

**Ventura County Medi-Cal Managed Care Commission
(VCOMMCC) dba Gold Coast Health Plan (GCHP)
Special Commission Meeting Minutes
June 29, 2012**

CALL TO ORDER

Chair Gonzalez called the meeting to order at 8:33 a.m. in Suite 200 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

ROLL CALL

COMMISSION MEMBERS IN ATTENDANCE

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

Maylee Berry, Medi-Cal Beneficiary Advocate

Anil Chawla, MD, Clinicas del Camino Real, Inc. (Arrived 8:36 a.m.)

Laurie Eberst, RN, Private Hospitals / Healthcare System

John Fankhauser, MD, Ventura County Medical Center Executive Committee

Robert Gonzalez, MD, Ventura County Health Care Agency

David Glycer, Private Hospitals / Healthcare System

Roberto S. Juarez, Clinicas del Camino Real, Inc. (Arrived 8:35 a.m.)

Catherine Rodriguez, Ventura County Medical Health System

EXCUSED / ABSENT COMMISSIONERS

Lanyard Dial, MD, Ventura County Medical Association

Kathy Long, Ventura County Board of Supervisors

STAFF IN ATTENDANCE

Cassie Undlin, Interim CEO

Nancy Kierstyn Schreiner, Legal Counsel

Sonia DeMarta, Interim CFO

Traci R. McGinley, Clerk of the Board

Paula Cabral, Administrative Assistant

1. REINSURANCE RENEWAL INFORMATION

Interim CEO Undlin addressed the Commission and explained that there had been a significant increase in the insurance premium compared to last year. When the Plan was started the previous year, since there was no historical information they used County information. The premium last year was under \$1.1 million but it is expected that claims will double this year.

Blake Kirk and Randy Pizer of Beecher and Carlson were introduced. Blake stated that the claims are coming in much higher than anticipated. A discussion ensued about the

different carriers and their ratings. Interim CEO Undlin recommended staying with Beecher Carlson with the same \$350,000 deductible.

Discussion was held regarding the large claims; to which Interim CFO DeMarta responded that the information is available and that the Plan had almost 30 members that were \$175,000 and above; there are three cases that exceeded \$1 million; the vast majority is between \$175,000 and \$400,000. Interim CEO Undlin explained that staff is finding a lot of the claims were for transplants and that the Milliman data used had not included this population.

There was Commission discussion that transplants should be reviewed, as not all doctors agree that all transplants are necessary. Discussion was also held regarding transplant criteria. Interim CEO Undlin noted that the QI Committee will be reviewing these and the Utilization Committee does wrap up to the QI Committee.

Commissioner Eberst moved to accept OneBeacon and keep the deductible at \$350,000. Commissioner Rodriguez seconded. The motion carried. **Approved 9-0.**

2. TRANSITION OF RGS CONTRACT

Interim CEO Undlin explained that the RGS contract expires on June 30, 2012; an extension has been reached through August 31, 2012. This is a major change to the organization and it was just announced to the staff. Jennifer Bower of RGS is putting together a transition plan. GCHP will need to create a new Personnel Policy and Procedures manual and an employee handbook to reflect Gold Coast.

Interim CEO Undlin continued stating that requests to three different organizations that have experience with a public entity have been sent out requesting assistance in setting up Human Resources. RGS and Clinicas have offered to share their policies and procedures with Gold Coast.

Chair Gonzalez noted that the transition will be a cooperative one; personnel files will be moved over, salaries and benefits will be electronically transferred, etc. The Plan could contract with ADP and that could work smoothly. There are some challenges in this transition; such as the 401, health, dental and life insurance. Additional staff will be coming on during the next two months, but it may be logical to still put them into RGS and transition them along with current employees.

Jennifer Bower of RGS noted that if the transition is not completed by the 31st of August, employees could be transferred to COBRA with Gold Coast picking up the cost. RGS does not participate in Social Security so they have a 401(a) Plan which is effective on the first day of employment.

