

**Public Meeting of the
VENTURA COUNTY MEDI-CAL MANAGED CARE COMMISSION**

DATE: Monday JULY 26, 2010

TIME: 3:00-5:00 PM

PLACE: Ventura County Public Health- 2240 E Gonzales Road Sulte 200-Oxnard CA 93036

AGENDA

Item	Documents for Review	SUBJECT	Presenter	Time
1		Call to Order and Pledge of Allegiance	Michael Powers	3:00-3:01
2		Welcome and Roll Call	Michael Powers	3:01-3:05
3 ACTION	Attachment A Meeting Minutes 6-28-2010	Review and Approval- Minutes June 28, 2010	Michael Powers	3:05-3:10
4 INFORM	Attachment B INTERIM CEO REPORT	July 26, 2010 Interim CEO Report to the Ventura County Medi-Cal Managed Care Commission	Terrie Stanley	3:10-3:15
OLD BUSINESS				
5 ACTION	Attachment C Naming the Ventura Plan NOTE: Names for Consideration will be Distributed at the Meeting	Selection of a Name for the Ventura County Organized Health Plan	Terrie Stanley	3:15-4:00
NEW BUSINESS				
6 ACCEPT AND FILE	Attachment D Finance Committee Meeting Minutes of June 16, 2010 NOTE: July 14 to be handed out at meeting	Accept and File Minutes of the Executive/Finance Committee Meetings of June 16 and July 14, 2010	Terrie Stanley	4:00-4:10
7 ACTION	Attachment E Executive/Finance Committee Recommendation for Interim COE and Finance Committee Co-Chair to Set the Fiscal Year Beginning July 1 and Ending June 30	Fiscal Year for the Ventura County Medi-Cal Managed Care Commission	Terrie Stanley	4:10-4:20
8 ACTION	Attachment F Executive/Finance Committee Recommendation for Interim COE to Sign Attorney-Client Engagement Agreement with Tin Kin Lee, ESQ	Selection of Legal Counsel for the Ventura County Organized Health Plan	Terrie Stanley	4:20-4:30
9 ACTION	Attachment G Executive/Finance Committee Recommendation for Interim COE to Sign Lease Agreement for 2220 E Gonzales Road	Selection of Office Location for the Ventura County Organized Health Plan	Terrie Stanley	4:30-4:40

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AGENDA

EDUCATION SESSION				
10 ACCEPT AND FILE	Attachment H Presentation on Health Care Reform	Health Care Reform	Terrie Stanley	4:40-4:50
CLOSING/REMARKS				
11		Final Comments from Commissioners	All	4:50-4:55
12		Public Comment/Correspondence	Open	4:55-5:00
13		Adjourn	Michael Powers	5:00

Meeting agenda and documents available at meeting location and at our website www.vchca.org/cohs

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT LAURA AT 805/981-5023. REASONABLE ADVANCE NOTIFICATION OF THE NEED FOR ACCOMMODATION PRIOR TO THE MEETING (48 HOURS ADVANCE NOTICE IS PREFERABLE) WILL ENABLE US TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING

VCMMCC

Commission Meeting Minutes

Ventura County Public Health
2240 E. Gonzales Road, Suite 200
Oxnard, CA 93036

June 28, 2010

√	Commission Members in Attendance	
√	Michael Powers, Director, Ventura County Health Care Agency	√ Roberto S. Juarez, CEO, Clinicas del Camino Real, Inc.
	Lanyard Dial, MD, Physician, Ventura County Medical Association	√ Kathy Long, Ventura County Board of Supervisors
√	David Araujo, MD, Director, Ventura County Medical Center Family Medicine Residency Program	√ Tim Maurice, Private Hospitals/Healthcare System
√	Maylee Berry, Medi-Cal Beneficiary Advocate	√ Catherine Rodriguez, Ventura County Medical Health System
√	John Fankhauser, MD, Physician, Ventura County Medical Center Executive Committee.	√ Anil Chawla, MD, Physician, Clinicas del Camino Real, Inc.
√	Rick Jarvis, Private Hospitals/Healthcare System	

Staff in Attendance	Consultants/Guests in Attendance
Terrie Stanley, Interim CEO, Ventura COHS	O. Z. Kamara, Contract Manager, California Department of Health Care Services (DHCS)
Jon Polich, Assistant County Counsel	Cris DeMorais, Chief, COHS Unit, DHCS
Dee Pupa, Interim Assistant Clerk of the Board	
Alison Sawyer, Interim Clerk of the Board	

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
1. Call to Order Roll Call Michael Powers	<ul style="list-style-type: none"> • The meeting was called to order at 3:05 p.m. • All Commissioners present, except for Drs. Chawla and Dial. • A quorum was present • Pledge of Allegiance • Chairman Powers reminded the audience that speaker/statement cards were available for their use. 	
2. Minutes of the Prior Meeting Michael Powers	The Minutes of the May 24, 2010 VCMMCC meeting were presented for review and approval.	Mr. Maurice made the motion to approve the minutes, Supervisor Long seconded. Approved, 9-0
3. Interim CEO Report	Ms. Stanley provided a status update summary, including the	Informational Item

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<p>Terrie Stanley</p>	<p>following:</p> <ul style="list-style-type: none"> • State Contract and Rates: Rates have been requested from the State and the process is moving along, close to finalization. The Contract Manager anticipates that a formal letter will be sent in the beginning of July. The State has asked for a number of items from the COHS. In addition, the State has to request a waiver from CMS. The State is reviewing the list of about 112 deliverables submitted by the COHS – once approved, the list will be brought to this Commission to finalize. Ms. Stanley noted that an October start date would be extremely difficult. • ACS Contract for Administrative Services: The contract has been signed and finalized. The next stage is to develop the work plan to submit for approval from the State, detailing all the steps. ACS will be providing claims/ member call center/ contracting/ delegating credentialing functions. Ms. Stanley reiterated that part of the ACS proposal includes the pharmacy piece but as a separate contract. This is still in the works. • RGS Contract for Staffing and Recruitment: The contract is signed and finalized. Ms. Stanley noted she has a meeting with RGS today. They are beginning the process of recruitment – focusing on CEO/CFO/CMO – the job description and salary range has been finalized for the directors’ level. • California Association of Health Insuring Organizations (CAHIO): Ms. Stanley noted that, on June 15th, she had attended a strategic planning session of this body (of which the Ventura COHS is now a member). The session covered a number of items (such as Health Care Reform, the Waiver, State Budget issues, and Advocacy in Sacramento) that she will be bringing to this Commission. She asked the Commission if it would prefer to conduct a separate educational session on Health Care Reform or have time set aside at each meeting for covering the information. Commissioner Araujo suggested that about ten minutes be set aside at each meeting for presenting pertinent information. Supervisor Long concurred, noting it should go on the agenda. • Executive/Finance Committee meeting: Ms. Stanley informed 	

