

**Joint Meeting of the  
Ventura County Medi-Cal Managed Care Commission (VCMMCC)  
dba Gold Coast Health Plan**

**Regular Meeting**

**Monday, January 22, 2024 2:00 p.m.**

**Members of the public can participate using the Conference Call Number below.**

**Conference Call Number: 1-805-324-7279**

**Conference ID Number: 775 703 583#**

**Para interpretación al español, por favor llame al: 1-805-322-1542 clave: 1234**

Clinicas del Camino Real  
1040 Flynn Road,  
Camarillo, CA 93012

Community Memorial Hosp  
147 N. Brent St  
Ventura, CA 93003

Human Services Agency  
855 Partridge Drive  
Ventura, CA 93003

Adventist Health  
2975 N. Sycamore Dr  
Simi Valley, CA 93065

Oceanview Medical  
121 N. Fir St #C  
Ventura, CA 93001

**AGENDA**

**CLERK ANNOUNCEMENT**

All public is welcome to call into the conference call number listed on this agenda and follow along for all items listed in Open Session by opening the GCHP website and going to **About Us > Ventura County Medi-Cal Managed Care Commission > Scroll down to Commission Meeting Agenda Packets and Minutes**

**CALL TO ORDER**

**INTERPRETER ANNOUNCEMENT**

**ROLL CALL**

## **PUBLIC COMMENT**

The public has the opportunity to address Ventura County Medi-Cal Managed Care Commission (VCMMCC) and Committee doing business as Gold Coast Health Plan (GCHP) on the agenda.

Persons wishing to address VCMMCC and Committee are limited to three (3) minutes unless the Chair of the Commission extends time for good cause shown. Comments regarding items not on the agenda must be within the subject matter jurisdiction of the Commission and Committee.

Members of the public may call in, using the numbers above, or can submit public comments to the Commission and Committee via email by sending an email to [ask@goldchp.org](mailto:ask@goldchp.org). If members of the public want to speak on a particular agenda item, please identify the agenda item number. Public comments submitted by email should be under 300 words.

## **CONSENT**

1. **Approval of Ventura County Medi-Cal Managed Care Regular Commission meeting minutes of November 20, 2023 and Strategic Planning Retreat minutes of December 14, 2023.**

Staff: Maddie Gutierrez, MMC Clerk to the Commission

RECOMMENDATION: Approve the minutes as presented.

## **PRESENTATIONS**

2. **Managed Care Accountability Set (MCAS) November Results and 2024 Plan**

Staff: Felix L. Nuñez, MD, MPH, Chief Medical Officer  
Eve Gelb, Chief Innovation Officer

RECOMMENDATION: Receive and file the presentation

## **UPDATES**

3. **Redetermination Update**

Staff: Marlen Torres, Executive Director of Strategy ^ External Affairs

RECOMMENDATION: Receive and file the update.

## **FORMAL ACTION**

### **4. November 2023 Year to Date Financials**

Staff: Sara Dersch, Chief Financial Officer

RECOMMENDATION: Receive and file the November 2023 year to date financials as presented.

### **5. Fiscal Year 2023/2024 Budget Reforecast**

Staff: Sara Dersch, Chief Financial Officer

RECOMMENDATION: Staff requests that the Commission approve the reforecast of Fiscal Year 2023/2024 Operating and Capital budgets.

## **REPORTS**

### **6. Chief Executive Officer (CEO) Report**

Staff: Nick Liguori, Chief Executive Officer

RECOMMENDATION: Receive and file the report

### **7. Chief Medical Officer (CMO) Report**

Staff: Felix L. Nuñez, MD, MPH, Chief Medical Officer

RECOMMENDATION: Receive and file the report

## **CLOSED SESSION**

### **8. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Title: Chief Executive Officer

### **9. CONFERENCE WITH LABOR NEGOTIATORS**

Agency designated representatives: Executive Finance Committee

Unrepresented employee: Chief Executive Officer

## **ADJOURNMENT**

The next meeting will be on held on February 26, 2024, at 2:00 p.m., in the Community Room located at GCHP 711 E. Daily Dr. Suite 110, Camarillo, CA 93010

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**Administrative Reports relating to this agenda are available at 711 East Daily Drive, Suite #106, Camarillo, California, during normal business hours and on <http://goldcoasthealthplan.org>. Materials related to an agenda item submitted to the Committee after distribution of the agenda packet are available for public review during normal business hours at the office of the Clerk of the Commission.**

**In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact (805) 437-5512. Notification for accommodation must be made by the Monday prior to the meeting by 1:00 p.m. to enable the Clerk of the Commission to make reasonable arrangements for accessibility to this meeting.**

## **AGENDA ITEM NO. 1**

**TO:** Ventura County Medi-Cal Managed Care Commission  
**FROM:** Maddie Gutierrez, MMC, Clerk for the Commission  
**DATE:** November 20, 2023  
**SUBJECT:** Regular Meeting Minutes of November 20, 2023, and Strategic Planning  
Minutes of December 14, 2023

### **RECOMMENDATION:**

Approve the minutes.

### **ATTACHMENT:**

Copy of Commission regular meeting minutes of November 20, 2023, and Strategic Planning minutes of December 14, 2023.

**Ventura County Medi-Cal Managed Care Commission (VCMMCC)  
Commission Meeting  
Special Meeting via Teleconference & In Person**

**November 20, 2023**

**CALL TO ORDER**

Committee Chair Dee Pupa called the meeting to order at 2:06 pm. in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Suite 110, Camarillo, California.

**INTERPRETER ANNOUNCEMENT**

The interpreter made her announcement.

**ROLL CALL**

Present: Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, and Jennifer Swenson.

Absent: Commissioners Sara Sanchez, and Scott Underwood, D.O.

Attending the meeting for GCHP were Nick Liguori, Chief Executive Officer, Alan Torres, Chief Information Officer, CPPO Erik Cho, Marlen Torres, Executive Director, Strategy and External Affairs, Paul Aguilar, Chief of Human Resources, Felix Nunez, M.D., Chief Medical Officer, Robert Franco, Chief Compliance Officer, Ted Bagley, Chief Diversity Officer, Sara Dersch, Chief Financial Officer, Eve Gelb, Chief Innovation Officer, Susana Enriquez-Euyoque, Leeann Habte of BBK Law, and Scott Campbell, General Counsel.

Also in attendance were the following GCHP Staff: Anna Sproule, Bob Bushey, Vicki Wrighster, Kim Timmerman, Rachel Lambert, Nicole Kanter, David Tovar, Mayra Hernandez, Lucy Marrero, Adriana Sandoval, Erin Slack, Michelle Espinosa, Michael Mitchell, Alex Fernandez, Alison Armstrong, Lupe Gonzalez, Pauline Preciado, Elena Lemus, Paula Cabral, and Sandi Walker.

Guest: Tracy Gallaher, County of Ventura

**PUBLIC COMMENT**

None.



## **CONSENT**

**1. Approval of Ventura County Medi-Cal Managed Care Regular Commission meeting minutes of October 30, 2023.**

Staff: Maddie Gutierrez, MMC Clerk to the Commission

RECOMMENDATION: Approve the minutes as presented.

**2. Approval of 2024 Commission Meeting Schedule**

Staff: Maddie Gutierrez, MMC Clerk to the Commission

RECOMMENDATION: Approve the 2024 Commission meeting calendar as presented.

**3. Findings to Continue to Hold Remote Teleconference/Virtual Commission and Committee Meetings Pursuant to Assembly Bill 361**

Staff: Scott Campbell, General Counsel

RECOMMENDATION: It is recommended that the Committee and Commission should make the findings and determine that teleconferencing under AB 361 will promote and protect the public's health, safety, and welfare.

**4. Local Agency Signature Authorization Form**

Staff: Nick Liguori, Chief Executive Officer

RECOMMENDATION: The Chief Executive Officer requests the authority to complete and file the Local Agency Signature Authorization form, as indicated, on behalf of the Commission.

Commissioner Swenson motioned to approve Agenda Items 1 through 4. Commissioner Espinosa seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, and Jennifer Swenson

**NOES:** None.

**ABSENT:** Commissioners Sara Sanchez, and Scott Underwood, D.O.



The clerk declared the motion carried.

Commissioner Scott Underwood, D.O. joined the meeting at 2:18 p.m.

## **PRESENTATIONS**

### **5. Medi-Cal Continuous Coverage Grant Awardees**

Staff: Marlen Torres, Executive Director of Strategy & External Affairs

**RECOMMENDATION**      Receive and file the presentation.

Marlen Torres, Executive Director of Strategy & External Affairs stated several of the slides in her PowerPoint were presented at the October Commission meeting. She stated this a continuation of grant awardees. She stated that last month she announced the following organizations had been awarded grants and funded: El Concilio, MICOP, and Interface. Ms. Torres noted that The Grants Selection committee had additional questions for three other applicants: National Health Foundation (NHF), Community Action of Ventura County, and Camarillo Health Care District. Follow up was done, and based on the grantee's responses, as well as reviewing volume of members they can support, and total award of grant. GCHP was only able to award \$1.25million. The grantees adjusted proposals based on the grant award. Based on the geographic areas served, it was determined that NHF, and Community Action of Ventura County would also be granted awards. A total of five grant awards were approved. Ms. Torres reviewed each organizations population of focus, the areas they serve, grant metrics, and the amount awarded.

Commissioner Espinosa asked what the oversight would be. She asked how it will be ensured these organizations would meet their mark. Ms. Torres stated she will be conducting an orientation with all grantees, finalizing all metrics, and review the requirements. They must provide monthly updates that they met the mark. She noted that we are also working with HSA for training. Ms. Torres stated that at the six months mark she will present a progress update to the Commission, as well as at the end of the grant (12 months) a final report will be presented.

Commissioner Espinosa asked if these organizations will be attending community events to do intake, then will they refer to HSA or GCHP. Ms. Torres replied they would have access to BenefitsCal where they will log into the system, complete the application, and will check on progress update, and then determine if need to escalate to HSA. Ms. Torres noted that there are monthly meetings with HSA team where cases are presented that might need to be escalated, process questions, or observations, and feedback they need to be aware of.

Commissioner Abbas motioned to approve Agenda Item 5. Commissioner Pupa seconded the motion.





Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

NOES: None.

ABSENT: Commissioner Sara Sanchez.

The clerk declared the motion carried.

### **FORMAL ACTION**

#### **6. Revised Provider Advisor Committee Charter**

Staff: Marlen Torres, Executive Director of Strategies & External Affairs  
Erik Cho, Chief Policy & Program Officer

**RECOMMENDATION:** GCHP's management team recommends that the Commission approved the revised PAC Charter. The revised PAC Charter will be shared at the next meeting will take place on Tuesday, December 5, 2023.

Marlen Torres, Executive Director of Strategy & External Affairs stated there is active recruitment for PAC members. The PAC AdHoc committee met prior to the loss of quorum, and worked collaboratively to revise the PAC Charter, determine if it was still relevant, continued to meet the needs and holding true to the GCHP mission. She noted The PAC had six members and then lost quorum. She highlighted that the revised charter incorporated the feedback from the PAC AdHoc committee. GCHP management wanted to ensure that there would be a diverse PAC membership. The committee has gone from eleven members to thirteen. This ensure there will be sufficient members to not have the issue of losing quorum again. The Charter has also been updated to include feedback on Model of Care. There is greater clarity on PAC responsibilities. There will also be selection of Committee Chair and Vice Chair, and there will be membership terms. We will also include non-traditional providers as well. Ms. Torres asked the commission if there was anything that she missed to please feel free to make recommendations.

Commissioner Espinosa asked CPPO Cho if all member terms were one-year terms except for County members. CPPO Cho responded that he did not recall if the term for county members was different. Ms. Torres provided the response, she stated she understood there was a change within the bylaws that there is permanent representation for a Health Care Agency committee member, like the Community Advisory Committee (CAC). CPPO Cho stated that would not mean that one person would have a longer term than the others. Commissioner Espinosa noted that it states unlimited term, and that would be an issue of equity and fairness for the other partners on the committee. CPPO



Cho stated that it does not mean it would be the same person. Commissioner Espinosa asked why that seat was separated out. The language does not coincide with how it would be interpreted. MS. Torres stated there will be further specification with rotation. Commissioner Espinosa stated the language needs to be corrected. CPPO Cho stated it will be updated. Commissioner Espinosa requested a second review of the language in the Charter.

General Counsel, Scott Campbell asked if members could be appointed now so meetings can begin, and the Charter will be reviewed at the next meeting under Consent. The dedicated seat will be eliminated. Commissioner Espinosa agreed.

The revised motion is: To appoint new members now with request of clarification of Charter eliminating the seat listed as having no term limit.