Commissioners stated that the goal is to have the same plan but it may not be possible. Jennifer Bower stated that RGS contacted their broker to submit costs to the Commission. Chair Gonzalez would like it presented to the Executive Finance Committee to go over the details. He asked who would be able to do all of the work and

asked if Commissioners could have designees. Legal Counsel Kierstyn Schreiner stated that we could have someone come in as a consultant.

Chair Gonzalez noted that the goal is that we move everything over to the best of our ability, but we may not be able to. The Commission's goal today is that everyone understands that we will work cooperatively with RGS to transition the employees to GCHP employees that will be completed by August 31, 2012.

There will need to be a sub-group assigned to do that and staff committed to do that; Commissioner Juarez has offered to be involved in this group. The processes have yet to be determined.

Interim CEO Undlin expressed that it is important to get all the processes documented so it will be important to get an HR person in GCHP.

Jennifer Bower stated that RGS would be happy to work with the Commission as there is often a lot of anxiety during transitions.

Chair Gonzalez stated that it may behoove the Plan for the CEO to be an RGS employee due to the benefits and co-managing the transition.

Jennifer Bower of RGS confirmed that it would allow a benefit structure for the CEO.

Jennifer Bower of RGS has agreed to modify their P&P's for GCHP so they could have a draft to get started. Everything that RGS is recommending is just for a transition period so GCHP has time to research its options.

Chair Gonzalez noted that the Executive Finance Committee can do a lot of the detail as it has done over the last few months. Chair Gonzalez asked if the Commissioners could have designees. Legal Counsel Kierstyn Schreiner indicated, no; however you could have people come in that have expertise, such as consultants. Further discussion was held regarding the level of committees, etc.

Legal Counsel Kierstyn Schreiner indicated that the advertisement that went out did indicate that the CEO would be an RGS employee. At your last meeting you determined that you wanted to proceed hopefully as an employee.

Commissioner Chawla expressed her concern about bringing in a new CEO and then changing their benefit package a few weeks later.

Chair Gonzalez noted that RGS had shared all of the details of Earl's benefit package and passed on to the ad hoc committee and to go forward with the negotiations.

Chair Gonzalez stated that a summary of the previous CEO's benefit package was shared with the ad hoc committee, Legal Counsel and Cassie Undlin. We then put a package together with something similar. Legal Counsel then responded that at this point

Jennifer Bower of RGS stated that GCHP has no platform to provide benefits. I have seen different structures.

Chair Gonzalez noted that the prior hire had moving expenses, signing bonus, etc. We need to consider whether Legal Counsel is working with the total dollar.

Legal Counsel stated that the salary was advertised so that cannot be changed, but the benefit package could be changed. The total package can be improved by increasing the benefits by providing relocation, bonuses, etc. It is very unusual for a public agency to have signing bonus, but it doesn't mean you cannot have other additional benefits.

Discussion was held regarding salary and the processes on changing the salary range. Legal Counsel explained that salary ranges cannot be handled during a Special Meeting and not during a Closed Session. One way to increase the CEO wage would be to have an increase in 6 months after an evaluation.

There was a discussion regarding the salary for the CEO. Legal Counsel Kierstyn Schreiner explained that any additional bonuses cannot exceed the advertised salary. She also stated that we cannot determine salaries during a Special Meeting and salaries cannot be done in a closed session but you could do a review in six months and have a new salary range in place. Chair Gonzalez said that would have to be done at the next regular meeting.

Jennifer Bower noted that Interim CEO Undlin had requested RGS to do salary ranges for all positions and that it be brought forward. This might be the time to do the CEO as well.

COMMENTS FROM COMMISSIONERS


Chair Gonzalez expressed his appreciation to Interim CEO Undlin, when he went to the Plan on July 2nd; the feel for the room was much different. RGS got a round of appreciation from all of the employees. Sonia has stepped up and done some good work.

We have felt isolated, what Cassie has done with the work on these committees we will have representation at the Plan. We will then be the ears for the Commission.

ADJOURNMENT

The Commission adjourned at 9:38 a.m.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board