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	<p>the Commission that the first meeting of the Executive/Finance Committee was held on June 16. She noted that a number of the items on today's agenda presenting as recommendations were discussed in Committee. Commissioner Juarez expressed concern that the Commission would be unable to take action on those recommendations without the approved minutes from the Committee meeting. Ms. Stanley noted that as the items discussed by the Committee were recommendations only and the Commission makes its own determinations, the approved minutes are not required at this point. Chairman Powers concurred. In response to a question from Supervisor Long, Counsel John Polich noted that this Commission "receives and files" the Committee minutes with no other action required.</p> <p>Commissioner Chawla is now in attendance.</p>	
<p>4. Directors and Officers Insurance Policy Proposals</p> <p>Terrie Stanley</p>	<p>Recommendation: Approve Travelers Insurance for VCMCC Directors and Officers Insurance, and Authorized Interim CEO to Sign Agreement.</p> <p>Ms. Stanley noted that after both her own review of carriers and one by the broker, Travelers Insurance was selected for recommendation to the Commission. Travelers presents the best option: it is highly rated, most comprehensive and is a good value. The coverage they can offer will have a limitation of \$1M, with a \$25k retention. The policy will be for 12 months with a cost of \$6744. After one year in business, the COHS can move from the \$1M limit to \$2M or \$3M.</p>	<p>Mr. Juarez made the motion to approve the recommendation; Dr. Araujo seconded.</p> <p>Approved, 10-0</p>
<p>5. Verbal Summary of Executive Finance Committee Meeting 6/16/10</p> <p>Terrie Stanley</p>	<ul style="list-style-type: none"> Ms. Stanley presented the 2010 Executive/Finance Committee meeting schedule which was adopted at its first meeting. The Committee had agreed with Dr. Chawla proposal of a start time of 3:30 pm. Ms. Stanley noted that she had assistance from Narcissa Egan (HCA Asst CFO) in preparing reports for the Committee. The Committee selected Ms. Stanley and Ms. Egan as Co-Chairs. Ms. Stanley noted that chairs of Executive/Finance Committees are usually from the staff level. Ms. Stanley presented the Policy for VCMCC CEO Signing 	<p>Mr. Juarez made the motion to approve the VCMCC CEO Signing Authority for Contractual Agreements for Administrative Goods and Services with the amendment that it includes the <u>Interim</u> CEO, Supervisor Long seconded.</p> <p>Approved, 10-0</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Authority for Contractual Agreements for Administrative Goods and Services. The policy authorizes the CEO to sign agreements of up to \$100k for administrative goods and services. In addition, a minimum of three bids will be solicited. If only a sole source is available, documentation will be kept on file substantiating the need for those agreements in excess of \$50,000. The CEO will sign agreements for administrative services and goods for amounts greater than these limits at the direction of the Commission. Ms. Stanley emphasized that contracts with providers for the delivery of health care services to beneficiaries are exempt from this process.</p> <p>Dr. Araujo inquired if the contracts needed to be presented to the Commission. Mr. Powers suggested that a report of executed contracts could be given to the Commission. Dr. Fankhauser suggested this be an informational item. Mr. Juarez concurred with the suggestion and inquired if this policy applies to the interim CEO as well as the permanent CEO. Ms. Stanley responded that it would apply to whoever is in the role. Mr. Juarez expressed concern for the period of time when the CEO will not be an employee of the COHS.</p>	
<p>6. Addition of Executive Duties to Executive Finance Committee</p> <p>Terrie Stanley</p>	<p>Recommendation: Define the Executive Duties of the Executive/Finance Committee and add to the Resolution that established the Committee.</p> <p>Ms. Stanley noted that most of the duties define in the original document detailing the Committee responsibilities were finance-based – a further look is recommended given that this is a combined function committee. Ms. Stanley reviewed the suggested added duties with the Commission. In reference to one of these duties being evaluating the CEO’s performance, Supervisor Long proposed that this particular issue should be brought forward to the full Commission. Mr. Juarez suggested that the functions be broken out to separate committees: one for the HR function, one for executive function, and one for the finance function. He noted that some of the included duties belong to other committees. In addition, he expressed</p>	<p>Commissioner Maurice made the motion to approve the recommendation; Dr. Chawla seconded.</p> <p>Approved, 10-0</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>concern that these added duties may give this small group the authority of the Commission. He wondered about the challenges posed by delegating duties now to this committee and pulling them back later. Supervisor Long stated that she did not disagree with Mr. Juarez, but wondered at what point this Commission matures to the point to require the separate committees. She suggested input from the permanent CEO would be pivotal. There was some discussion on extracting the ad hoc appointment authority to the Commission. Mr. Juarez emphasized the importance of transferring the HR function to an HR committee as early as possible.</p>	
<p>7. Selection of a Name for the Ventura County Organized Health Plan</p> <p>Terrie Stanley</p>	<p>Recommendation: Select a Name for the Ventura County Organized Health System.</p> <p>Ms. Stanley started the discussion of choosing a "name" (dba) for the COHS by noting that having an easily recognized "brand" for the COHS' message to the community. She reviewed three suggestions that had been developed: Ventura County CHOICE, Cal-CHOICE, and CHOICE Health Plan. There was discussion among the Commissioners about the impact of (1) having "Ventura County" in the name (emphasizes that coverage is limited to one county), (2) starting with a letter near the start of the alphabet (puts it near the top of any list), and (3) including the word "Choice" (reinforces the idea of choices for beneficiaries in this county).</p> <p>Public Comment: Rev Threat suggested making the selection a community project. Dr. De La Garza wondered it might be worth it to hire a professional firm to develop a name.</p> <p>Supervisor Long questioned the urgency. She also wondered if money could be spent to have a marketing firm work with the Commission to build mission-vision-goals in order to advance the development of a name. Dr. Chawla suggested, and Commissioner Maurice agreed, that more input before a decision is made. Commissioner Berry expressed the opinion that money should not be spent on a name or logo. Chairman Powers commented that a name</p>	<p>Supervisor Long made the motion to ask HCA PIO Sheila Murphy to explore options and report back to the Interim CEO; Mr. Maurice seconded.</p> <p>Approved, 10-0</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>and logo are important and the COHS will need one. He called on HCA Public Information Officer (PIO) Sheila Murphy, from the audience, to ask if she knew of any professional group that could assist. Ms. Murphy said that there is an association of county PIOs -- she could ask them to brainstorm. Ms. Stanley responded in the affirmative when Mr. Juarez inquired if recommendations could be referred to her.</p>	
<p>8. Provider Reimbursement Policy - Finance Committee Recommendation</p> <p>Terrie Stanley</p>	<p>Recommendation: As recommended by the Executive/Finance Committee, provider reimbursement will be based on current Ventura County Medi-Cal reimbursement rate, using the following principles:</p> <ul style="list-style-type: none"> - Pay providers within the same class at the same (or, if agreed to, lower than) current Medi-Cal payment rate. - Follow DHCS contract requirements for reimbursement of Federally Qualified Health Centers (FQHCs). - Allow providers to accept risk only for services they are duly licensed to do. <p>Noting the listed providers and facilities that would be covered by these reimbursement principles, Mr. Juarez sought confirmation that provider networks were also included. Ms. Stanley responded in the affirmative. Ms. Stanley reminded the Commission that the pharmacy provider contracting will be handled by the COHS' pharmacy benefits manager (PBM), ScriptCare.</p> <p>Mr. Maurice inquired if sub-acute care was included. Ms. Stanley responded that it would be included with long term care. Mr. Maurice informed the Commission that there had been a 5% reduction in reimbursement rate for sub-acute care, as with hospital based care. He suggested that any reimbursement rate decision reflect that this reduction is considered temporary.</p> <p>Mr. Juarez inquired if the rate was capitated for fee for service. Ms. Stanley responded that the COHS would work with Milliman to develop capitation rates for PCP and other providers. Mr. Juarez suggested that he would like to see the contract before reimbursement decisions are made. Dr. Chawla proposed tabling this discussion until rates and contract language are received from the State. Chairman</p>	<p>Dr. Araujo made the motion to approve the guiding principles, using Medi-Cal rates and including networks; Dr. Fankhauser seconded.</p> <p>Approved, 10-0</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Powers asked Ms. Stanley what the purpose of this recommendation was. Ms. Stanley state that she can – once the State rates are received – work with the actuaries based on the model developed using the negotiating principles. Dr. Araujo noted that the Commission will want to look at many different rate scenarios. Chairman Powers clarified that these are just negotiating principles and can be amended by the Commission in the future if necessary.</p> <p>Mr. Maurice inquired if the rates would be universal or negotiated. Ms. Stanley stated that she would talk to each individual hospital and come back to the Commission. She also noted that some rates are already set: for long term care, each facility has its own negotiated rates; but for specialty care, rates are set for visits, procedures, etc., and the State will provide the latter.</p> <p>Mr. Juarez commented that although the State will provide the rate, it is up to the COHS to strategize and determine the appropriate distribution. He stated that he could agree to naming general terms but not specific rate level.</p> <p>Mr. Maurice expressed a concern that the Policy was too simplistic. Supervisor Long inquired if this disadvantaged the COHS at all. Mr. Maurice commented that temporary reductions should not be made permanent, noting that there were complex issues. Mr. Jarvis noted that some providers may have expanded services since their last contract and wondered if this would box in those providers. Ms. Stanley stated that she did not believe this to be the case.</p> <p>Ms. Stanley emphasized that it is important to set expectations—she recommended that the Commission support the concept that Medi-Cal is used as a base, especially in year one when there is no history. She commented that the issue may need to be revisit if negotiations are not successful.</p> <p>Mr. Powers inquired about the impact of not approving the negotiating principles today. Ms. Stanley responded that it prevents moving forward with provider discussions.</p> <p>Mr. Juarez suggested that it would save time and effort to contract with a network. Mr. Maurice felt that setting policy may be too restrictive, but that general guidelines were ok. Dr. Chawla agreed</p>	