Commissioner Espinosa motioned to approve Agenda Item 6. Commissioner Corwin seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

**NOES:** None.

**ABSENT:** Commissioner Sara Sanchez.

The clerk declared the motion carried.

## **7. Provider Advisory Committee (PAC) Approval of Members**

Staff: Marlen Torres, Executive Director of Strategy & External Affairs

**RECOMMENDATION:** GCHP's management team recommends that the two (2) individuals be approved by the Commission as new PAC members. Once approved by the Commission, they will be contacted of their official appointment. The next meeting will take place on Tuesday, December 5, 2023.

Marlen Torres, Executive Director of Strategy & External Affairs announced two additional members to the PAC. The new members are Claudia Gallard, she is the Operations Director at Clinicas del Camino Real, and Amelia Breckenridge, M.D., of the Ventura County Health Care Agency. Staff is still working to fill the remaining open seats.

Ms. Torres stated we now have a quorum, and the next meeting is scheduled for December 5, 2023. CPPO Cho stated the expansion of the committee will be from eleven members to thirteen members. CEO Nick Liguori stated that in the December meeting



still will provide a full list of committee members to the Commission. Commissioner Blaze asked if there was only one medical provider. CPPO Cho responded there is one M.D. and Dr. Pablo Velez. Ms. Torres stated there is also a nurse practitioner through CMH. CPPO Cho stated the intent of the PAC is to hear the voice of the provider organizations that work within our GCHP network.

Supervisor Lopez motioned to approve Agenda Item 7. Commissioner Monroy seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

**NOES:** None.

**ABSENT:** Commissioner Sara Sanchez.

The clerk declared the motion carried.

## **8. Financials Update**

Staff: Sara Dersch, Chief Financial Officer

**RECOMMENDATION:** Receive and file the financials update as presented.

Chief Financial Officer, Sara Dersch gave a verbal update. CFO Dersch noted her current focus is on accessing and rebuilding the finance team. She is also adding to the finance team as well.

CFO Dersch is also focusing on the revised budget. Historically revenue has been booked on cash basis. Two months ago, the MLR was 70% which was not the norm. CFO Dersch found that at that time the State was undergoing a system implementation, and they overpaid us in July by \$7million in capitation revenue and have now taken the monies back. Our September year to date numbers reflect where we should be. Total revenue is \$251.6M versus \$263M which is a 4.3% difference. MLR is 84.7% versus 87.7% Administrative expense is 8.3% versus 87.7% Net income is \$15M versus \$12.4M which is approximately \$2.6M difference. CFO Dersch noted that Year-to-Date we are where we should be. In December she will present detailed results.

Commissioner Pupa stated there has been lots of background work by the team. She noted the overpayment impacted many, and it took two months to find the error by DHCS.



Commissioner Abbas motioned to approve Agenda Item 8. Commissioner Corwin seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

**NOES:** None.

**ABSENT:** Commissioner Sara Sanchez.

The clerk declared the motion carried.

## **9. Contract Approval – KP LLC., Print and Fulfillment Services**

Staff: Alan Torres, Chief Information & System Modernization Officer

**RECOMMENDATION** It is the Plan's recommendation that the Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute a contract with KP LLC. The term of the contract will be 7 months of implementation and 5 years of services commencing December 1, 2023, and expiring on June 30, 2029, for an amount not to exceed \$18M.

Alan Torres, Chief Information & System Modernization Officer, reviewed the request for the KP LLC, Print & fulfillment services contract approval. CISMO Torres reviewed the procurement background, noting that staff issued an RFP to sixteen vendors. GCHP received to responses. A cross functional evaluation team was formed, and they reviewed the proposals. CISMO Torres presented the scoring results, and the team listed the top three vendors. Contract negotiations began with the top three vendors. KP's contractual changes were minimal, while the other two vendors included significant changes in their responses. Contractual risks with these agreements remained higher that with KP.

GCHP then conducted reference checks with KP customers. CISMO Torres noted that KP has experience with California Health Plans.

Pricing was also reviewed. CISMO Torres stated the total 5-year pricing represents post proposal final negotiated pricing provided a savings of 32%. Key functional capabilities were reviewed, and they also passed the security risk assessment.

The total cost over the five-year agreement is projected to not exceed \$18M, which includes a 6% contingency, should membership increase. The 23/24 fiscal budget period projected costs are \$23,479.



Commissioner Espinosa commented that it would be great if we could obtain contracts within Ventura County, not just within the State. Although it is a challenge, try to go with union shops.

Commissioner Swenson motioned to approve Agenda Item 9. Commissioner Abbas seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

**NOES:** None.

**ABSENT:** Commissioner Sara Sanchez.

The clerk declared the motion carried.

## **10. HealthEdge – Contract Amendment**

Staff: Alan Torres, Chief Information & System Modernization Officer

**RECOMMENDATION:** It is the Plan's recommendation Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute this contract amendment with HealthEdge. The term of the contract will be 6 years and 9 months commencing October 1, 2023, and expiring on June 30, 2030, for an amount not to exceed \$3.3M.

Alan Torres, Chief Information & System Modernization Officer stated that both GCHP and HealthEdge identified the need for additional and necessary technical components for GCHP's environment of HealthEdge cloud infrastructure. Without the needed technical components GCHP would not be able to support electronic claims processing, price and pay claims, and support GCHP's ability to provide timely and accurate claims reporting via GCHP's new data warehouse capability.

CISMO Torres stated HealthEdge is seeking approximately \$45k per month for technical infrastructure costs associated with hosting Optum claims pricing software, replicating of data from HealthEdge platform into GCHP new data warehouse and to add a VPN connection for Edifecs files which allows Edifecs to process electronic enrollments and claims in real-time with the HealthEdge platform. CISMO Torres stated that at the time we were not aware we had not negotiated the contract with Edifecs and did not know the infrastructure costs associated with supporting HealthEdge. We also had not negotiated the Optum contract. Third, did not know about data replication, we now know more about the data volume going from HealthEdge platform to GCHP's data warehouse.



There is a one-time installation fee of \$46,650. The total cost over the projected 9 months of implementation and 6-year production support period is projected not to exceed \$3.3M. The total contract value with HealthEdge is \$22.8M. The 23/24 fiscal budget period projected costs are \$3,454.

Commissioner Espinosa motioned to approve Agenda Item 10. Commissioner Monroy seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

**NOES:** None.

**ABSENT:** Commissioner Sara Sanchez.

The clerk declared the motion carried.

## **11. Contract Approval – Optum Insight**

Staff: Alan Torres, Chief Information & System Modernization Officer

**RECOMMENDATION:** It is the Plan's recommendation that the Ventura County Medi-Cal Managed Commission authorize the CEO to execute the associated software schedules with Optum Insight for this software. The term of the license will be October 1, 2023, until June 30, 2030, for an amount not to exceed \$9M.

Alan Torres, Chief Information & System Modernization Officer, stated this is the software that supports claims processing. This is for the transferring of costs from Conduent to HealthEdge. The contract amount is not to exceed \$9M for a total cost to license this software until 6/30/2030. The impact to the 23/24 fiscal budget is \$9,117.

Commissioner Pupa noted that during the Exec. Finance meeting, the committee requested a matrix to show what was paid before and what is currently paid, including savings. Scott Campbell, legal counsel, stated there will be a chart presented with information. Commissioner Espinosa stated it will be helpful especially for contacts that have previously been approved. Commissioner Atin stated he appreciates the due diligence of staff.

Commissioner Atin motioned to approve Agenda Item 11. Commissioner Espinosa seconded the motion.

Roll Call Vote as follows:



AYES: Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

NOES: None.

ABSENT: Commissioner Sara Sanchez.

The clerk declared the motion carried.

## **12. Contract Approval – TTEC Government Solutions, LLC., Call Center Software**

Staff: Alan Torres, Chief Information & System Modernization Officer

RECOMMENDATION: It is the Plan's the Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute a contract with TTEC Government Solutions. The term of the contract will be 3 years with two one-year renewal options commencing December 1, 2023, and expiring on March 31, 2029, for an amount not to exceed \$1.2M.

Alan Torres, Chief Information & System Modernization Officer, stated this is RFP #8. This RFP is for call center software/technology. It will replace the Conduent contract. The contract amount is not to exceed \$1.2M. There were seven vendors, scores were reviewed and the top three (3) were selected. An evaluation team reviewed and evaluated the proposals. The scoring matrix was reviewed. It became apparent that GoTo did not address the true needs of what we were looking for. TTEC did address the needs clearly. Contract negotiations were started. They integrate well, they are also based in California, and they will meet our needs. The term of the contract will be three years with two one-year renewal options. The Contract is not to exceed \$1.2million.

Commissioner Abbas motioned to approve Agenda Item 12. Commissioner Monroy seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

NOES: None.

ABSENT: Commissioner Sara Sanchez.

The clerk declared the motion carried.





Due to a Conflict of Interest, Legal Counsel, Scott Campbell, requested the following Commissioners recused themselves prior to the presentation of Agenda Item 13:

Commissioners Allison Blaze, M.D., Scott Underwood, D.O. Commission Chair Dee Pupa left the room at 3:18 p.m.

Vice Chair Laura Espinosa took over the meeting.

### **13. Recuperative Care Expansion Project**

Staff: Erik Cho, Chief Policy & Program Officer

**RECOMMENDATION:** The Plan recommends that the Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute the grant funding agreement with the County to assist with the development of these capital projects to expand the capacity for recuperative care services within the County.

Erik Cho, Chief Policy & Program Officer, stated the Recuperative Care project started in 2017. GCHP is requesting approval to invest \$10M of Housing & Homelessness Incentive Program (HHIP) which GCHP received from DHCS to increase the capacity by 125 recuperative care beds in Ventura County. Recuperative care services provide short-term residential care (up to 90 days) for GCHP members who no longer meet necessity for hospitalization but need additional time to convalesce. The need is growing. There are currently thirty-two beds available, and we would like to fund an additional 125 beds.

There are two facilities, one in Oxnard, located at 1400 Vanguard Drive and the second in Ventura, located on Knoll Drive. We want to support the renovation of both facilities.

The Vanguard building project will comprise of approximately 320 permanent supportive housing units, seventy-five recuperative care beds and a healthcare clinic. Part of the building at the Knoll Drive location is used as a year-round emergency homeless shelter. The second and third floors of this building will be used for fifty recuperative care beds and the fourth floor will be used for the administration of the services.

CPPO Cho noted that recuperative care is a key element of GCHP's Model of Care, which focuses on connecting our vulnerable members with the correct care they need. The HHIP funding would be part of a \$43million investment by the County Board of Supervisors and the State. GCHP is partnering with the County to bolster existing projects to expand and connect social and health services for all GCHP members.

CPPO Cho reviewed statistics on estimated capacity. Increasing the number of beds will allow GCHP to allow some beds for short term post hospitalization housing for members that need additional time to recuperate. He noted that GCHP will see benefits; there will





be a reduction in health care costs of \$62,504 per person per year. The estimated savings could be between \$18,000 to \$48,000 per patient stay. He noted there will be two one-time payments: \$7,500,000 in 2023 and the second payment will be \$2,500,000 in 2024.

CPPO Cho noted that GCHP is open to collaborating directly with contractors in the future to avoid a Conflict of Interest within our Commission.

Commissioner Livingston stated that currently she does not have a conflict, but in the future, she could be providing community supports through the Homeless Services team. She asked Counsel if she could still vote on this item. Mr. Campbell stated she could vote. Commissioner Monroy asked if there were other organizations providing these services, and were they considered for partnership. She also asked what the oversight for this partnership is. CPPO Cho responded there were no others in the County. He clarified that the monies will be an investment used to build out the facilities, and not for direct services. It will be a standard benefit in the future. The funding is for the build.

Commissioner Espinosa stated we need to collaborate with other developers. The Board of Supervisors approved Vanguard with Cabrillo Economic Development. She also noted the Vanguard facility will have a healthcare clinic. She asked if there will be support systems in place at both locations. CPPO Cho stated there will be connections to care. ECM is already actively engaged. Chief Innovation Officer, Eve Gelb stated that if individuals, if they did not have barriers, would be normally released to home. Due to homelessness, they have options for services and will receive recuperative care in the correct environment.

Commissioner Espinosa asked Commissioner Livingston if there was still a transition center in Camarillo. Commissioner Livingston stated there is no longer a contract for recuperative care services in that area.

Commissioner Abbas motioned to approve Agenda Item 13. Commissioner Espinosa seconded the motion.

Roll Call Vote as follows:

**AYES:** Commissioners Anwar Abbas, Shawn Atin, James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, and Jennifer Swenson,

**NOES:** None.

**ABSTAIN:** Commissioners Allison Blaze, M.D., Dee Pupa, and Scott Underwood, D.O.

**ABSENT:** Commissioner Sara Sanchez.

The clerk declared the motion carried.



