be the best reporting method (actual numbers, process status report).

Committee Member Juarez suggested just presenting the "Estimated Financial Impact of Initiatives" (page 3a-12) as a summary to the full Commission.

CFO Raleigh reviewed the monthly report that was provided to the State in March. Committee Member Rodriguez asked where the Plan was with the original forecast for June 30, 2013. CEO Engelhard noted that the draft budget will be presented at the May Commission Meeting.

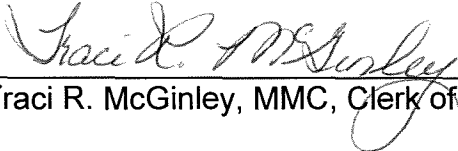
COMMENTS FROM COMMITTEE MEMBERS

None.

ADJOURNMENT

The meeting adjourned at 4:45 p.m.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board