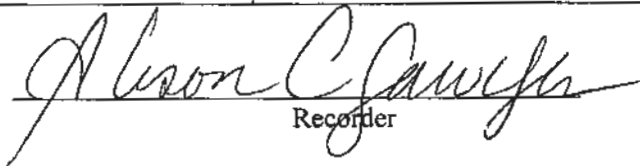
AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>that she could support general guidelines.</p> <p>Dr. Araujo inquired what the Finance Committee said. Ms. Stanley responded that the Committee agreed to the principle. She stated that she would like direction from the Commission as principles to use so she can move forward with beginning discussions for the purpose of provider contracting.</p>	
<p>9. Network Development, Provider Contracting, Budgetary Process - Finance Committee Recommendation</p> <p>Terrie Stanley</p>	<p>As recommended by the Executive/Finance Committee: Recommendation #1: Authorize the interim CEO to open provider negotiations for contracting based on Provider Reimbursement Policy.</p> <p>Recommendation #2: For provider contracts for the delivery of health care services to beneficiaries, the CEO and CFO shall develop a budget for those services. This budget will be reviewed by the Finance Committee and approved by the Commission. All contracts entered into will be within the allotted amounts as detailed in this budget.</p> <p>Mr. Juarez inquired who the contract staff would be. Ms. Stanley noted that they are working to put the staff together. She said that ACS has stated they would assist, but should not approach providers alone. Until there is dedicated staff for this, she will accompany them. Mr. Juarez sought confirmation that the specialty physician category included networks. Ms. Stanley responded in the affirmative. Mr. Juarez inquired if the budget for each pool would be developed by the actuaries or by the staff locally. Ms. Stanley responded that the actuaries would develop it although the staff might begin the process.</p> <p>Mr. Maurice questioned whether the Finance Committee would have access to specifics. Ms. Stanley said that this information is typically not shared due to conflict of interests. She responded in the affirmative when he asked if the Committee would see the aggregate. Commissioner Rodriguez agreed that the sharing of information that would impair the ability of staff to negotiate would be disallowed. The staff must maintain confidentiality.</p>	<p>Mr. Juarez made the motion to approve the recommendations; Ms. Berry seconded. Approved, 10-0</p>
<p>10. Delegation of Authority to</p>	<p>Recommendation #1: Delegate to CEO/Interim CEO the authority to</p>	<p>Mr. Juarez made the motion to</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>CEO to Develop, Review and Approve Template Provider Contracts</p> <p>Terrie Stanley</p>	<p>develop, review, approve and implement template provider contracts for Primary Care Physicians, Specialty Physicians, Hospitals and Ancillary Service Providers.</p> <p>Recommendation #2: Adopt the "Scope of Capitated Primary Care Services" for inclusion in Primary Care Contracts.</p> <p>Ms. Stanley informed the Commission that the other COHS have worked together to come up with a template provider contract that contains language as required by the DHCS. Ventura COHS will have the template reviewed by our own legal counsel, but they have already been reviewed by the counsels for the other COHS. She noted that the final Commission-approved template will need to be sent to the State for their approval. In response to Mr. Juarez question concerning in-house counsel, Ms. Stanley noted that they only have two bids so far and are soliciting a third.</p> <p>On the topic of the Scope of Capitated Primary Care Services, Dr. Fankhauser expressed concern that PCPs would be disincentivized from doing a higher level of care. Ms. Stanley noted that it is important to incentivize services to occur at the right level. There would need to be a separate discussion for services not on the approved list as they would be reimbursed separately. Ms. Stanley responded in the affirmative when asked by Mr. Juarez is there will be a Prior Authorization list. Dr. Fankhauser identified two services on the list not done by 90% of PCPs. Dr. Chawla suggested that more time was needed to review the list. She wondered if sample lists could be obtained from other COHS.</p> <p>Ms. Stanley stated she understood that the Commission agreed that certain services will be included in the capitation rate and some will be fee-for-service, and that services requiring prior authorization will need to be identified.</p>	<p>approve Recommendation #1; Dr. Chawla seconded. Approved, 10-0</p> <p>Recommendation #2 was tabled</p>
<p>11. Administrative Members and Auto-Assignment – Finance Committee Recommendation</p> <p>Terrie Stanley</p>	<p>Recommendation: As recommended by the Executive/Finance Committee, Approve the attached policy addressing categories of members and the process to assign members who fail to select a PCP within 30 days of assignment to the Ventura COHS plan.</p>	<p>Mr. Maurice made the motion to approve the recommendation with the amendment that the Policy would cover all of a clinic network; Supervisor Long</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Ms. Stanley reviewed the Policy with the Commissioners, informing them that the Policy will establish the process by which members not assigned to PCPs will be assigned, on a rotating basis, to open PCPs, in line with DHCS contractual requirements. She noted that members are unassigned for a variety of reasons: no PCP selection made, a resident in long term care, an out-of-area resident, other health insurance is primary, or a member with a share of cost. Dr. Araujo inquired if there was a definition of a PCP. Ms. Stanley noted that a PCP is a physician willing to provide all preventive and routine care to the member, including practitioners in Internal Medicine, Family Practice, Pediatrics, and OB/Gyn. She also state that a "scope of PCP practice" would need to be developed, noting that the budget in established assuming that the PCPs will offer the full scope of PCP practice services, as so defined. In response to a question from Mr. Juarez, Ms. Stanley said that there would be discussions with providers about how auto-assignment would work. Commissioner Rodriguez commented that provider capacity would be an important factor. Mr. Juarez asked if there would be services requiring prior authorization. Ms. Stanley responded that there would be a list of those services that require prior authorization.</p> <p>Public Comment: Mr. Lurie from Community Memorial Healthcare System noted that some of the CMH clinics are not safety-net clinics and he sought clarification concerning the exclusion of non-safety-net clinics. Ms. Stanley said it is not the intention exclude any clinic who will agree to the Policy.</p>	<p>seconded. Approved, 10-0</p>
<p>12. Establish Executive/Finance Committee as the Nominating Committee for 2011 Officers of VCMMCC</p> <p>Terrie Stanley</p>	<p>Recommendation: Approve the Executive/Finance Committee to serve as the Nominating Committee for confirming candidates for VCMMCC Chair and Vice Chair.</p> <p>Dr. Chawla questioned why the Nominating Committee needed to be named this early in the year. Ms. Stanley responded that the Bylaws call for confirmation of the Nominating committee at the June meeting as it gives the Committee time to do begin the process, doing all necessary work. Mr. Powers commented that his Committee</p>	<p>Mr. Maurice made the motion to adjourn, Ms. Berry seconded Approved, 10-0</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	serves a more technical/administrative function.	
13. Final Comments from Commissioners	Supervisor Long commented that the Commission had done a good job with lots of work getting done. Mr. Powers thanked all the Commissioners for their time and preparation.	
14. Public Comment/Correspondence	Pamela Bennett stated she was impressed to see the birth of a new COHS. She inquired who pharmaceutical interests would speak to. Rev. Threat thanked the Commissioners for their work, suggested an audience sign-in be available, and anticipated comprehensive plans for having meetings with providers.	
15. Adjourn Michael Powers, Chair	Mr. Powers adjourned the meeting at 5:25 p.m.	Supervisor Long made the motion to adjourn, Mr. Maurice seconded. Approved, 10-0

Submitted by:



Recorder

July 26, 2010-Interim CEO Report to the Ventura County Medi-Cal Managed Care Commission

State Contract and Rates

Request for rates-our contract manager is stating that they do not know when the rates will be released. The formal letter being sent by the department has yet to be finalized by the state. Executive/Finance committee requested concerns with the delay in rates be put in writing and submitted to Ventura's Contract Chief.

Administrative Services Contracts

ACS

- New Project Manager-Cory Freshour
- Continue development of work plan to be assured all state deliverables are met
- Provider contracting session July 22nd –will set up timeline for finalizing PCP capped services and establish deliverables
- Two day planning for provider network the week of the 26th
- First installment of \$200,000 received July 7 and deposited into the newly established Treasury Account

RGS

Staffing and Recruitment Update

Position Title	Opening Date	Closing Date	Announced* Where	Apps To Date
Chief Executive Officer	7/5/2010	7/28/2010	Payersandproviders.com; California Healthfax; Jobs Available; County Associations; Continuing to research other publications/associations in which to use their e-mail addresses or websites	1
Chief Financial Officer	7/5/2010	8/4/2010	Payersandproviders.com California Healthfax; Health Care Financial Management Association; Jobs Available; County AssociationsContinuing to research other publications/associations in which to use their e-mail addresses or websites	4

Chief Medical Officer	7/5/2010	8/18/2010	Payersandproviders.com,California Healthfax;HealthCareFinancial ManagementAssociation;Medical Association; Continuing to research other publications/associations in which to use their e-mail addresses or websites
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*Announcements/ads or other placements will be occurring for the next few days while new sites/places are determined to be beneficial for the particular classification.

Additional Duties and Steps:

RGS is continuing to research appropriate websites, publications, and list serves to use to announce these recruitments, will continue to monitor resumes received, and place additional advertisement in the appropriate professional websites, as necessary. In addition, while the recruitment is going on, RGS will be verifying salary data for each particular classification in order to ensure that when a job is offered, the salary is appropriate.

Benefits Offered by Regional Government Services:

- Insurance – Employer-paid premiums for dental, vision, as well as life insurance at one times annual salary,
- Partial employer-paid premium for medical plan.
- Retirement Plan – 401(a) defined contribution plan of 10% plus an additional 2% match.

Time Off and Leave:

- Vacation: 15 days/year, adjusting with years of service.
- Holidays: 10 days/year.
- Sick leave: 12 days/year the first 2 years, then 6 days a year, thereafter.
- Administrative leave of up to 5 days/year.

ScriptCare (PBM)

Contractual changes requested have been made, will have final review by COHS Legal Counsel once selected.

Anticipate finalize mid-August

Executive/Finance Committee Meeting of July 14

Committee will meet 15 minutes prior to Commission Meetings so that the minutes can be approved and finalized.

ATTACHMENT C

VENTURA COUNTY
MEDICAL
MANAGED CARE
COMMISSION

DATE: July 26, 2010
TO: Ventura County Medi-Cal Managed Care Commissioners
FROM: Ventura COHS Executive/Finance Committee-Terrie M Stanley, Interim CEO
SUBJECT: Name for the Ventura County Organized Health System

Recommendation #1: The selection of a name for the Ventura Health Plan be done by the full commission at the July meeting.

Recommendation #2: The commission not expend additional funds to hire an external entity to assist with the process of name selection.