Commission Chair Dee Pupa returned to the meeting at 3:41PM. Commissioners Blaze and Underwood returned to the meeting via Teams.

#### **14. Funding Increase – Wellth Behavioral Economics Application Contract**

Staff: Erik Cho, Chief Policy & Program Officer

**RECOMMENDATION:** It is the Plan's recommendation that the Commission recommend that the Ventura County Medi-Cal Managed Care authorize the CEO to increase the budget for the Wellth contract from \$700,000 to \$2,323,446.

Chief Policy & Programs Officer, Erik Cho, stated GCHP is requesting a funding increase. Wellth is an innovative approach to digitally engaging and incentivizing members to improve their health and wellness. Members receive financial benefits by accomplishing tasks, making medical appointments, or engaging in health care activities. The program has been successful and Wellth has enrolled over 1,400 members in the programs within the first two months of the launch. CPPO Cho reviewed our data driven focus. He noted that only 35 in 100 members were filling their prescriptions and taking them properly. He stated that we must advance management of acute/chronic conditions and we needed to improve linkage to and retention of care and medication adherence. The Wellth program had a smooth launch and there was strong member engagement and activation in the first two months of the program.

The newly proposed quality focus of the program would be the addition of members aged 18 years and older, two or more care gaps, and taking at least one medication. They cannot be currently enrolled in the Wellth Utilization program. He reviewed the phased program launch, noting there will be four phases of the program. We are currently in Phase 1. We want to target Phase 2 with a target enrollment of 3,800 members with two or more care gaps. Phase 3 will target an additional 1,200 members and Phase 4 will target enrolment up to 5,550 additional members. Outcomes will be evaluated for programs to determine allocation.

GCHP recommends that the Commission approve the increase for the Wellth contract from \$700,000 to \$2.3M.

Commissioner Pupa stated the pilot has already demonstrated improvement. She asked CMO Nunez what happens with members being better managed, and an improvement on quality of life. She noted there would be a savings in medical costs. CMO Nunez stated we need a coordinated and collaborative approach. This is a great resource; Wellth is doing consistent contact with our members. We are seeing impressive results, and members will live longer and healthier.

Commissioner Pupa stated that we need to get approval from DHCS.



Commissioner Pupa motioned to approve Agenda Item 14. Commissioner Abbas seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

NOES: None.

ABSENT: Commissioners Shawn Atin, and Sara Sanchez.

The clerk declared the motion carried.

## **REPORTS**

### **15. Chief Executive Officer (CEO) Report**

Staff: Nick Liguori, Chief Executive Officer

**RECOMMENDATION:** Receive and file the report

CEO Liguori noted that marketing matters, our presence in the community matters. We are expanding capacity to reach out and connect our members with the care needed. We connected 150 members with services at a local health fair, and we will be doing more in the community. He noted that we are doing well/better than expected with Redetermination.

CEO Liguori noted that we are bringing care into the home and connecting members with services. We are closing the gaps in care.

Executive Director of Strategy & External Affairs noted that we have partnered with CDCR at the MICOP event and with Swap meet Justice. Her team attended six community fairs. We have been working with our trade association (ACAP) and we participated in a round table discussion, and we continue to advocate for our members. Our work is being shown in DC as an example due to our efforts and partnerships.



## 16. Human Resources (H.R.) Report

Staff: Paul Aguilar, Chief of Human Resources & Organization Performance Officer

RECOMMENDATION: Receive and file the report

CHRO Aguilar introduced a new performance management system. We are bringing in the right people into the organization. We are now exceeding three hundred employees. In additional new leadership roles have been brought in.

For Operations of the Future, the leadership team is defining goals. Key areas of focus are Model of care, Operations of the future, organization of the future, member focus and compliance to ensure we are always doing the right thing.

The highlight is that we focus on the right thing, and we might need to re-prioritize work. We must be aligned in the Leadership Team and better define goals. We must ensure every employee has goals. He noted that 95% of our employees defined their goals. There will be a mid-year review in January.

Mr. Aguilar reviewed the table for employee ethnicity, gender, and job level. He noted that everything looks well balanced.

Commissioner Espinosa asked if ethnicity is self-reporting and could be a challenge. Mr. Aguilar stated it is self-reporting. Commissioner Espinosa asked if the finance department is still being built. She thought the department was good. Mr. Aguilar stated there were vacant positions prior to the arrival of the new CFO. Commissioner Espinosa asked how many employees were in that department and how many positions still need to be filled. Mr. Aguilar responded that a controller position was just filled, and one more position needs to be filled.

Commissioner Espinosa stated lots of money (millions) has been approved. We need to make sure we have the money in the budget to move forward with everything that was approved at this meeting. CEO Liguori stated all long-term sustainable funds.

Commissioner Atin motioned to approve Agenda Item 11. Commissioner Espinosa seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Allison Blaze, M.D., James Corwin, Laura Espinosa, Melissa Livingston, Supervisor Lopez, Anna Monroy, Dee Pupa, Jennifer Swenson, and Scott Underwood, D.O.

NOES: None.

ABSENT: Commissioners Shawn Atin, and Sara Sanchez.

The clerk declared the motion carried.

### **ADJOURNMENT**

The meeting was adjourned at 4:28 p.m.

Approved:

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Maddie Gutierrez, MMC  
Clerk to the Commission

**Ventura County Medi-Cal Managed Care Commission (VCMMCC)  
Strategic Planning Retreat  
Meeting via Teleconference & In Person**

**December 14, 2023**

**CALL TO ORDER**

Committee Chair Dee Pupa called the meeting to order at 2:11 pm. The meeting was held at the Residence Inn by Marriott located at 2101 W. Vineyard Ave, Oxnard, California 93036.

**INTERPRETER ANNOUNCEMENT**

The interpreter made her announcement.

**ROLL CALL**

Present: Commissioners Anwar Abbas, Shawn Atin, Laura Espinosa, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood, D.O.

Attending via Teams: Commissioners Allison Blaze, M.D., and Jennifer Swenson.

Absent: Commissioners James Corwin, and Melissa Livingston.

Attending the meeting for GCHP were Nick Liguori, Chief Executive Officer, Alan Torres, Chief Information & System Modernization Officer, Chief Policy & Programs Officer Erik Cho, Marlen Torres, Executive Director, Strategy & External Affairs, Paul Aguilar, Chief of Human Resources & Organizational Performance, Felix Nunez, M.D., Chief Medical Officer, Robert Franco, Chief Compliance Officer, Ted Bagley, Chief Diversity Officer, Sara Dersch, Chief Financial Officer, Eve Gelb, Chief Innovation Officer, Susana Enriquez-Euyoque, Leeann Habte of BBK Law, and Scott Campbell, General Counsel.

Also in attendance were the following GCHP Staff: Jeff Acomb, Bob Bushey, James Cruz, M.D., Chris Dular, Michelle Espinosa, Josephine Gallella, Lupe Gonzalez, Mayra Hernandez, Joanna Hioureas, Nicole Kanter, David Kirkpatrick, Rachel Lambert, Stacy Luney, Kimberly Maquez-Johnson, Lucy Marrero, Kevin Ortloff, Pauline Preciado, Anna Sproule, Kimberly Timmerman, Victoria Warner, Vicki Wrighster, Jeff Yarges, Jeff Register, Amit Jain, Don Harbart, Holly Krull, Lupe Harrion, John Shi, Sandi Walker, Paula Cabral, Lorraine Carillo.

Guest Panelists: Deborah Paone, DrPH, MHSA, Rachel Stern, M.D., Robert Streeter, M.D., and Anthony Russell, M.D.

## **PUBLIC COMMENT**

None.

## **STRATEGIC PLANNING RETREAT**

### **WELCOME**

Marlen Torres, Executive Director of Strategy & External Affairs, welcomed everyone to the Strategic Planning Retreat. Ms. Torres noted that this retreat will set the direction for next year's strategic planning and will also help in forming our budget for 2024/2025. She also thanked panelists, and staff who assisted in preparation of this event.

Ms. Torres reviewed the purpose of this Strategic Planning Retreat. The GCHP staff and Commission will review the top strategic initiatives from 2023/24 and through discussion with the Commission, direction will be set for fiscal year 2024/2025. There are three (3) objectives:

- 1) GCHP will review the day-to-day operation of the health plan, compliance with regulatory guidance and how they oversee delegated core health plan operations.
- 2) GCHP will review how they are working on the transformation for care of their members by implementing the Operations of the Future, and
- 3) GCHP will review how they are connecting with members through Model of Care, Quality initiatives, and providing a superior member experience.

Chief Executive Officer, Nick Liguori, thanked the Commission for their time and support. He noted that the management team will review the Strategic Plan. CEO Liguori stated that the GCHP vision is to be a high-quality health plan and we are clear on our strategies.

CEO Liguori reviewed the three (3) strategic imperatives. 1) Dedication to Care through healthcare services and clinical & regulatory operations, 2) transforming for care through the operations and systems of the future, and 3) connecting with care through quality, model of care and member experience.

CEO Liguori gave a preview of the Model of Care. The Model of Care is core to our plan and is essential to our success. It is a technical blueprint for designing and running health plans that can sustainably achieve high quality. It is a vital tool for continuous quality improvement. The Model of Care was created by the Centers for Medicare and Medicaid Services and CMS' main partner, NCQA. We are currently pursuing NCQA accreditation.

There are four (4) defined operational elements for achieving quality through the Model of Care.

- Understanding the population that we serve
- Coordinating care and services
- Provider delivery system performance
- How we measure and continuously improve quality

GCHP will build the health plan around the Model of Care for two (2) reasons:

1. The Model of Care uses a structured evidence-based approach to what we should do to achieve high quality which will help us meet the needs of our members.





2. By adopting the Model of Care approach, we ensure readiness for D-SNP.

CEO Liguori moved onto review the environmental and market analysis. He noted that the next three (3) years will be challenging for GCHP.

- Premium rate environment for the next few years is unclear. Our budgeting was for a reduction in initial draft rates from DHCS. The final draft rates reflect items not accounted for in the initial rates.
- The net impact of these changes is likely to be a single digit positive rate increase. Revenue pressure and uncertainty can be expected to continue for some time post PHE.
- Performance expectations set by DHCS of MCPs, and regulatory complexity will continue to grow and accelerate.
- Quality will be the basis of evaluation and funding. Funding will be tied to better MCAS performance.
- We need to close the quality gap with our peers, and the main benefit will be improved quality for our members. This will require a sustained level of investment in and improvement of GCHP,
- Kaiser will be a Medi-Cal MCP on 1/1/2024. Noting that 7,000 of our members will become Kaiser members. Achievement of high quality will ensure that we remain in the lead of Medi-Cal.

Eve Gelb, Chief Innovation Officer, reviewed the Quality Imperative. She noted that quality is the most significant determinant of GCHP's long-term success. DHCS is focusing on quality metrics. DHCS has a ten (10) year strategy that Medi-Cal members should have healthier lives. The measures focus on quality and will touch multiple member populations (various ages). The focus is on prevention, primary care, and behavioral health care. DHCS is holding us accountable for meeting these measures. There are sanctions for not meeting these outcomes and will become a factor in our payment.

CIO Gelb reviewed the 2022 HEDIS Managed Care Performance Monitoring Dashboard report and stated that GCHP can be found in the middle of the list. We need to be at the top. The better we perform, the healthier our served community, we improve our MCAS scores and improve the health of our community is our goal. We have already seen improvement. We have improved in fourteen out of seventeen measures.

Chief Medical Officer, Felix Nunez, M.D. noted that data collection is still ongoing and changes in benchmarks will impact final results. GCHP has improved 12% in overall quality from 2022 to 2023. We need to sustain the improvement we have done to bring more funds to the community. MCAS measures tell us that integrated fully resourced primary care network based on where our members live, and work is the foundational element of any high performing healthcare system. We must have a Model of Care that allows us to design, build, implement and fully support a primary care delivery system that will drive us toward excellence and achievement of our quality score card. We have improved, but we are not where we need to be.

Executive Director of Strategy & External Affairs, Marlen Torres reviewed "Understanding our members". We must better understand our members to best meet their needs. She shared



statistics. Ms. Torres noted that these statistics resonated with her and think about our function as a health plan and the purpose of why we are here. Over the last five years we have served 336,000 members which is equal to approximately 40% of Ventura County residents. 74% of our members have been with GCHP for more than five years. Nearly 75% of our members are Hispanic. 84% of our nondisabled, non-aged adults are in working families and some have complex needs.

CMO Nunez stated that to understand our members we need key data to better understand barriers. We have lots of work ahead. He reviewed the following statistics: 60% have at least one (1) chronic condition and 45% have two (2+) or more. 42% of our members have not been to their primary care physician in the last year and nearly 50% of our members are moderate to high risk. He stressed that we need to care for our population with complex needs.