Discussion: At the July 14th meeting of the Executive/Finance Committee, developed a process by which additional community input be gathered for the purpose of name selection for the Ventura County Organized Health System. The Committee requested the current Mission Statement and the Vision and Values, developed during the Stakeholder process, be sent to current members of the commission as well as to other interested partners for the purpose of asking them to solicit feedback from their internal organization (including their marketing department, if they have one), provider community, and Medi-Cal population currently served. The choices, as well as any recommendations, will be presented to the full board at the July 26th meeting.

Sheila Murphy, Public Information Officer for the Ventura County Health Care Agency, presented this item at the July 14th meeting of the State-wide Group of County Public Information Officers. The feedback given was that CHOICE did not mean anything or convey the message of health or health care to the group and felt that the explanation of the acronym was too long. They made the recommendation that any name selected should be related to health care but did not offer alternatives.

At this time, additional feedback and recommendations for names have been received and will be distributed in a separate handout. The date for feedback to be submitted to the Interim CEO was given as close of business Friday, July 23.

- Richard Powers
VC Health Care Agency
Chair
- Dr. Leonard K. Dal
Physician
VC Medical Association
Vice Chair
- Dr. David Anzillo
VCMC Family Medicine
Residency Program Director
- May Lee Berry
Medi-Cal Beneficiary /
Advocacy Representative
- Dr. Anil Chawla
Physician
Clinica Del Camino Real Inc.
- Dr. John Fankhauser
Physician
VCMC Executive Committee
- Rich Jarvis
Private Hospital /
Health Care System
Los Robles Hospital
- Roberto S. Juarez CEO
Clinica Del Camino Real Inc.
- Supervisor Kathy Long
Ventura County
Board of Supervisors
- Tim Maurice
Private Hospital /
Health Care System
St. John's Reg. Med. Center
- Catherine Rodriguez
VCMC Health System

Commission Staff

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VCMCC JULY 2010

VCOMMCC

**Ventura COHS
Executive/Finance Committee
Meeting Minutes**

Ventura County Public Health
2240 E. Gonzales Road, Suite 200
Oxnard, CA 93036

June 16, 2010

√	Committee Members in Attendance	Staff in Attendance
√	Terrie Stanley , Interim CEO	Narcisa Egan , Assistant Health Care Agency CFO
√	Anil Chawla, MD, Director , Physician, Clínicas del Camino Real, Inc.	Dee Pupa , Interim Assistant Clerk of the Board
√	Lanyard Dial, MD, Vice-Chair , Physician, Ventura County Medical Association	Alison Sawyer , Interim Clerk of the Board
√	Rick Jarvis , Private Hospitals/Healthcare System	
√	Michael Powers , Director, Ventura County Health Care Agency	
√	Catherine Rodriguez , Ventura County Medical Health System	

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
1. Call to Order Welcome and Roll Call Terrie Stanley	<ul style="list-style-type: none"> • The meeting was called to order at 4:04 p.m. • All Members present, except for Dr. Lanyard Dial <p>Ms. Stanley welcomed everyone to the first meeting of the Ventura COHS Executive/Finance Committee.</p>	
2. Interim Committee Co-Chair Terrie Stanley	<p>Recommendation: Select a committee member to serve as interim co-chair for this committee until a permanent CFO is selected for the Ventura COHS.</p> <p>Ms. Stanley noted that other COHS have their CEO and CFO act as chair and vice-chair of the Executive/Finance Committees. The same is proposed for Ventura COHS and in the interim (until the positions are permanently filled), it is recommended that the Ms. Stanley, as the Interim CEO, serve as Chair and Ms. Narcisa Egan (HCA Asst CFO)</p>	<p>Mr. Powers made the motion to select Ms. Stanley as the interim Committee Chair and Ms. Egan as the interim Vice-Chair, Mr. Jarvis seconded.</p> <p>Approved: 4-0</p>

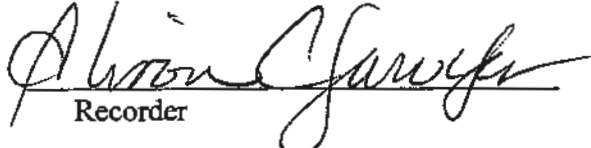
AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	serve as Vice-Chairs.	
<p>3. Roles and Responsibilities of Executive/Finance Committee</p> <p>Terrie Stanley</p>	<ul style="list-style-type: none"> • Ms. Stanley reviewed with Committee members the composition and duties of the Committee as authorized by the Commission on 5/24/10. She noted that the composition was designed to reflect the categorical representation on the Commission. By way of information, she reminded the Committee that its Clinic Representative member had not been determined during the Commission meeting. As of 5/28/10, Dr. Chawla is the final member of this Committee. • Ms. Stanley queried the Committee for any thoughts on additions to the listed duties. In response to a question from Ms. Rodriguez, Ms. Stanley said that the Executive/Finance Committee reviews information and forwards it to the full Commission with its recommendations. • Ms. Stanley noted that there are a number of contracts that are in the works. With that in mind, she requested the Committee to set a maximum amount that the CEO may approve before bringing it to the Committee. There was discussion from Dr. Chawla, Mr. Jarvis, Mr. Powers, and Ms. Rodriguez on what would be an appropriate amount. Ms. Rodriguez inquired if this would include one-time agreements or provider agreements. Ms. Stanley responded that the Committee is set to discuss provider agreements separately at Agenda Item 8. In response to Mr. Jarvis question, Ms. Stanley said that there could be quite of few contracts for over \$100,000. Ms. Rodriguez recommended \$100,000 and three bids. • Ms. Stanley reviewed the list of contracts that are in the works. These included: <ul style="list-style-type: none"> ○ Insurance broker: insurance for both Directors/Officers and health plan claims reinsurance. Ms. Stanley noted that legal has been asked to take a look at the agreement and, if approved, she will proceed. ○ Admin Services Agreement: Ms. Stanley was pleased to announce that the final piece of the agreement with ACS is 	

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	<p>in place. The goal is to have it signed next week. In response to a question from Mr. Powers she stated that there had been no material change to the agreement since its approval by the Commission. She did point out to the committee that the pharmacy contract is a separate agreement—not rolled into with administrative services.</p> <ul style="list-style-type: none"> ○ Staffing: including working on the benefit package for the staff. ○ Actuarial Services: analysis of the rates, both from the state to the plan and from the plan to providers. ○ General Legal Counsel: County Counsel is helping out now, but moving forward the COHS will hire its own counsel. Ms. Stanley noted that they have the names of two potentials. In the interests of having a list of at least three from which to choose, she polled the Committee for any additional recommendations that would not be in conflict. Mr. Jarvis and Mr. Powers both commented that Hooper Lundy would be an acceptable addition. In response to a question from Mr. Powers, Ms. Stanley noted that the COHS counsel would not necessarily attend all meetings. • Graphics and Printing: Ms. Stanley noted that they are looking for a cost-effective source for graphics and printing. In addition, a working priority is deciding on a “dba” and developing a logo before any large print job is ordered. • Mail House: Ms. Stanley noted that the COHS will be looking for a mail distribution vendor to distribute member packets, etc. • Office Space: Ms. Stanley commented that there is space that may meet the needs in a building near to this Committee’s meeting room. An appropriate space would have: working space for 39 Ventura staff co-located with 6-10 ACS staff, 2+ conference rooms, break room, mail room, etc. Ms. Stanley informed the committee that she will continue to look for other likely spaces and bring back the options to the Committee. • Office Furniture, Phone and Equipment • Bank Account vs Ventura County Treasury Trust Account: Ms. 	