Chief Financial Officer, Sara Dersch, shared good news. She stated GCHP is fiscally strong. Our membership is favorable to the budget. She noted that Redetermination continues, and Marlen's team is working hard to ensure our members get the continued coverage they need.

CFO Dersch noted that revenue is off budget by only 1%. She stated that revenue is down due to member mix. CFO Dersch also stated that Medical Costs are favorable. 1) the member mix is healthier than we assumed, and therefore some of our members do not seek as much care 2) the QIPP Program had a late start date that what we expected. We have three of our largest member providers on the QIPP Program. The MLR is at 81%, which is slightly lower that we would like. We would like our MLR at 85%. After July 1, the State will withhold monies if an organization is under 85%. We will achieve the 85% because of QIPP, Grants, and Redetermination efforts which are in full force.

Our Core Admin is slightly unfavorable due to redetermination work. Last Spring, we did not know that we would be spending money helping the State do their job. We will do it and are happy to do so. Our project portfolio is highly complex, and we do have some timing variances with the budget. We have started implementation sooner than what we had expected and is part of the reason for the overage. We are favorable to our budget by almost \$12million.

Our TNE is \$390 million. Our required TNE is \$34million. The TNE is at 700% of the required. We have available surplus of \$152million, which ensures continued programmatic and quality expansions including D-SNP. We have a strong fiscal organization, and we have the money to support our programs.

CMO Nunez stated that we are dedicated to care. We continue to run day-to-day health plan operations while we build the modern health plan to sustainably meet our mission. Our teams are working to achieve the highest outcomes for our members.

Anna Sproule, Sr. Director of Operations, reviewed the results of the MLR audit that identified claims accuracy of 99.7%, authorization timeliness of 98%, and low denial rate of 4.7% of total authorizations. Grievance and appeals rate remain low (below State average) at 0.29 per 1,000 members. She noted that 2.5 to 3 million claims are processed annually with industry-leading accuracy and timeliness at 99%.

Ms. Sproule reviewed graphs noting that at the beginning of the end of 2022, the Operations Team began the implementation of a dedicated operational oversight program. The Enhanced Vendor Delegation Oversight Program through regular and ongoing oversight of vendors and providers has demonstrated success through sustained performance of Conduent through 2023. Conduent failed by missing deadlines, and not providing timely, or accurate data files to GCHP. We should not have to intensively manage our vendors to achieve success. She noted that the selections made through/in Operations of the Future include only reputable high-performing vendors who will require less intensive management and will allow us to focus our resources on direct member and provider services.

Chief Compliance Officer, Robert Franco reviewed the results of the DHCS Medical Audit. He noted that GCHP addressed issues as soon as they were identified. GCHP was identified in the top 10% in completing the medical audit for 2022. The audit was done in July/August, and it was noted that there has been a reduction in findings. We responded to the Corrective Action Plan, and we have officially received the Corrective Action Plan closure letter from DHCS in November. We will continue to monitor for Compliance and will provide updates to the Commission.

GCHP submitted the first annual Corporate Integrity Agreement. The MLR was submitted, and it demonstrated 99% accuracy rate.

CCO Franco noted that GCHP continues to be on track and is now in the process to become a Medicare Advantage Dual Special Needs Plan by 2026. Duals have both Medicare and Medi-Cal. We plan to submit our initial filing for Knox-Keene licensing in March of 2024. CCO Franco noted that we have the support of DHCS.

Commissioner Pupa noted that the undertaking of this is huge. It is not easy to move into D-SNP and acquire Knox-Keene. There is lots of work ahead.

Chief Information & System Modernization Officer, Alan Torres reviewed the transforming of care. He stated that GCHP is pursuing industry leading best practices and technologies that address business imperatives by focusing on the member and provider engagement and data quality, while delivering administrative excellence at a lower cost. We are modernizing the health plan with an operating platform that enables sustained high achievement of the GCHP mission. We are investing in data operation capabilities, which will advance quality goals. He noted that data is the center of all that we do. As of this date, eight out of nine RFPs have been completed. There is progress in data conversion and configuration on our new platform. Minimal Viable Product will help reduce risk of abrasion to member and provider communities.

CISMO Torres noted that by taking action, going to the market for leading edge and best-in-class providers, we were able to deliver significant savings versus what we spend today. He reviewed the financial basis; licensing and implementation and reviewed a cost comparison. We will have an upgrade in technology and services through our new data warehouse. He reviewed the operational system or service, health plan functions performed, current/prior model and risk assessment. And the savings through the Operations of the Future program.

Commissioner Atin commended the good work and stated that he was excited about the future.

Chief Innovation Officer, Eve Gelb, reviewed where we are going in connecting with care. She noted that quality is a #1 priority. She stated that MCAS is our quality scorecard, and the Model of Care is the blueprint. The Model of Care is a way of doing what needs to be done. We need to follow a set of standards which will enable us to deliver what we need to do. The Model of Care serve special needs.

CPPO Erik Cho noted that there of lots of changes within the health plan. He reviewed the various programs which will meet the needs of our members. He noted that the continuation of grant programs focuses on access for our members.

We are also developing partnerships with our providers through QIPP plus reimbursement rates that are tied to MCAS performance. CPPO Cho reviewed the three value-based levels for providers. It was noted that DHCS increases funding base on quality. The development of GCHP Provider quality funding strategy was reviewed. The value-based component will increase yearly. Critical features of the health plan and provider partnership for quality were also reviewed.

A budget reforecast and update will be presented to the commission at the January meeting. A major focus of the future budgets will be sustainable and adequate funding of quality improvement in the system.

Commissioner Atin noted the focus has been quality. Graphs have shown a comparison to other health plans. He asked how the providers are doing. Granular discussions are needed. Data must be available and trackable. Updates must be provided to all our providers. Chief Innovation Officer Eve Gelb stated data allows identification of bright spots. Data is available monthly, and data tells us how we are performing. Commissioner Atin stated he would like to see more information on the future. Commissioner Abbas stated we need to be collaborative. Sharing information is helpful for providers.

*Commissioner Jennifer Swenson left the meeting at 3: Commissioner Jennifer Swenson left the meeting at 3:58 p.m.*

#### Panel Discussion: Perspectives from our Partners on GCHP's Transformation

Deborah Paone, DrPH, MHSA, Performance evaluation Lead& Policy Consultant, Special Needs Plan Alliance and Implementation & Evaluation Director

Dr. Paone shared slides on the benefits of a structured approach to a Model of Care. The member is at the center and should be included in decision-making. The member should have:

- Clarity of need assessment,
- Connected Care



- Alignment with goals
- Planned approaches need to be consistent.
- You will then see better outcomes, and reduced churn.

She then reviewed the key elements within the Model of Care; care coordination; the delivery of care and measure of the effectiveness of delivery of care coordination. This helps ensure health care needs, preferences for health services and information sharing across health care staff and facilities are met over time. Care coordination maximizes the use of effective, efficient, safe, high-quality services that lead to improved health care outcomes.

Model of Care/Provider Network is a network of health care providers who are contracted to provide health care services to SNP enrollees with specialized expertise necessary to address the needs of the target population.

She noted that a system-wide approach will maximize the value of the Model of Care. The Plan must maximize efficiency and reduce gaps. A structure must be in place to process for connecting across entities for ease of workflows and communication. We must also monitor how the Model of Care is working for the member. Build in alerts for when a process needs to be updated and how to handle the changes. Accountability must be shared, and value must be demonstrated through consistent and structured evaluation methods.

**Moderators:** Erik Cho, Chief Policy & Programs Officer  
Marlen Torres, Executive Director of Strategy & External Affairs

**Panelists:**

Anthony Russell, MD, MBA, MPH, Chief Administrative Officer, Community Memorial Health System  
Rachel Stern, M.D., MBA, Chief Medical Quality Officer, Ventura County Health care Agency  
Robert Streeter, M.D., MBA, Chief Medical Officer, Clinicas del Camino Real

Erik Cho: *Asked panelist to share perspectives on how to create an integrated Model of Care together.*

Dr. Streeter stated that as a family physician, he has been frustrated over the years with the lack of ability to get services rendered to patients. The more access barriers are reduced, patients will get the care they need. The access needs to be streamlined to assist members. Once those barriers are reduced, the metrics will improve.

Dr. Russell stated the care provided must be more integrated. All need to work more collaboratively as a partnership. The delivery of services, needs to be more closed. For example, Kaiser has several different services at one location. This makes it easier for the member. There needs to be more technology integration, as well as clinical integration to achieve the outcomes we are looking for.

Dr. Stern added that GCHP can be effective in identifying high-level barriers and must also advocate for the providers to meet the member needs.

Dr. Peone emphasized the integration of data exchange, information sharing to break down the barriers. Need to work on being as turn-key and seamless as possible to get services needed.

Marlen Torres: *GCHP has improved fourteen out of 17 MCAS metrics this year, there is still more work to do. She asked each panelist what they are doing to drive quality improvement, what has been the impact of QIPP, and how has QIPP funding allowed for improvements to increase quality, and lessons learned.*

Dr. Streeter stated his team started from scratch. A Quality Director was needed to understand metrics, which will be used, and to determine data flow. A Tracker was designed that predicts what will be determined when the claims data is available. This tracker helped to prioritize resources internally. Once gaps were determined, the team strategized on how to close the gaps. Gap Clinics were created, and patients were seen for specific needs. Clinicas has partnered with GCHP on Home Care Nurse services to get key patient data.

Dr. Russell stated that the physicians within his system are all independently contracted. He noted there needs to be a value on the prioritization of patients. Physicians need to align their efforts. With QIPP funding a quality team was developed to ensure and enhance the care of the patients, and to ensure metrics are met.

Dr. Stern stated that County clinics have a separate incentive program (PRIME) with the State to work on Medi-Cal quality which focused on reducing costs, care of the hospital, and specialty care. It did not focus on the seventeen measures. DHCS finally decided to align the County measures with what other plans were working toward. Data collaboration is a big focus. More county clinics are now available. GCHP recruitment funds have helped the County in hiring more physicians and work has been done more sustainably.

Marlen Torres noted that it is impressive that the administrative work being done along with being at clinics is key because it is insightful to stay connected with members and their needs.

Marlen Torres: *Asked Dr. Peone how this Model of Care enables deeper understanding of our members.*

Dr. Peone stated the Model of Care is a structured and systematic way to communicate and have consistency, sharing of data. The MOC is a tool. It is a way to organize the direction you want to go. It works for the individual provider as well as clinics.

Commissioner Espinosa stated there is a cultural shift locally. Implementation could not be done without the shift. Member focus is huge. She noted that health and education go hand in hand. Collaboration is key.

Commissioner Monroy stated the teamwork and willingness to collaborate is very impressive. She thanked the team for their work.



Commissioner Pupa stated the cultural change that has taken place with interaction with providers and the provider system is appreciated.

Commissioner Abbas stated that this starts with leadership, trust, and GCHP has a great team.

### **Regular Commission Meeting**

The regular Commission meeting was called to order at 4:47 p.m.

### **UPDATES**

#### **1. Brown Act Update**

Staff: Scott Campbell, General Counsel

**RECOMMENDATION:** There is no recommendation – this is an Update only.

Mr. Campbell noted this is the last meeting under AB361. All future meetings will be held in person starting in January 2024. He noted that Commissioners can attend remotely, but they must advise the Clerk of the location from where they will be calling, and they must post the agenda 72 hours prior to a regular meeting and 24 hours prior to a Special meeting. The public must be welcomed at the location of the conference call.

### **FORMAL ACTION**

#### **2. Contract Approval – Sonnick Partners LLC DBA Silverline, and Salesforce Inc, Customer Relationship Management Software**

Staff: Alan Torres, Chief Information & Systems Modernization Officer

**RECOMMENDATION:** It is the Plan's recommendation that the Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute a contract with both Salesforce Inc. and Sonnick Partners LLC DBA Silverline. The term of the Salesforce Inc. contract will be 5 years commencing January 1, 2024, and expiring on December 31, 2028. The term of Sonnick Partners LLC DBA Silverline contract will be 12 months commencing December 15, 2023, and expiring on December 14, 2024. If the Commission desires to review this contract, it is available at Gold Coast Health Plan's Finance Department.

Chief Information & System Modernization Officer, Alan Torres, stated this was RFP #9. He reviewed the RFP process. Five proposals were received. An evaluation team was formed. The evaluation matrix scores were reviewed. Contract negotiations began, reference checks were done, and a contract was accepted.





The total cost of the projected 60m month period is projected to be \$4.8 million. Mr. Torres noted this is at or below fair market value and based on fair and open competition.

Commissioner Atin motioned to approve Agenda Item 2. Commissioner Abbas seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., Laura Espinosa, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood, D.O.

NOES: None.

ABSENT: Commissioners James Corwin, Melissa Livingston, and Jennifer Swenson.

The clerk declared the motion carried.

### **3. October 2023 Period Year to Date Financials**

Staff: Sara Dersch, Chief Financial Officer  
Nick Ligouri, Chief Executive Officer

RECOMMENDATION: Staff requests that the Commission approve the October 2023 financial packages

Chief Financial Officer, Sara Dersch, focused on month to date drivers. She noted that the State had implemented a new system. There was revenue that had been withheld from us in the amount of \$13.7million. The State also identified that they had overpaid us \$5million was taken back We have favorability in our medical costs. Month to date report for October was a catch-up month. We are watching for some inpatient stays for respiratory issues. She noted there is nothing out of the ordinary.

In cash and investment, we have \$501.3 million. We continue to be fiscally strong.

Commissioner Abbas motioned to approve Agenda Item 73 Commissioner Atin seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., Laura Espinosa, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood, D.O.

NOES: None.



ABSENT: Commissioners James Corwin, Melissa Livingston, and Jennifer Swenson.

The clerk declared the motion carried.

Chief Executive Officer, Nick Liguori, thanked the Commission for their support. He thanked the Executive Team for their hard work and dedication to the community. He thanked Marlen Torres, Executive Director of Strategy & External Affairs for working so diligently on all the logistics for the Strategic Planning Retreat. He also thanked additional staff for their hard work on the preparations for this event.

### **ADJOURNMENT**

The meeting was adjourned at 5:08 p.m.

Approved:

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Maddie Gutierrez, MMC  
Clerk to the Commission





**AGENDA ITEM NO. 2**

**TO:** Ventura County Medi-Cal Managed Care Commission

**FROM:** Eve Gelb, Chief Innovation Officer  
Felix Nuñez, MD, Chief Medical Officer

**DATE:** January 22, 2024

**SUBJECT:** Gold Coast Health Plan November Outcomes and 2023 Q4 Report

**PowerPoint with  
Verbal Presentation**

**ATTACHMENTS:**

Gold Coast Health Plan November Outcomes and 2023 Q4 Report

# Gold Coast Health Plan November MCAs Outcomes and Q4 Report

January 22, 2024

Eve Gelb, Chief Innovation Officer  
Felix L. Nuñez, MD, MPH, Chief Medical Officer

# 2023 and 2024 Managed Care Accountability Set (MCAS)

Children	
WCV (A)	Child and Adolescent Well – Care Visits
W30-6+ (A)	Well-Child Visits in the First 0 to 15 Months of Life – 6+ Well-Child Visits
W30-2+ (A)	Well-Child Visits in the First 15 to 30 Months of Life – 2+ Well-Child Visits
CIS-10 (H)	Childhood Immunization Status – Combo 10
IMA-2 (H)	Immunizations for Adolescents – Combo 2
DEV (A)	Developmental Screening in the First Three Years of Life
LSC (A)	Lead Screening in Children
TFL (A)	Topical Fluoride for Children
Women	
BCS (E)	Breast Cancer Screening
CCS (H)	Cervical Cancer Screening
CHL (A)	Chlamydia Screening in Women
PPC - Pre (H)	Prenatal and Postpartum Care: Timeliness of Prenatal Care
PPC - Post (H)	Prenatal and Postpartum Care: Postpartum Care
Behavioral Health	
FUA (A)	Follow Up After an ED Visit Substance Abuse - 30 Days
FUM (A)	Follow Up After an ED Visit Mental Illness - 30 days
Chronic Conditions	
AMR (A)	Asthma Medication Ratio
CBP (H)	Controlling High Blood Pressure
HBD (H)	Hemoglobin A1c Control for Patients with Diabetes – > 9%

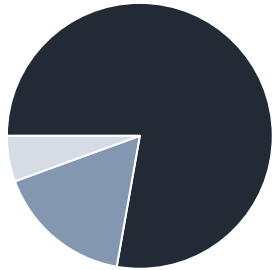
(A) Administrative: Measure is determined by data from claims and encounters for care that is delivered.

(H) Hybrid: Measure is determined by combination of administrative data and data that can be found in other medical records.

(E) Electronic Clinical Data Systems: Measure is determined by reporting from a wide range of data sources including administrative data, Health Information Exchanges and Electronic Health Records.

# November MCAS Data Show Continued Improvement

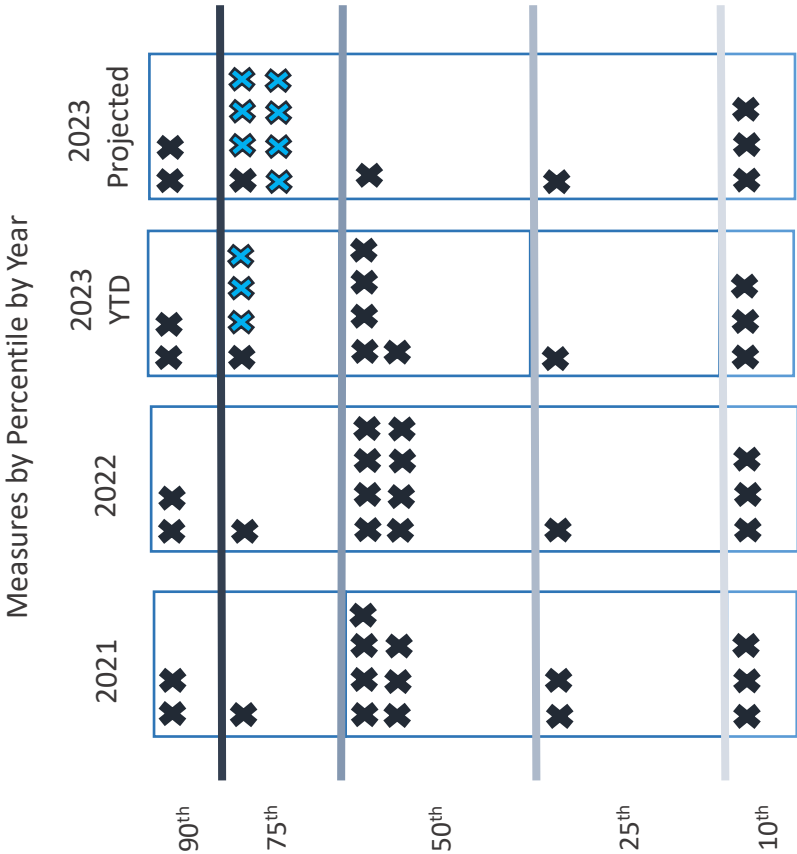
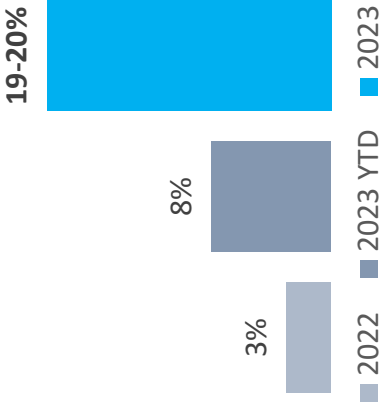
Change in MCAS Score November 2022 to November 2023 Performance



■ Improved ■ Declined ■ New Measures in 2023

As in October, Measurement Year 2023 to date shows improved performance year-over-year for 14 of the 17 measures that carried over from 2022.

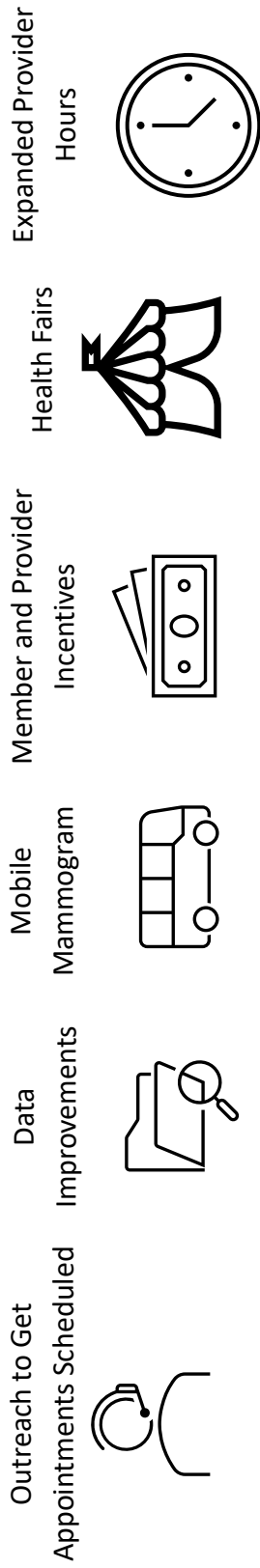
GCHP Aggregate Quality Factor Score Year Over Year Improvement



When comparing the same measures year over year, the distribution of measures by percentile is shifting higher, with more measures in the 75<sup>th</sup> percentile than prior years.

The movement to higher percentiles increases GCHP Aggregate Quality Factor Score (AQFS), the metric DHCS uses to compare plans quality.

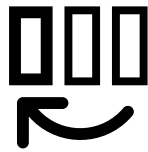
# 2023 Q4 Push Activities



The most notable rate increases in November signal Q4 Push success:

- Hemoglobin A1c Control for Patients with Diabetes improved by 2.5%
- Cervical Cancer Screening improved by 4.3%
- Prenatal and Postpartum Care Postpartum Care: improved by 3.8%
- Chlamydia Screening in Women improved by 3.0%
- Follow Up After an ED Visit Mental Illness - 30 days improved by 2.0%
- Well-Child Visits in the First 15 to 30 Months of Life – 2 Visits improved by 3.5%
- Child and Adolescent Well – Care Visits improved by 6.3%

# MCAS 2024 Target Setting Principles



## Aim High

We must out pace other plans.

Targets must be achievable but aggressive.

No lower than MPL for any measure with HPL as the ultimate goal. This will be accomplished in phases with interim goal of 75th percentile for some measures.



## Alignment

Provider partner alignment is critical.

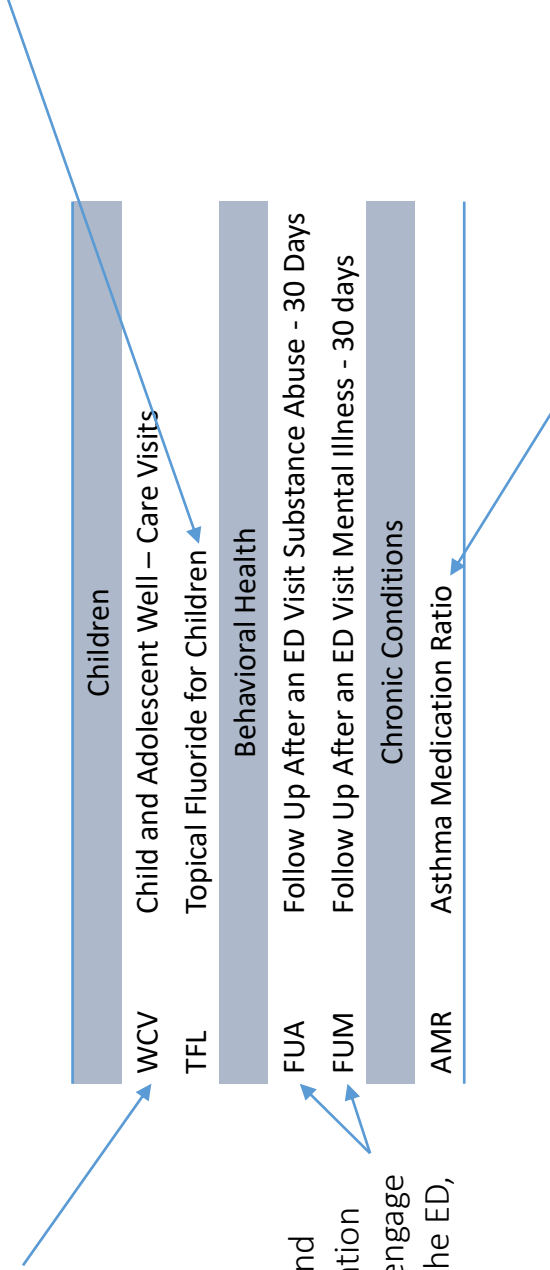
Goals may need to be revised based on MY 2023 actual results.

New DHCS rules, measures or approaches may change our targets.

# Measures Requiring Innovation to Connect Members with Care

Provider typically don't provide this service for any children and even less so for those over 5 years old → Providing the supplies and resources to administer the treatments.