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Stanley noted that the COHS has filed for a tax ID which is required to open a bank account. In the interim, in order to have a place into which moneys can be deposited and out which payments can be made, she has talked to the Ventura County Treasurer and Auditor-Controllers about setting up a trust account. In addition, she has spoken with Wells-Fargo (four out the five other COHS use Wells-Fargo). Nothing has been finalized.</p> <ul style="list-style-type: none"> • Business license: once the decision is made about office space, a business license for that city will be obtained. Important attributes for the locations are: centralized on a bus route for more convenient access by beneficiaries. 	
<p>4. 2010 Meeting Schedule</p> <p>Terrie Stanley</p>	<p>Recommendation: Approve 2010 Committee Meeting Schedule</p> <p>Ms. Stanley presented the 2010 meeting schedule for approval. There was some discussion on moving the meetings to the first Wednesday of each month. However, some Committee members noted that would cause conflicts.</p>	<p>Mr. Powers made the motion to approve the 2010 Meeting Schedule, Ms. Rodriguez seconded.</p> <p>Approved: 4-0</p>
<p>5. CLOSED SESSION</p> <p>Narci Egan</p>	<p>MEDI-CAL NEGOTIATIONS (Health & Saf. Code, sec. 1457, 1462; Welf. & Inst. Code, sec. 14081, 14082; Gov. Code, sec. 6254, subd. (q))</p>	
<p>6. Provider Contracting Negotiations and General Principles of Reimbursement</p> <p>Terrie Stanley</p>	<p>Recommendation: Authorize the interim CEO to open provider negotiations for contracting based on current Ventura County Medi-Cal reimbursement rates.</p> <p>Ms. Stanley reviewed the general principles of reimbursement with the Committee adding that a contract template is available (see Agenda Item 8). She proposed that the COHS begin by paying according to current Medi-Cal rates – at least for year one – as there is a need to build experience and develop procedures. She commented that the budget for provider reimbursement will be set but, recognizing the make-up of the Committee, individual contracts will not be brought back to the Committee.</p> <p>Ms. Stanley also noted that demonstration of network adequacy is</p>	<p>Mr. Powers made the motion to approve the recommendation, Ms. Rodriguez seconded.</p> <p>Approved: 4-0</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>required by DHCS before approval of implementation. In response to a question about next steps, Ms. Stanley informed the Committee that this would be brought forward to the full Commission.</p>	
<p>7. Member Auto-Assignment Policy Terrie Stanley</p>	<p>Recommendation: Approve an auto assignment policy for members who do not select a PCP within 30 days of assignment to the Ventura COHS plan.</p> <p>Ms. Stanley reviewed the policy with the Committee, noting that the goal was to get every member to a PCP. However, there is a subset of members ("administrative member") who do not get assigned—their care and needs do not fall under the purview of a PCP; examples of this are long-term care patients or out-of-area residents. With this in mind, assignment of these members still occurs—taking geographic, cultural, and linguistic preferences into account. The auto-assignment policy assures that such a member is assigned by rotation to a PCP – maintaining an even distribution of patient load across the panel of providers. Mr. Powers asked how the policy is implemented and Ms. Stanley stated that rules would be installed in the system with ACS.</p>	<p>Mr. Powers made the motion to approve the recommendation, Mr. Jarvis seconded. Approved: 4-0</p>
<p>8. Template Provider Contracts Terrie Stanley</p>	<p>Recommendation: Approve use of template provider contracts for Primary Care Physicians, Specialty Physicians, Hospitals, and Ancillary Service Providers.</p> <p>Ms. Stanley informed the Committee that, as mentioned earlier (Agenda Item 6), a template provider agreement, developed by a consortium of other COHS, is available for use. She noted that this template contains all the required language and is a good place to start. It will be sent to our attorney for review and to tailor to our use. Ms. Stanley reviewed the listed recommended duties of the PCP, adding that it is possible that there may be some fee-for-service items outside of those included in the capitation rate. Dr. Chawla inquired if Specialty Physicians would be reimbursed on a PMPM (per member per month) basis. Ms. Stanley responded that, if the Committee agreed, the COHS could consider this type of reimbursement but it would have to be developed. In response to a question, Ms. Stanley noted that Ancillary Services would include</p>	<p>Mr. Powers made the motion to approve the recommendation, Mr. Jarvis seconded. Approved: 4-0</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	laboratories.	
9. Names for Ventura COHS Terrie Stanley	<p>Recommendation: Select possible names for the Ventura COHS and bring forward to next Commission meeting.</p> <p>Ms. Stanley started the discussion of choosing a "name" (dba) for the COHS by noting that a name should be recognizable and meaningful – it should reflect on the mission, the bylaws, and what is important to the COHS. A few names were suggested and it was stated that there could be an advantage to having a name that would be closer to the top of an alphabetized list.</p>	<p>The Committee declined to make a recommendation, preferring to bring the issue, as is, forward to the Commission for further discussion and decision.</p>
10. Final Comments from Commissioners All	<p>Dr. Chawla suggested a 3:30 p.m. start to future Executive/Finance Committee meetings. Other Committee members agreed conditional upon schedule checking.</p>	
11. Public Comment/Correspondence Open	<p>No Public Comment or Correspondence</p>	
12. Adjourn Chair	<p>Ms. Stanley adjourned the meeting at 5:49 p.m.</p>	

Submitted by: 
 Recorder

VENTURA COUNTY
MEDICAL
MANAGED CARE
COMMISSION

DATE: July 26, 2010
TO: Ventura County Medi-Cal Managed Care Commissioners
FROM: Ventura COHS Executive/Finance Committee
Terrie Stanley, Interim CEO and Narci Egan, Interim Financial Officer
Committee Co-Chairs
SUBJECT: Fiscal Year for the Ventura County Medi-Cal Managed Care Commission

Michael P. Poirier
VC Health Care Agency
Chief

Dr. Leonard K. Ford
Physician
VC Medical Association
Vice Chair

Dr. David Argente
VCMC Family Medicine
Residency Program Director

May Lee Berry
Medi-Cal Beneficiary /
Advocacy Representative

Dr. April Christie
Physician
Clinicas Del Camino Real Inc.

Dr. John Fankhauser
Physician
VCMC Executive Committee

Rick Janda
Private Hospital /
Health Care System
Los Robles Hospital

Roberto J. Juarez, CEO
Clinicas Del Camino Real Inc.

Supervisor Kathy Long
Ventura County
Board of Supervisors

Tim Maurice
Private Hospital /
Health Care System
St. John's Reg. Med. Center

Catherine Rodriguez
VCMC Health System

Commission Staff
Terrie Stanley, RN, CPHQ,
MPA
2225 Knoll Dr.
Ventura, Ca. 93003

Phone: (805) 677-5388
Fax: (805) 677-8200

Recommendations: Set-up Ventura's fiscal year to correspond to State of California's fiscal year (currently July 1-June 30). This will allow the organization to budget and make revenue assumptions in correlation with the effective dates of capitation rates (revenue) which are currently adjusted every July 1st.

Discussion:
In order to file needed paperwork to obtain a TAX ID Number, the Ventura COHS needs to determine what it will use as its Fiscal Year.

A fiscal year (financial year, or sometimes called budget year) is a period used for calculating annual ("yearly") financial statements. Regulatory laws regarding accounting and taxation require such reports once per twelve months, but do not require that the period reported on constitutes a calendar year (i.e., January through December). Fiscal years vary between organizations.

For the State of California, the Governor submits the Governor's Budget to the Legislature in January, it is revised in May, and the fiscal year begins July 1.

Current Fiscal Years for other COHS:

CalOptima	July 1-June 30
enCAL	July 1-June 30
Central Coast Alliance	January 1-December 31
Partnership	July 1-June 30
San Mateo	January 1-December 31

VCMMCC JULY 2010

ATTACHMENT F

DATE: July 26, 2010
TO: Ventura County Medi-Cal Managed Care Commissioners
FROM: Ventura COHS Executive/Finance Committee -Terrie Stanley, Interim CEO
SUBJECT: Selection of Counsel for the Ventura County Organized Health System

Recommendations: Direct Interim CEO to Sign the Attorney-Client Engagement Agreement for Health Care Counsel with Tin Kin Lee, ESQ.

Discussion: Health care counsel will be required during development and subsequently from time to time once the plan moves forward. Development work undertaken to date that required special counsel included the finalization of the Administrative Services Agreement with Affiliated Computer Services. To obtain the needed recommendations, Mr. Tin Kin Lee, Attorney was engaged through the Health Care Agency's existing contract with Pacific Health Consulting Group.

Examples of services required over the next several months of development include review of template provider contracts so that they can be submitted to Department of Health Care Services for review and approval as well as review of fully executed contracts, review of the contract that will be in place with the Department of Health Care Services, review of a limited number of policies for both member and provider appeals and provider credentialing.

Three requests were solicited from 2 Individuals in Private Practice and one Large Firm. In addition to Mr. Lee, Doug Cummings ESQ from Sacramento and Hooper, Lundy & Bookman agreed to submit proposals. Upon further consideration of possible conflicts of interest, Hooper withdrew their proposal. While Mr. Cummings would also be an excellent choice, the physical distance would require him to travel to Ventura for any face-to-face meetings that would be required.

To secure the needed services, it is recommended that Ventura enter into an agreement with Mr. Lee. He was extremely helpful and looked to preserve the best interest of Ventura during the final contract negotiations. His expertise in the legal issues important to the Ventura COHS assisted in getting a number of items that were previously missing from the agreement added, while removing some that could have the potential to be unfavorable.

Hourly rates for services will be set at \$280 exception for litigation at \$300. In addition to fees, additional costs such as document imaging and duplication, postage and telephone as well as actual out-of-pocket costs for travel if needed. For use of any outside attorneys to assist will be subject to the same terms.

This agreement does not guarantee any minimum number of hours or payment for services. If the Commission does not require Mr. Lee's services, there is no retainer to be paid.

A copy of Mr. Lee's Curriculum Vitae is attached. He has over twenty-three years experience in health care contracting and currently works with other Medi-Cal Managed Care Plans across the state.

ATTACHMENTS:

- F1-Tin Kin Lee Curriculum Vitae
- F2-Tin Kin Lee Attorney-Client Engagement Agreement

VCMCC JULY 2010

**VENTURA COUNTY
MEDICAL
MANAGED CARE
COMMISSION**

Michael P. ...
VC Health ...
Chair

Dr. Edward F. Ebel
Physician
VC Medical Association
Vice CEO

Dr. David Grubb
VCMC Family Medicine
Residency Program Director

May Lee Berry
Medi-Cal Beneficiary
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Dr. April Crawls
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Tim Maurke
Private Hospital
Health Care System
St. Johns Rep. Med. Center

Catherine Rodriguez
VCMC Health System

Commission Staff
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FPA

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Phone: (805) 677-5039
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**PROFILE
OF
TIN KIN LEE**



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Pasadena, California 91101
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tlee@tinkinlee.com

TIN KIN LEE

PROFESSIONAL EXPERIENCE

Tin Kin Lee has been practicing law for over 23 years, of which 18 years have been specialized in representing clients in the healthcare industry. Clients Mr. Lee has represented include some of the largest Medi-Cal managed care health plans in the State, multi-system hospitals (nonprofit and proprietary), community hospitals, mental health providers, physician practice management companies, large integrated medical groups, medical equipment leasing companies, ancillary service providers, independent practice associations and physicians.