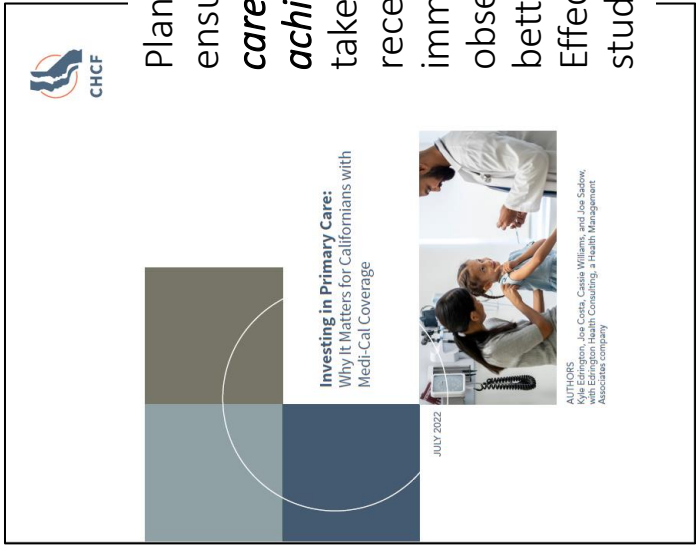
High volume and school age population impacted by access and schedules → School Partnership, expanded office hours, provider recruitment strategies.



Short time frame to improve outcomes and hard to reach population that often does not engage with care → Staff in the ED, new data sharing.

Combination of factors including how pharmacies manage refills and provider prescribing patterns → Pharmacist led interventions to support PCPs.

# Investing in Primary Care Drives AQFS



Plans that spend a higher percentage on primary care appear to ensure better quality of care for their members. ***A higher primary care spending percentage was statistically associated with plans achieving a better Aggregated Quality Factor Score (AQFS)***, which takes into account multiple measures, such as the rates of women receiving breast and cervical cancer screenings, childhood immunizations, well-child visits, and more. A relationship was also observed between higher primary care spending percentage and better performance on nine of the 11 (82%) individual Healthcare Effectiveness Data and Information Set (HEDIS) quality measures studied, with statistically significant results for three.

The figure is divided into two main sections. The top section is a bar chart titled "Managed Care Performance Monitoring Dashboard Report Released October 2023" and "2022 HEDIS® Aggregated Quality Factor Score (AQS)". The y-axis is labeled "By HEDIS® Reporting Unit" and ranges from 1000 to 10000. The x-axis lists various HEDIS reporting units. A legend indicates three performance levels: 94% (green), 96% (orange), and 98% (red). A blue horizontal line represents the "Weighted Average" at approximately 10000. The bars show scores for various units, with some units like "HEDIS® Star Rating" and "HEDIS® Star Rating - Star Rating" showing significantly higher scores (above 10000).

The bottom section is a blue box containing the text "Quality Imperative" and two bullet points:

- ◆ The Managed Care Accountability Set (MCAS) is our scorecard
- ◆ The better the plan score, the healthier the community they serve



# Appendix

# Preliminary Performance Year Over Year Measurement Change—November MY2022 to November MY 2023\*\*

Year to date performance compared to the same month in the prior year. It includes data on projected rate lift (based on historical rate lift) for hybrid measures that use medical record review as a data collection method in addition to administrative data.

Measure	Nov 2022	Nov 2023	Rate Difference	Rate with Hybrid Lift	Benchmark Hit	MPL	HPL
Children							
WCV	37.11	44.36	7.25	N/A		48.07%	61.15%
W30-6+	25.59	51.03	25.44	N/A		58.38%	68.09%
W30-2+	65.03	72.15	7.12	N/A	MPL	66.76%	77.78%
CIS-10 (H)	32.36	28.19	-4.17	37.53%	MPL	30.90%	45.26%
IMA-2 (H)	33.56	36.98	3.42	42.24%	MPL	34.31%	48.80%
DEV	38.38	47.51	9.13	N/A	MPL	34.70%	N/A
LSC	65.08	69.60	4.52	N/A	MPL	62.79%	79.26%
TFL		0.48		N/A		19.30%	N/A
Women							
CHL	51.36	61.12	9.76	N/A	MPL	56.04%	67.39%
PPC-Pre (H)	81.10	84.27	3.17	100%	HPL	84.23%	91.07%
PPC-Post (H)	81.67	84.55	2.88	97.91%	HPL	78.10%	84.59%
BCS-E	53.21	57.34	4.13	N/A	MPL	52.60%	62.67%
CCS (H)	49.28	55.30	6.02	52.92%	MPL	57.11%	66.48%
Behavioral Health							
FUA	24.07	25.17	1.10	N/A		36.34%	53.44%
FUM	29.69	21.30	-8.39	N/A		54.87%	73.26%
Chronic Conditions							
AMR	53.52	47.79	-5.73	N/A		65.61%	75.92%
CBP(H)	16.54	17.85	1.31	64.18%	MPL	61.31%	72.22%
HBD (H)**	49.30	38.95	-10.35	30.18%	MPL	37.96%	29.44%

\*Data are **preliminary** as of end of November 2023. Performance in all measure can increase based on additional care delivered and additional data collected.

\*\*Lower rate is better



**AGENDA ITEM NO. 3**

TO: Ventura County Medi-Cal Managed Care Commission  
FROM: Marlen Torres, Executive Director of Strategy & External Affairs  
DATE: January 22, 2024  
SUBJECT: Redetermination Update

**PowerPoint with  
Verbal Presentation**

**ATTACHMENTS:**

*Medi-Cal Continuous Coverage Update*

# Medi-Cal Continuous Coverage Update

Monday, January 22, 2024

Marlen Torres

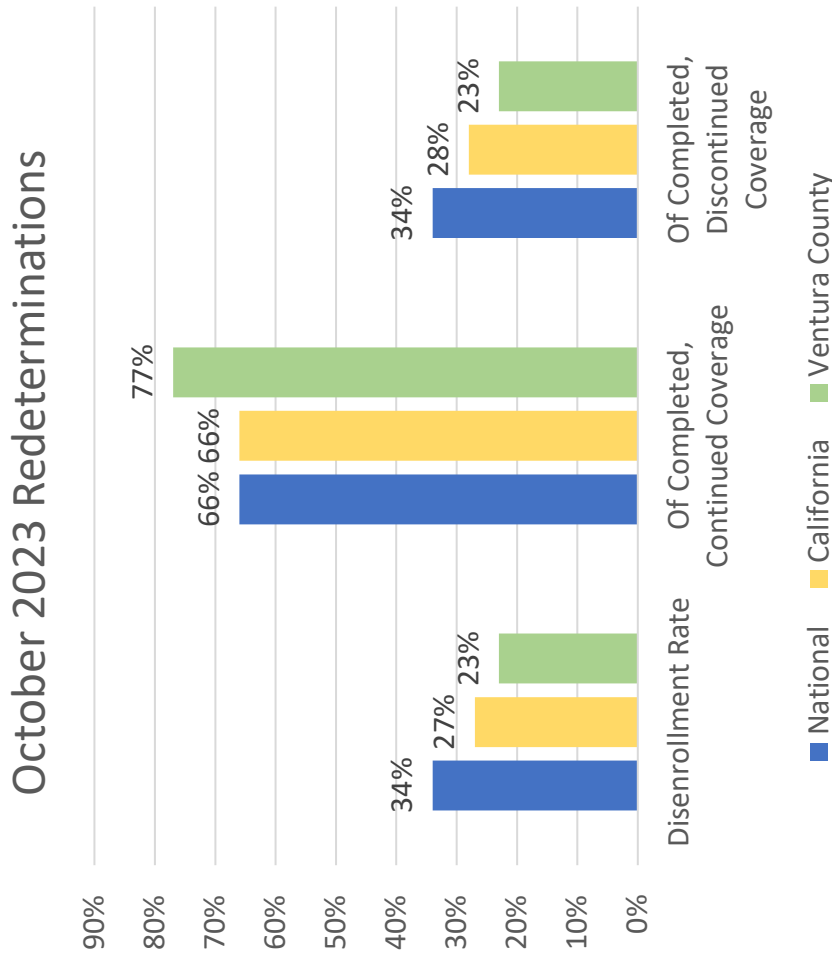
Executive Director, Strategy and External Affairs

# Agenda

1. National, State, and County Indications
  - \* Membership Redetermination
2. Continuous Coverage Media Campaign
3. Redetermination Outreach Efforts
  - \* Provider Site Office Hours
  - \* Community Organizations Grants
4. Feedback and Suggestions

# National, State, County Indicators

- As of Jan. 9, 2024, at least 14.3 million Medicaid enrollees have been disenrolled from coverage nationwide
  - ❖ **1.1 million of those disenrollments occurring in California.**
  - ❖ **77% of completed redeterminations in Ventura County resulted in continued coverage in Oct. 2023**
  - ❖ **The KFF data shows that California's 27% disenrollment rate is lower than most states.**
  - ❖ **Ventura County's October disenrollment rate has dropped to 23% from 25% in earlier months**
  - ❖ **86% of disenrollments in Ventura County were due to procedural reasons.**
- Procedural reasons include not returning renewal packets on time or incomplete information.
- There is wide variation in disenrollment rates across reporting states, ranging from 62 percent in Texas to 13 percent in Maine.
- Variations are due to several factors including state approaches targeting enrollees the state anticipates are no longer eligible or those who did not respond to renewal requests during the pandemic and manual versus automated processes for redeterminations.



## Sources:

Kaiser Family Foundation: [Medicaid Enrollment and Unwinding Tracker](#)  
Department of Health Care Services: [Medi-Cal Continuous Coverage Unwinding Dashboard: October 2023](#)

# Membership Redetermination

DHCS Statewide						
	Jun'23	Jul'23	Aug'23	Sep'23	Oct'23	
Redeterminations Due	1,054,833	1,082,242	1,041,859	1,072,795	1,060,414	
Of Completed, Continued in Coverage	511,513	466,731	517,597	457,362	466,074	
Of Completed, Discontinued	221,950	76,705	209,230	219,500	198,196	

DHCS Ventura County						
	Jun'23	Jul'23	Aug'23	Sep'23	Oct'23	
Redeterminations Due	18,974	19,230	19,329	19,053	19,830	
Of Completed, Continued in Coverage	10,800	7,978	9,857	8,797	9,219	
Of Completed, Discontinued	3,208	887	3,365	3,101	2,965	

Source: DHCS Continuous Coverage Unwinding Dashboard Oct. 2023  
<https://www.dhcs.ca.gov/dataandstats/dashboards/Pages/Continuous-Coverage-Eligibility-Unwinding-Dashboard-October2023.aspx>

\*Discontinued: Members who have been disenrolled from Medi-Cal.

- Redeterminations are now in their seventh month.
- The tables depict redeterminations on a state and county level from July-Dec. 2023 based on what is reported on the statewide DHCS dashboard:
  - Ventura County / GCHP are experiencing higher redetermination rates than the state overall. For example, 78% of Medi-Cal members in Ventura County have continued being enrolled after their redetermination date versus 72% of Medi-Cal members statewide.
  - 22% of Medi-Cal members in Ventura County have been disenrolled versus 28% of Medi-Cal members statewide.
  - Ventura County is seeing a larger percentage of Medi-Cal members remaining enrolled, which confirms that the GCHP and community partnerships have been successful in keeping members enrolled in Medi-Cal.

*\*These numbers reflect the totals at the time the report was created. These numbers change daily as renewal applications are processed.*

The following slides depict the work we are doing to keep members enrolled.





**Gold Coast  
Health Plan<sup>SM</sup>**  
A Public Entity

**Mantenga su Medi-Cal**

- ✓ Actualice su información de contacto.
- ✓ Esté atento al paquete de renovación en el correo.
- ✓ Complete y asegúrese de enviarlo antes del final del plazo.



Gold Coast  
Health Plan<sup>SM</sup>

Medi-Cal

1-888-301-3228  
www.goldcoasthealthplan.org

**REDETERMINATION CAMPAIGN**

**AUDIENCE REACH**

**JUNE - DECEMBER 2023**

**Keep Your Medi-Cal**

- ✓ Update your contact information.
- ✓ Look for a packet in the mail.
- ✓ Fill it out and be sure to return it before the due date.