In providing legal representation to his clients, Mr. Lee also works with various federal, state and local agencies on licensing and other regulatory matters, including the California Department of Health Services (DHS), California Department of Managed Health Care (DMHC), California Department of Social Services (DSS), California Department of Aging (CDA), California Managed Risk Medical Insurance Board (MRMIB), and the Centers for Medicare & Medicaid Services (CMS).

Mr. Lee's practice includes providing legal representation and advice in all aspects of healthcare transactional and regulatory matters, including, without limitation, the following areas:

- Knox-Keene, DHS, CMS and MRMIB licensing and regulatory issues.
- Fraud and abuse issues, including the application of the anti-kickback safe harbors, Stark II, Spier and the applicable regulations.
- Corporate practice of medicine.
- Antitrust issues -- e.g., analysis of antitrust safety zones in connection with group purchasing organizations, and integration issues in connection with physician contracting.
- Medicare and Medi-Cal reimbursement issues.
- Inurement and private benefit issues, including analysis of intermediate sanctions rules, etc.
- Managed care contracting issues.
- Hospital licensure issues involving CHOW applications, successor liability issues, etc.

TIN KIN LEE
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Examples of transactional and regulatory matters for which Mr. Lee has provided legal representation include the following:

- Development and implementation of local initiative Medi-Cal health plan, including Two-Plan model contract negotiations with the California Department of Health Care Services and Knox Keene licensure by the California Department of Managed Health Care.
- Securing Knox Keene “restricted” licensure for Medicare Advantage lines of business.
- Representation of managed care health plans to obtain “shadow plan” Knox Keene licensure for purposes of quality improvement fee (“QIF”) implementation.
- Acting as corporate and regulatory counsel in connection with health plan acquisitions, including commercial, Medicare, Medi-Cal and Medi-Cal dental, and Healthy Families lines of business.
- Representation of a public entity Medi-Cal managed care health plan in connection with claims disputes with out-of-plan providers, reimbursement disputes with State Department of Health Services, and litigation involving the application of the State’s Two-Plan Model rules.
- Representation of a privately-held health plan in its sale of certain assets comprising multiple lines of business to Health Net of California.
- Obtaining health care service plan licensure from the Department of Managed Health Care in connection with the implementation of the quality improvement fee (“QIF”) legislation.
- Representation of a congregate living health facility in connection with licensing and various regulatory issues involving the Department of Health Care Services and the Department of Social Services.
- Negotiation of the master services agreement with the State Department of Health Services on behalf of the statewide coalition of local initiative managed care plans.

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- Representation of a multi-hospital system in connection with the formation of an outpatient-based integrated healthcare delivery system and the acquisition of medical practice assets of various physician groups.
- Representation of a general acute care hospital in connection with the formation of a management services organization to manage a mental health professional group providing professional services in a managed care setting.
- Representation of a general acute care hospital in connection with the restructuring of a cardiac catheterization laboratory.
- Organization of "captive" professional corporations and financing arrangements between network of surgery center physicians and a physician practice management company.
- Representation of a general acute care hospital in connection with its consolidation of clinical laboratory operations.
- Representation of a general acute care hospital in connection with its participation in a California-statewide hospital facility contracting network.
- Representation of various physician groups in connection with the formation of IPAs and integrated medical practice groups.
- Formation of technology joint venture based in Arizona between two hospital systems.
- Representation of a master limited partnership in connection with the permanent financing of a medical office building comprising over 60,000 square feet located in Glendale, California.
- Corporate restructuring of a public company hospital operator to spin off real estate assets into a REIT.
- Development of internet application service provider agreements and related documentation for medical practice management applications.
- Representation of purchasers and sellers of hospitals in connection with hospital licensure and real estate issues.

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POSITIONS HELD

- Sheppard, Mullin, Richter & Hampton, LLC. Partner, Healthcare Practice Group.
- Manatt, Phelps & Phillips (Los Angeles, CA). Partner, Healthcare Dept.
- McDermott & Trayner (Pasadena, CA). Healthcare Partner.
- Rogers & Wells (Los Angeles, CA).
- Melrod, Redman & Gartlan (Washington, D.C.).

PROFESSIONAL AFFILIATIONS

- California State Bar Association
- California Association of Health Plans
- California Association of Dental Plans
- Healthcare Executives of Southern California
- Healthcare Financial Management Association
- California Society of Healthcare Attorneys

EDUCATION

- **Columbia Law School**, Juris Doctor, 1986.
- **University of Southern California**, 1983. B.S., cum laude, Business Administration (Finance).

ADDITIONAL INFORMATION

- Author, "Silk Road: Opportunities for Foreign-Owned Healthcare Clinics in China." Published: Managed Healthcare, May, 1996; Australian Health Review, Vol. 19, No. 2, 1996.
- Author, "*Imbalance Of Power And The Use Of Balance Billing*," September 2004.
- Author, "*Status Of QIF Under FY 2006 Federal Budget*," November 2005.

TIN KIN LEE

LAW OFFICES

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tlee@tinkinlee.com

June 23, 2010

Theresa M Stanley RN, CPHQ, MPA
Health Care Agency Deputy Director
Director Managed Care
Ventura County Medi-Cal Managed Care Commission
2323 Knoll Drive Suite 417
Ventura CA 93003

Re: Attorney-Client Engagement Agreement

Dear Ms. Stanley:

As you know, this law firm has heretofore provided legal services on behalf of the Ventura County Medi-Cal Managed Care Commission (the "Ventura COHS") through the Pacific Health Consulting Group. However, given the need from time-to-time for ongoing legal representation, you have requested a proposal from this law firm to provide such ongoing legal representation, as needed.

Accordingly, the following sets forth and confirms the terms upon which the Law Offices of Tin Kin Lee (the "Firm") will be retained by the Ventura COHS (also referred to herein as the "Client") to provide legal representation with respect to health care and other legal matters as may arise from time-to-time (the "Matters"). I appreciate your confidence and thank you for selecting the Firm as legal counsel.

1. Scope of Representation. Except as we may agree otherwise in writing, the Firm will be representing the Ventura COHS only and will not be representing any other person or entity. Except as we may otherwise agree, the terms of this letter shall apply to other engagements for the Ventura COHS that the Firm may undertake.

2. Fees and Charges. The Firm's fees are based on hours charged at scheduled rates that are periodically adjusted, generally as of the beginning of a calendar year. My hourly rate at this time is \$280. Other firm attorneys working on Matters would also be billed at the same or lower rate, with the exception of litigation which would be at the hourly rate of \$300 (litigation only). In addition to fees, the Firm's statements include actual out-of-pocket

TIN KIN LEE
LAW OFFICES

Theresa M Stanley RN, CPHQ, MPA
June 23, 2010
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costs (except as set forth in Attachment A) for fees of governmental agencies and disbursements and/or charges for third parties, the current schedule for which is set forth on Attachment A and which also is adjusted from time to time (collectively "Charges"). The Firm's standard practice is to have certain charges for outside retained services invoiced to the Client directly. This letter constitutes the agreement of the Client to pay all such invoices prior to delinquency and to hold the Firm harmless from the Client's failure to do so. Of course, to the extent such third party charges are paid directly by the Firm, they will be included in the Firm's statements.

Statements are submitted monthly and are due and payable upon receipt. The Client agrees to notify the Firm promptly in writing if the Client disputes any entry for legal services or charges on any statement. In the absence of any written objection thereto within thirty (30) days of receipt by the Client of an invoice, the Client will be deemed to have accepted and acknowledged the invoice as correct through the period covered by the invoice. Please understand that it is the Firm's policy to stop work on all matters being handled for a client if any amount invoiced to such client is sixty (60) days or more past due. Also, interest is charged at 10% per annum from date of statement for amounts outstanding more than ninety (90) days.

The Client agrees that the Firm may employ outside attorneys to assist in the Client's Matter as long as any fees to the outside attorneys are subject to the rates, terms and conditions in this Agreement.

Unless the Firm otherwise expressly agrees in writing, any estimates the Firm may provide from time to time and any deposits, retainers, or advances against costs the Firm may require are not a limitation on the Firm's fees and other charges. In addition, if as a result of the Firm's engagement, the Firm is required to produce documents or appear as witnesses in connection with any governmental or regulatory examination, audit, investigation or other proceeding or any litigation, arbitration, mediation or dispute involving the Client, the Subsidiary or related persons, the Client will be responsible for costs and expenses reasonably incurred by the Firm (including professional and staff time at then scheduled hourly rates and reasonable attorneys' fees and costs incurred by us). This provision shall survive any termination of the Firm's representation of the Client.