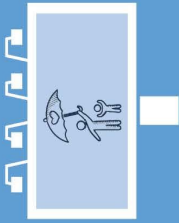


**Mantenga su Medi-Cal**

Gold Coast  
Health Plan<sup>SM</sup>

Medi-Cal

1-888-301-3228  
www.goldcoasthealthplan.org



**BILLBOARDS**

2 Locations

**WEEKLY IMPRESSIONS**

**383,979**

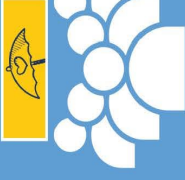


**BUS SHELTERS**

14 Locations

**WEEKLY IMPRESSIONS**

**2.3 MILLION**

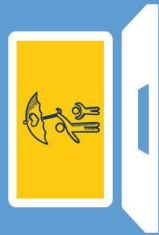


**DMV**

4 Locations

**WEEKLY IMPRESSIONS**

**53,800**



**SPECTRUM**

TV AIRINGS

**18,509**

**DIGITAL & STREAMING IMPRESSIONS**

**830,620**

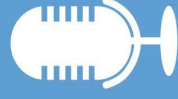


**PRINT**

4 Newspapers

**READERSHIP REACH**

**700,000**



**RADIO**

7 Stations

**LISTENER REACH**

**150,900**

# Redetermination Outreach Efforts

Over the last six months we have outreached to members in multiple modalities, such as:

1. Conducting outbound calls
2. Onsite representatives at provider sites
3. Leveraging community events
4. Partnering with five community-based organizations via our grants program

## Redetermination Activity Jun'23 – Jan'24

Outbound Calls	• 67,654
Provider Sites	• 6
Community Events	• 58
Community Organizations Awardees	• 5

# Redetermination Advocacy



On Oct. 25, 2023, Gold Coast Health Plan (GCHP) participated in a collaborative discussion with the White House Special Assistant to the President of the United States and other Medicaid health plans to share redetermination experiences, the impact of flexibilities on renewal activities, and support making certain flexibilities permanent after the conclusion of the Public Health Emergency (PHE) unwinding period.



GCHP is highlighted in the Association for Community Affiliated Plans (ACAPs) [“Stay Covered” campaign](#) as an example of the innovative and extraordinary efforts managed care plans are taking to ensure members submit their redetermination information and retain coverage.



GCHP continues to advocate for and adopt flexibilities that have been approved by the Centers for Medicare and Medicaid Services (CMS). As of Jan. 4, 2024 CMS has approved 394 waivers in 52 states and territories; there have been 14 waivers approved in California according to the CMS Waiver Approvals tracker.



## What is Medicaid Unwinding?

In March 2020, Congress passed the Families First Coronavirus Response Act (FFCRA), which provided enhanced federal Medicaid funding to states that maintained Medicaid beneficiaries' enrollment through the COVID-19 public health emergency (PHE). Medicaid enrollment grew from 71 million in February 2020 to 94 million in March 2023, mostly due to the FFCRA.

In December 2022, the Consolidated Appropriations Act, 2023 (CAA) was signed into law and delinked the FFCRA continuous enrollment policy from the PHE, allowing states to start redeterminations beginning April 1, 2023, known as the unwinding. Data show that at least 10 million people have been disenrolled as of November 2023, with an alarmingly high rate of procedural disenrollments.

As states and managed care plans are navigating redeterminations for over 90 million individuals, ACAP health plans have been implementing innovative work to communicate with enrollees, minimize coverage losses, and ensure care continuity.

## Outreach

Since redeterminations were last conducted in early 2020, enrollees may have moved and changed addresses or phone numbers, making outreach difficult. Even before the COVID-19 pandemic, reaching enrollees and confirming eligibility was a challenge.

In late 2022, before redeterminations began, **Neighborhood Health Plan of Rhode Island (Neighborhood)** partnered with the two other MCOs in the state to create a rack card with QR codes for each MCO. Distributed to hospitals, providers, and other community partners, the card allows enrollees to scan the code for their MCO to update contact information.

## ACAP Plans Are Implementing Innovative Approaches During Medicaid Unwinding

educate them about unwinding and share statistics about how many of their residents rely on Medicaid. CalOptima Health also created and shared a toolkit of resources for cities to reach residents. Here's an example of how the [City of Anaheim](#) used the material.

**iCircle**, a Managed Long-Term Care plan in New York, has been able to retain 99% of their members during the unwinding process due to their proactive approach and their coordination with Local District Social Services (LDSS). iCircle has taken advantage of the ability to report address updates to New York state and has partnered with providers to assist members with renewals. They have a dedicated team that does an initial outreach to members and daily follow ups at the end of their renewal month. They also do daily outreach to the LDSS to confirm submission of forms by members. If a member is hard to reach, iCircle has attempted home visits to assist with renewal forms.

**Gold Coast Health Plan (GCHP)**, which serves Medi-Cal beneficiaries in Ventura County, California, has been blanketing the community with information about redeterminations via digital, TV, radio, and print ads, billboards and transit shelters, and participation in community events, including back-to-school nights and food distributions. GCHP is expanding its community outreach efforts by embedding support onsite at provider offices. Community Relations Specialists hold regular office hours in provider offices to answer member questions, check their redetermination status, and raise awareness of the need to submit renewal information.

GCHP is building on these efforts to include canvassing communities with door hangers and planning an educational health fair for the holiday season where they will educate members about the importance of completing their

# Feedback and Suggestions



What has been  
member feedback  
about  
redetermination?



What challenges have  
you heard members  
have experienced?



What else can we  
do for  
redetermination?



How can we  
partner together?

**AGENDA ITEM NO. 4**

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Sara Dersch, Chief Financial Officer

DATE: January 22, 2024

SUBJECT: November 2023 Year to Date Financials

**SUMMARY:**

Staff is presenting the attached November 2023 fiscal year-to-date (“FYTD”) unaudited financial statements of Gold Coast Health Plan (“GCHP”) for review and approval.

**November 2023 Headlines:**

1. Membership favorable to budget by approximately 9,000 members.
2. MTD Premium is \$2.5M favorable to budget, driven by a \$3.6M favorable volume variance related to higher than budgeted membership, partially offset by a \$1.1M unfavorable rate variance (\$4.59 per member per month) due to member mix.
3. Long Term Care (including Skilled Nursing Facility Care) costs continue to trend higher than expected. This development is partially offset by lower-than-budgeted (favorable) trends in Inpatient care.
4. General and Administrative (“G&A”) expenses remain at this time higher than budgeted due to Project Pipeline (e.g., Operations of the Future implementation) timing and costs that could not have been fully known at the time of budget creation. Management is focused on ensuring full year administrative costs are economical and in line with budgeted expectations for a transforming organization.
5. Balance sheet continues to reflect a healthy assets position with a FYTD increase in Net Assets of \$41.1M.



## Financial Summary:

(\$Ms except pmpms & mm)	MTD			YTD		
	Actual	Budget	Var Fav / (Unfav)	Actual	Budget	Var Fav / (Unfav)
Member Months	251,517	242,511	9,006	1,269,850	1,244,416	25,434
Revenue	\$ 92.1	\$ 89.2	\$ 2.9	\$ 437.6	\$ 438.0	\$ (0.4)
pmpm	\$ 366.25	\$ 367.88	\$ (1.63)	\$ 344.58	\$ 351.96	\$ (7.38)
Non-Operating Revenue / (Expense)	\$ 1.4	\$ 0.8	\$ 0.6	\$ 6.9	\$ 4.2	\$ 2.7
pmpm	\$ 5.64	\$ 3.46	\$ 2.18	\$ 5.40	\$ 3.38	\$ 2.02
Medical Costs	\$ 74.6	\$ 76.8	\$ 2.2	\$ 358.8	\$ 380.6	\$ 21.8
pmpm	\$ 296.62	\$ 316.50	\$ 19.9	\$ 282.56	\$ 305.89	\$ 23.3
% of Revenue	79.8%	85.2%		80.7%	86.1%	
Admin Exp	\$ 8.7	\$ 6.7	\$ (2.0)	\$ 36.3	\$ 33.2	\$ (3.1)
pmpm	\$ 34.55	\$ 27.47	\$ (7.08)	\$ 28.58	\$ 26.71	\$ (1.87)
% of Revenue	9.3%	7.4%		8.2%	7.5%	
Project Portfolio	\$ (0.8)	\$ 0.8	\$ 1.6	\$ 8.2	\$ 4.2	\$ (4.0)
pmpm	\$ (3.15)	\$ 3.46	\$ 6.61	\$ 6.45	\$ 3.37	\$ (3.08)
% of Revenue	-0.8%	0.9%		1.8%	0.9%	
Operating Gain/(Loss)	\$ 9.6	\$ 5.0	\$ 4.7	\$ 34.3	\$ 19.9	\$ 14.4
	\$ 38.22	\$ 20.45	\$ 17.77	\$ 26.99	\$ 15.99	\$ 11.00
Total Increase / (Decrease) in Unrestricted Net Assets	\$ 11.0	\$ 5.8	\$ 5.2	\$ 41.1	\$ 24.1	\$ 17.0
pmpm	\$ 43.86	\$ 23.91	\$ 19.95	\$ 32.39	\$ 19.36	\$ 13.02
% of Revenue	11.8%	6.4%		9.3%	5.4%	

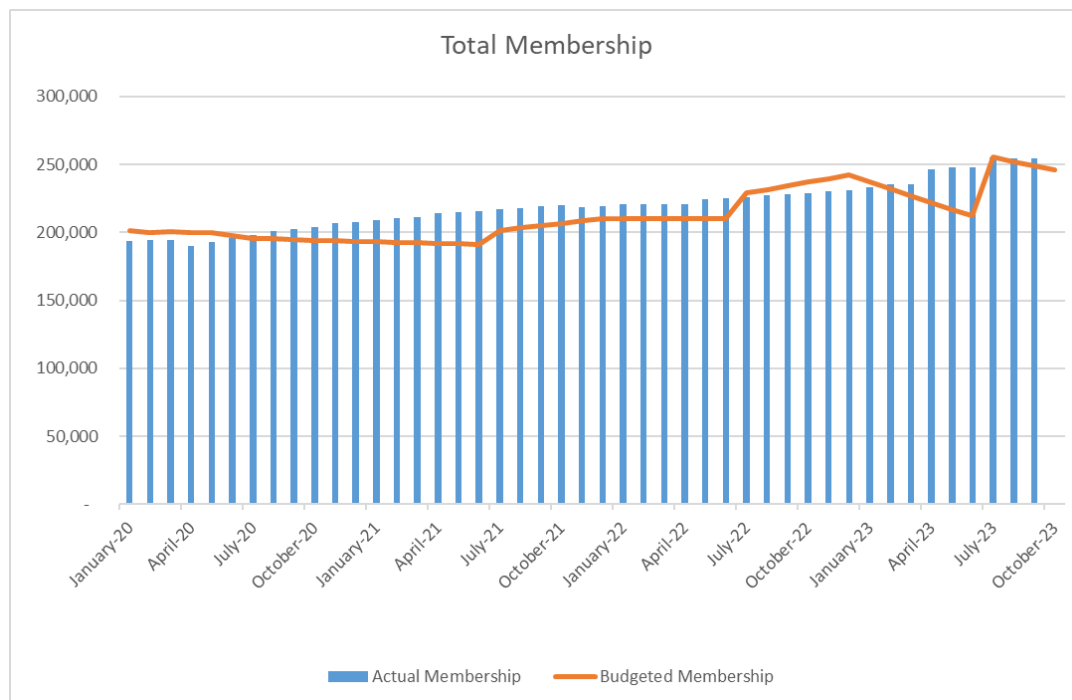
## MTD

- Membership and Medical Costs are favorable to budget.
- Project Portfolio favorability of \$1.6M due to a mid-year account clean up exercise. Incentive payments previously coded to this business unit were accrued for and have been reclassified to the balance sheet.
- Operating Margin (which excludes interest income) of \$9.6M was \$4.7M favorable to budget.
- MTD Net Premium Revenue of \$92.1M was favorable \$2.9M to budget due to higher premiums in November.
- CGHP continued to experience pressure in LTC/SNF expenses but is trending positive in IP medical costs. The LTC/SNF variance is primarily attributable to a new state regulation which increased required reimbursements to 100% of the Medi-Cal fee schedule retroactive to 1/1/2023.
- The MTD results yield unrestricted net assets of \$11M, which is \$5.2M more than projected.