3. Termination of Representation. The Client has the right to terminate the Firm's representation of the Client at any time. Subject to the Firm's ethical obligation to give the Client reasonable notice to arrange for alternate representation, the Firm may terminate its representation of the Client at any time. Unless the Firm agrees to render other legal services to the Client, the Firm's representation will terminate upon completion of the Matter.

4. Dispute Resolution. In the event a dispute arises between us that is subject to the Government Claims Act (Government Code Section 900 et seq.) (the "Act"), the

TIN KIN LEE
LAW OFFICES

Theresa M Stanley RN, CPHQ, MPA
June 23, 2010
Page 3

provisions of the Act shall apply to any such disputes against the Ventura COHS under this agreement. If a dispute that is subject to the Act is not resolved following the review and decision of the Ventura COHS pursuant to the Act, or if any other dispute arises that is not subject to the Act, the parties may pursue their legal remedies.

If the foregoing is an acceptable basis for the Firm's engagement as counsel, it would be appreciated if you could please return a countersigned copy of this letter to me.

Should you have any questions or concerns, please feel free to call me. Once again, thank you for selecting the Firm to represent you.

Sincerely,



Tin Kin Lee

The undersigned Client has read and understood this engagement letter and agrees that it correctly sets forth the terms upon which the Firm has been engaged by the undersigned Client in connection with the representation described herein.

VENTURA COUNTY MEDI-CAL
MANAGED CARE COMMISSION

By: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT A
ADMINISTRATIVE CHARGE TABLE

(As of January 1, 2010)

For the Client's information, the following is a current list of the various costs that are charged to clients.

<u>Category</u>	<u>Charge</u>
Delivery (DHL, Federal Express, Airborne, messenger etc.)	Invoiced cost; not reduced by any volume discounts.
Document imaging (Scanning, OCR, Coding)	Invoiced cost.
Duplicating	\$0.25 per page; color copies \$0.75.
Westlaw Legal research	Pro-rata allocation of vendor standard rates.
Postage	Actual cost of mailings over \$5.00 per day.
Telephone	AT&T Standard Rates.
Travel	Actual Cost.

ATTACHMENT G

**VENTURA COUNTY
MEDI-CAL
MANAGED CARE
COMMISSION**

DATE: July 26, 2010
TO: Ventura County Medi-Cal Managed Care Commissioners
FROM: Ventura COHS Executive/Finance Committee -Terrie Stanley, Interim CEO
SUBJECT: Office Location for the Ventura County Organized Health System

Recommendations: Direct the Interim CEO to finalize and sign Lease Agreement to Locate the Office at 2220 E Gonzales Road-Suite 200

Discussion:

The Ventura COHS will need space for operations. The current plan calls for 39 staff to be hired over the coming months. The first 20 to be hired will consist mostly of management, executive support, provider relations and contracting staff. The final 19 to be hired will be operational and brought in during the last 30-45 days before "go-live".

Considerations include:

- Location-central to all areas of the County
- Size of space-it is estimated to accommodate offices for directors and cubicles for staff as well as meeting room and common space-a minimum of 6,000 square feet of usable space is required-(150 per employee).
- Proximity to public transportation
- Minimal "build-out"-to keep costs down
- Safety of building
- Sufficient parking

A number of office buildings in and around the Oxnard area were looked at. The best found is space on the second floor of the 2220 Gonzales Building that is 6,671 square feet. The Ventura County is willing to provide it to the COHS at the rate of: \$2.00/sq ft, fixed for the first three years with an annual CPI inflator beginning in year 4. The offer is a full service lease (includes all utilities, repair and maintenance, security and janitorial service). Currently, there is over \$10K of office furniture with this space that the County will provide at no additional cost. This is an extremely competitive offer as other space that was looked at for the same per square foot price was much smaller, did not include the same fixed term arrangement, did not include the same services, did not contain any furniture, and required proof of current financial status to include income, which is currently limited.

Original Power
VC Health Care Agency
2010

Dr. David K. Bial
Physician
VC Medical Association
Vice Chair

Dr. David Arango
VCHC Family Medicine
Residency Program Director

May Lea Berry
Medi-Cal Beneficiary/
Advocacy Representative

Dr. Arif Chawla
Physician
Clinica Del Camino Real Inc.

Dr. John Fankhauser
Physician
VCHC Executive Committee

Rick Jarvis
Private Hospital/
Health Care System
Los Bablos Hospital

Roberto S. Juarez CEO
Clinica Del Camino Real Inc.

Supervisor Kathy Long
Ventura County
Board of Supervisors

Tim Maurice
Private Hospital/
Health Care System
St. Johns Reg. Med. Center

Catherine Rodriguez
VCHC Health System

Commission Staff
Terrie Stanley, RN, CPHQ,
MPA
2323 Knoll Dr.
Ventura, Ca. 93003
Phone: (805) 677-5238
Fax: (805) 677-5203

ATTACHMENT
G1 Lease Proposal for 2220 Gonzales SUITE 200
VCOMMCC JULY 2010

LEASE AGREEMENT
(2220 GONZALES SUITE 200)

THIS LEASE, hereinafter called "Agreement", is made and entered into by and between:

COUNTY OF VENTURA

hereinafter called "County", and

VENTURA COUNTY MEDICAL MANAGED CARE COMMISSION

hereinafter called "Tenant".

The parties agree that:

1. PROPERTY LEASED. County hereby leases to Tenant and Tenant hereby rents from County the property, hereinafter called "Premises," located in the City of Oxnard, State of California, described as follows:

2220 E Gonzales Road Suite 200, Oxnard CA 93036,

The Premises contains 6,710 square feet of space and is more particularly shown on Exhibit "A", which is attached hereto and made a part hereof by reference.

2. TERM. The lease shall commence on November 1, 2010 and terminating on October 30, 2015.

3. RENT. Tenant shall pay to County rent in the amount of \$2.00 per square foot of office space or thirteen thousand four hundred twenty dollars (\$13,420.00) per month, payable in advance on the first day of each and every calendar month for the first three years of the term. The rent shall be increased by three (3) percent on November 1, 2014 and each year thereafter during the term of this agreement and each November 1, thereafter during any holdover term.

4. HOLDOVER. If Tenant holds possession of the Premises after the expiration of the term of this Agreement, or any extension thereof, with consent of County, expressed or implied, Tenant shall become a Tenant from month-to-month. All other terms and conditions of this Agreement shall remain unchanged.

PRORATION OF RENT. If the rental payment due under this Agreement for any calendar month should be for less than a full month, the rent amount due for that month shall be prorated accordingly.

5. USE. The Premises shall be used for the following specified purpose and shall not be used for any other purpose without first obtaining the written consent of County:

General Office Space

6. SIGNS AND ADVERTISING. Tenant shall not erect or display, or permit to be erected or displayed on the Premises, any signs or advertising matter of any kind without first obtaining the written consent of the County which consent shall not be unreasonably withheld.

7. ALTERATIONS BY TENANT. Tenant shall not make any alterations, installations or improvements to the Premises without prior written approval of County which consent shall not be unreasonably withheld.

8. FIRE INSURANCE. Fire and extended coverage insurance on the Premises shall be the sole concern of County. However, no use except that which is expressly provided in this Agreement shall be made or permitted to be made of the Premises.

9. LIABILITY INSURANCE. Tenant, at its own expense, shall procure and maintain with respect to the Premises and operations conducted therein adequate general premises liability insurance against bodily injury and against property damage. Said insurance shall have a combined single limit of liability for bodily injuries and for property damage in an amount of not less than one million Dollars (\$1,000,000.00). Notwithstanding anything to the contrary provided in this Agreement, Tenant shall furnish to County a Certificate of Liability Insurance from an insurer admitted to do business in the State of California, which certificate shall verify that Tenant carries public liability insurance as described above. Said certificate shall verify:

- a. That County is named as an additional insured in said insurance, and
- b. That such insurance covers products and completed operations coverages,
and
- c. That said insurance shall not be cancelled nor terminated without thirty (30) days' prior written notice given to County, and
- d. That such insurance shall be primary insurance, notwithstanding any "other insurance" clauses to the contrary which may be contained in either Tenant's or County's insurance contracts.

ATTACHMENT G1

The insurance coverage shall contain within the contract or by endorsement a "broad form" of contractual liability coverage which covers contracts entered into by Tenant, including leases.

10. TAXES AND ASSESSMENTS. A taxable possessory interest may be created by this Agreement and Tenant will be subject to the payment taxes levied on such interest.

Tenant shall pay before delinquent any and all taxes and assessments levied against Tenant by reason of Tenant's use and occupancy of the Premises.

11. UTILITIES. Tenant shall be responsible for telephone serving the Premises and shall make payments directly to the utility company furnishing same. County shall pay for electricity, gas, water and trash service and shall make and maintain proper connections with any and all water, gas, sewer, and electrical lines on or serving the Premises and will continue the connections and service thereof during the term of this Agreement or any extension thereof.

12. JANITORIAL SERVICES. County shall be responsible for janitorial services for the Premises including the common areas.

13. REPAIRS AND MAINTENANCE BY COUNTY. County shall maintain the Common areas of the Premises, including but not limited to its foundation, exterior walls, roof, building exterior, windows, floors, floor covering, and the electrical, heating, ventilation, plumbing, water and sewage disposal systems, and shall provide all maintenance and repair required to be performed. County, however, shall have no responsibility for maintenance which may be required by reason of neglect or misconduct of the Tenant, its agents, servants, employees, contractors or patrons.

14. REPAIRS AND MAINTENANCE BY TENANT. Tenant accepts the Premises as being in good and sanitary order, condition and repair. Tenant shall maintain the Premises in as good condition as they were when Tenant first received possession thereof, excepting reasonable wear and tear, and shall make all repairs and replacements necessary to that end.

15. ENTRY BY COUNTY. County may enter upon the Premises at all reasonable times to examine the condition thereof, and for the purpose of providing maintenance and making such repairs as County desires to make, provided that such right shall not be exercised in such a manner as to unreasonably interfere with any business conducted by Tenant on the Premises and shall be on at least twelve hours' prior notice to Tenant.

16. COMPLIANCE WITH LAW. Tenant shall not use or permit the use of the Premises for an illegal or immoral purpose and shall comply with all federal, state and local laws and ordinances concerning said property and use thereof.

17. DISCRIMINATION. Tenant agrees not to discriminate against any person or class of persons by reason of race, sex, color, creed, or national origin in the use of the Premises.

18. ASSIGNMENT AND SUBLETTING. Tenant shall not assign this Agreement, or any interest therein, and shall not sublet said premises or any part hereof, or any right or privilege appurtenant thereto, or suffer any other person (the agents and employees of Tenant excepted) to occupy or use said Premises, or any portion thereof, without the prior written consent of County. Such consent may be withheld at the sole and absolute discretion of County.

19. DEFAULT OR BREACH. Except as otherwise provided, at any time one party to this Agreement is in default or breach in the performance of any of the terms and conditions of this Agreement, the other party shall give written notice to remedy such default or breach. If said default or breach is remedied within 60 days following receipt of such notice, then this Agreement shall continue in full force and effect. If such default or breach is not remedied within 60 days following receipt of such notice, the other party may, at its option, terminate this Agreement. Such termination shall not be considered a waiver of damages or other remedies available to either party because of such default or breach. Each term and condition of this Agreement shall be deemed to be both a covenant and a condition.

20. WAIVER. A waiver by either party of any default or breach by the other party in the performance of any of the covenants, terms or conditions of this Agreement shall not constitute or be deemed a waiver of any subsequent or other default or breach.

21. PARTIES BOUND AND BENEFITTED. The covenants, terms, and conditions herein contained shall apply to and bind the heirs, successors, executors, administrators, and assigns of all of the parties hereto, and all of the parties hereto shall be jointly and severally liable hereunder.

22. TIME. Time is of the essence of this Agreement.

23. HOLD HARMLESS. Tenant hereby indemnifies and defends County against, and holds County harmless from, any loss or damage arising out of or relating to any death, bodily injury, or property damage resulting from, or in conjunction with, the maintenance, use or occupation of the Premises by Tenant or Tenant's agents, invitees, employees, contractors or patrons.

24. DESTRUCTION OF PREMISES. If the Premises should be destroyed by any cause or declared unsafe or unfit for occupancy by any authorized public authority for any reason, either wholly or in such a degree as to impair Tenant's use of said Premises, then all rent due under the terms of this Agreement shall cease as of the date of such destruction or declaration. If County makes the necessary repairs within 90 days rendering the Premises as suitable and serviceable as they existed the day Tenant's occupancy commenced, no right of termination by the Tenant shall exist. If repairs are not made within

90 days, the Tenant may terminate this Agreement effective on the 90th day after said destruction by mailing written notice to County of the Tenant's intention to terminate. If during a period of partial destruction, the Tenant should desire to continue occupancy, the rent shall be abated in the same ratio as the portion of the Premises rendered for the time being unfit for occupancy shall bear to the whole Premises. Should the partial destruction of the Premises not be repaired within 90 days, the Tenant shall have the option to terminate this Agreement or remain in possession at the reduced rent.

25. CONDEMNATION. If the whole of the Premises should be taken by a public authority under the power of eminent domain, then the term of this Agreement shall cease on the day of possession by said public authority. If a part only of the Premises should be taken under eminent domain, Tenant shall have the right to either terminate this Agreement or to continue in possession of the remainder of the Premises. If the Tenant remains in possession, all of the terms hereof shall continue in effect, the rentals payable being reduced proportionately for the balance of the term of this Agreement. If such taking under the power of eminent domain occurs, those payments attributable to the leasehold interest of the Tenant shall belong to the Tenant, and those payments attributable to the reversionary interest of the County shall belong to the County.

26. CONDITION OF PREMISES UPON TERMINATION. Upon the termination of this Agreement for any reason, Tenant shall vacate the Premises and deliver same to County in good order and condition, damage by the elements, fire, earthquake, falling objects and ordinary wear and tear excepted.

27. ENTIRE AGREEMENT. This Agreement contains the entire understanding of the parties hereto and no obligation other than those set forth herein will be recognized.

28. AGREEMENT MODIFICATION. This Agreement may be terminated, extended, or amended in writing by the mutual consent of the parties hereto. Such modification may be executed by the Director of Public Works Agency, or an authorized representative, on behalf of the County.

29. PARTIAL INVALIDITY. If any term, covenant, condition or provision of this Agreement is found by a Court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

30. GENDER AND NUMBER. For the purpose of this Agreement, wherever the masculine or neuter form is used, the same shall include the masculine or feminine, and the singular number shall include the plural and the plural number shall include the singular, wherever the context so requires.

31. ARTICLE HEADINGS. Article headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants and conditions of this Agreement.

32. SPECIAL PROVISIONS. All other provisions of this Agreement are contained in Exhibit "B" which is attached hereto and made a part hereof by reference.

33. NOTICES AND PAYMENTS. All notices required under this Agreement, including change of address, shall be in writing and all notices and payments shall be made as follows:

34. A. All payments and notices to County shall be given or mailed to:

County of Ventura
800 S Victoria Avenue
Ventura, CA 93009
Attn: Public Works Real Estate Services

35. B. All notices to Tenant shall be given or mailed to:

COHS
2220 E Gonzales Road Suite 200
Oxnard, CA 93036

Notices shall be (i) personally delivered (including delivery by UPS or other comparable nation-wide overnight courier service) to the offices set forth above, in which case they shall be deemed delivered on the date of delivery (or first business day thereafter of delivered other than on a business day or after 5:00 p.m. to said offices); (ii) sent by certified mail, return receipt requested, in which case they shall be deemed delivered on the date shown on the receipt, unless delivery is refused or delayed by the addressee in which event they shall be deemed delivered on the date of deposit in the U.S. Mail; or (iii) sent by means of a facsimile transmittal machine, with a confirmation copy sent via overnight mail, in which case they shall be deemed delivered at the time and on the date of receipt of the facsimile transmission.

Dated: _____

"TENANT"

County of Ventura

Dated: _____

By _____

"COUNTY"

Health Care Reform

PRESENTATION TO:
Ventura County Medi-Cal Managed Care Commission
JULY 2010

VCMCC JULY 2010

The Patient Protection and Affordable Care Act will impact millions of Californians as Medicaid expansion will extend coverage to individuals up to 133% FPL and cover some groups not previously eligible

VCMCC JULY 2010

Number of Insured Will ^{ATTACHMENT H} Dramatically Increase

Under health reform, the number of Californians without health insurance will dramatically decrease

- As many as two million low-income Californians will be newly enrolled in Medi-Cal and other public coverage programs. ¹
- Two to three million will obtain private coverage; having health insurance will make it easier for people to get the care they need at a price they can afford. ¹

The health coverage playing field will be more level

- Childless adults will now be eligible for Medi-Cal.
- People could not be denied private coverage based on their health status or pre-existing conditions.
- No need to remain tied to a job solely to keep health insurance.

¹ California Health Care Foundation Report—*Implementing National Health Care Reform in California—Changes to Public and Private Insurance*

Insurance Easier to Buy ^{ATTACHMENT H}

Individual insurance market will be affected by the law

- People will find it easier to shop for health coverage.

A new health insurance exchange will help consumers compare and understand insurance prices and benefits

- It will administer federal subsidies to help modest-income Californians afford coverage.

Over time, the law will help to identify and implement new ways to pay for and deliver care that have the potential to slow the rise in health care spending

- Reimbursing episodes of care across outpatient, inpatient, and rehabilitation settings will provide incentives to ensure quality outcomes while managing costs.

Improvements May Take Time

Things may get worse before they get better

- Some of the law's major provisions will not take effect until 2014. The long implementation timeline means that public and private cost pressures could intensify before many Californians realize much benefit.

Difficult budgetary conditions facing the state

- The infusion of federal funds into California's programs will not fully offset new costs the state will face in covering more individuals. ATTACHMENT H

The cost of health insurance will still remain out of reach for many

- Younger and middle-income Californians who are not insured by an employer may find mandated coverage unaffordable.
- The undocumented will receive no direct help.

The State Will Require New Resources

Under the new law, state government is assigned many implementation tasks

- The state budget squeeze means fiscal and human resources are already over-extended.
- New resources and public-private partnerships will be required to help state leaders effectively execute the responsibilities created by this legislation.