## YTD

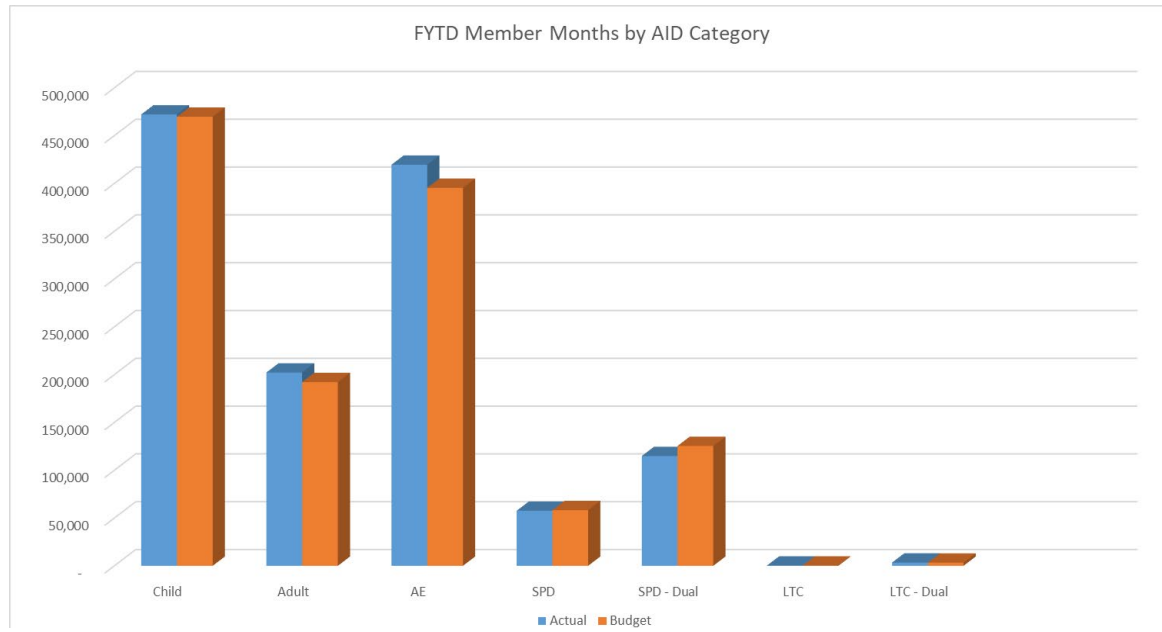
- Operating Gain of \$34.3M was \$14.4M favorable to budget. This variance is primarily due to low inpatient claims cost coupled with the timing of the Provider Incentives and Grants Programs: YTD budget included a projected spend of \$16.9M in Provider Incentives and \$9.2M in Grant Programs. Only \$7.M in actual Provider Incentive spend due to the timing of finalization of QIPP with our largest providers.
- All other medical costs categories remain reasonable to budget.
- The YTD unrestricted net assets gain is \$41.1M, \$17M favorable to budget.

## Membership



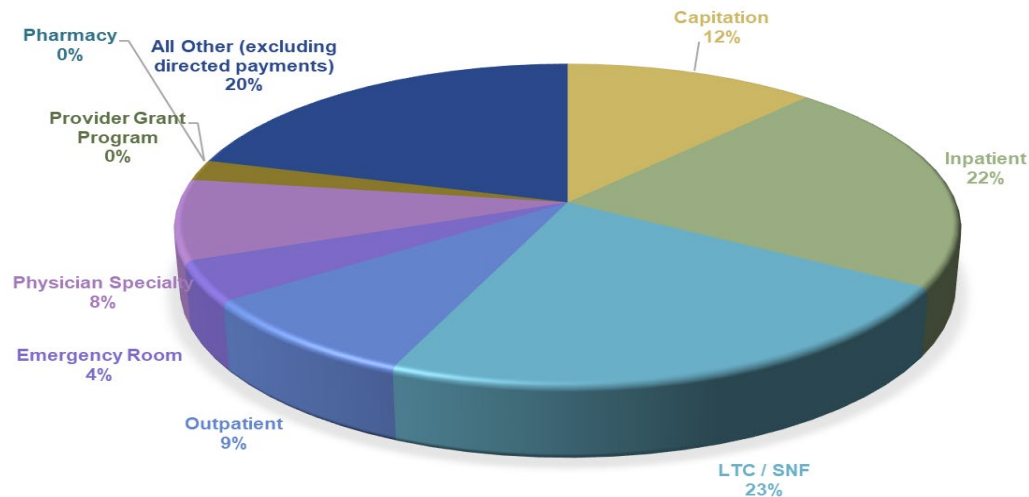


## Cost of Care by Category



	FYTD 23/24 Budget	FYTD 23/24 Actual	FYTD 22/23 Actual	FYTD 21/22 Actual
Average Enrollment	248,883	253,970	247,854	229,367
PMPM Revenue	\$ 351.96	\$ 344.58	\$ 340.86	\$ 347.72
<b>Medical Expenses</b>				
Capitation	\$ 21.97	\$ 33.50	\$ 34.18	\$ 32.44
Inpatient	\$ 74.44	\$ 61.01	\$ 54.64	\$ 68.62
LTC / SNF	\$ 54.51	\$ 65.02	\$ 54.86	\$ 59.92
Outpatient	\$ 25.33	\$ 24.56	\$ 23.88	\$ 22.59
Emergency Room	\$ 12.65	\$ 11.54	\$ 11.32	\$ 10.80
Physician Specialty	\$ 25.13	\$ 22.90	\$ 23.44	\$ 22.49
Provider incentives	\$ 13.62	\$ 5.85	\$ 0.69	\$ -
Provider Grant Program	\$ 7.37	\$ -	\$ -	\$ -
Pharmacy	\$ -	\$ -	\$ (0.15)	\$ 29.71
All Other (excluding directed payments)	\$ 56.09	\$ 58.17	\$ 53.03	\$ 45.41
Total Per Member Per Month	\$ 291.11	\$ 282.56	\$ 255.89	\$ 291.97
Medical Loss Ratio	82.7%	82.0%	75.1%	86.9%
Total Administrative Expenses	\$ 37,438,322	\$ 44,485,426	\$ 78,852,534	\$ 53,680,738
% of Revenue	8.5%	10.2%	7.8%	5.6%
TNE	\$ 194,459,364	\$ 375,807,935	\$ 359,814,027	\$ 176,562,922
Required TNE	\$ 35,128,651	\$ 33,938,116	\$ 32,913,795	\$ 36,609,789
% of Required	554%	1107%	1093%	482%

### % OF TOTAL MEDICAL EXPENSE



### Cash and Short-Term Investment Portfolio

At November 30th the Plan had \$491.7M in cash and short-term investments. The investment portfolio included Ventura County Investment Pool \$18.9M; LAIF CA State \$41.7M; Cal Trust \$36.8M.

### Medi-Cal Receivable

At November 30th the Plan had \$147.8M in Medi-Cal Receivables due from the DHCS.

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS**

	Current Month		
	November 2023		Variance
	Actual	Budget	Fav / (Unfav)
<b>Membership (includes retro members)</b>	251,517	242,511	9,006
<b>Revenue:</b>			
Premium	\$ 100,025,483	\$ 97,558,023	\$ 2,467,461
Facility Expense AB85	0	0	0
Reserve for Cap Requirements	0	0	0
Incentive Revenue	0	0	0
MCO Premium Tax	(7,907,460)	(8,342,393)	434,933
<b>Total Net Premium</b>	<b>92,118,023</b>	<b>89,215,630</b>	<b>2,902,394</b>
<b>Other Revenue:</b>			
Interest Income	0	0	0
Miscellaneous Income	105	0	(105)
<b>Total Other Revenue</b>	<b>105</b>	<b>0</b>	<b>(105)</b>
<b>Total Revenue</b>	<b>92,118,128</b>	<b>89,215,630</b>	<b>2,902,289</b>
<b>Medical Expenses:</b>			
<u>Capitation Expenses:</u>			
PCP, Specialty, Kaiser, NEMT & Vision	6,781,193	7,140,320	359,127
ECM	378,876	943,153	564,276
<b>Total Capitation</b>	<b>7,160,069</b>	<b>8,083,472</b>	<b>923,403</b>
<u>FFS Claims Expenses:</u>			
Inpatient	17,060,129	18,473,078	1,412,949
LTC / SNF	15,805,160	13,694,061	(2,111,099)
Outpatient	6,387,281	6,300,002	(87,279)
Laboratory and Radiology	643,989	952,414	308,424
Directed Payments - Provider	2,482,642	1,899,389	(583,253)
Emergency Room	2,902,519	3,148,851	246,333
Physician Specialty	6,438,651	6,227,059	(211,591)
Primary Care Physician	2,757,125	2,378,171	(378,954)
Home & Community Based Services	2,352,861	2,811,911	459,050
Applied Behavior Analysis Services	3,353,014	2,980,418	(372,596)
Provider Incentive	2,674,473	5,258,363	2,583,890
Other Medical Professional	239,606	348,920	109,314
Other Fee For Service	1,594,325	1,005,974	(588,351)
Transportation	137,175	422,844	285,670
<b>Total Claims</b>	<b>64,828,949</b>	<b>65,901,455</b>	<b>1,072,506</b>
Provider Grant Program	0	833,333	833,333
Medical & Care Management Expense	2,231,732	1,879,295	(352,437)
Reinsurance	370,086	158,333	(211,753)
Claims Recoveries	14,956	(100,000)	(114,956)
<b>Sub-total</b>	<b>2,616,773</b>	<b>2,770,961</b>	<b>154,188</b>
<b>Total Medical Costs</b>	<b>74,605,791</b>	<b>76,755,889</b>	<b>2,150,098</b>
<b>Contribution Margin</b>	<b>17,512,337</b>	<b>12,459,741</b>	<b>5,052,596</b>
<b>General &amp; Administrative Expenses:</b>			
Salaries, Wages & Employee Benefits	6,927,252	4,125,530	(2,801,722)
Training, Conference & Travel	16,363	156,894	140,531
Outside Services	2,131,685	2,373,767	242,082
Professional Services	801,541	654,345	(147,196)
Occupancy, Supplies, Insurance & Others	1,021,242	1,230,002	208,761
Care Management Credit	(2,208,253)	(1,879,295)	328,958
<b>G&amp;A Expenses</b>	<b>8,689,829</b>	<b>6,661,243</b>	<b>(2,028,586)</b>
Project Portfolio	(791,524)	838,962	1,630,486
<b>Total G&amp;A Expenses</b>	<b>7,898,306</b>	<b>7,500,205</b>	<b>(398,100)</b>
<b>Total Operating Gain / (Loss)</b>	<b>9,614,032</b>	<b>4,959,536</b>	<b>4,654,496</b>
<b>Non Operating:</b>			
Revenues - Interest	1,418,707	840,000	578,707
Expenses - Interest	0	0	0
Gain/Loss on Sale of Assets	0	0	0
<b>Total Non-Operating</b>	<b>1,418,707</b>	<b>840,000</b>	<b>578,707</b>
<b>Total Increase / (Decrease) in Unrestricted Net Assets</b>	<b>11,032,739</b>	<b>5,799,536</b>	<b>5,233,203</b>

**STATEMENT OF FINANCIAL POSITION**

	11/30/23	06/30/23
<b>ASSETS</b>		
<b>Current Assets:</b>		
Petty Cash	500	500
Cash - EFT	-	-
Cash - Operating Account	-	-
Cash - Payroll Checking Account	-	-
Cash - Claims Payment	(4,564,426)	(3,983,925)
Cash - Pharmacy Payment	1	1
Money Market Accounts - Investment	398,943,366	348,150,410
Money Market Account - Rabobank	-	-
<b>Total Cash and Cash Equivalents</b>	<b>394,379,442</b>	<b>344,166,987</b>
<b>Total Short-Term Investments</b>	<b>97,314,324</b>	<b>95,269,796</b>
Medi-Cal Receivable	147,815,421	96,222,357
Interest Receivable	(443,826)	462,872
Provider Receivable	218,836	422,995
Other Receivables	79,616	59,542
<b>Total Accounts Receivable</b>	<b>147,670,046</b>	<b>97,167,766</b>
Total Prepaid Accounts	10,203,004	5,545,603
Total Other Current Assets	135,560	135,560
<b>Total Current Assets</b>	<b>649,702,376</b>	<b>542,285,711</b>
<b>Total Fixed Assets</b>	<b>8,572,283</b>	<b>9,224,593</b>
<b>Total Assets</b>	<b>\$ 658,274,659</b>	<b>\$ 551,510,304</b>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>Current Liabilities:</b>		
Incurred But Not Reported	\$ 96,284,901	\$ 84,436,777
Claims Payable	9,740,660	12,923,764
Capitation Payable	9,449,332	8,998,514
Physician Payable	33,812,170	31,865,385
AB 85 Payable	-	-
DHCS - Reserve for Capitation Recoup	22,732,221	10,411,049
Lease Payable- ROU	3,347,828	3,300,319
Accounts Payable	1,848,887	1,455,088
Accrued ACS	3,945,119	3,902,303
Accrued Provider Incentives/Reserve	19,738,930	17,427,573
Accrued Pharmacy	-	-
Accrued Expenses	7,568,948	7,559,682
Accrued Premium Tax	39,537,300	-
Accrued Interest Payable	-	-
Current Portion of Deferred Revenue	-	-
Accrued Payroll Expense	3,680,173	3,189,633
Current Portion Of Long Term Debt	-	-
Other Current Liabilities	-	-
<b>Total Current Liabilities</b>	<b>251,686,469</b>	<b>185,470,089</b>
<b>Long-Term Liabilities:</b>		
Lease Payable - NonCurrent - ROU	5,509,061	6,088,559
Deferred Revenue - Long Term Portion	-	-
Notes Payable	-	-
<b>Total Long-Term Liabilities</b>	<b>5,509,061</b>	<b>6,088,559</b>
<b>Total Liabilities</b>	<b>257,195,530</b>	<b>191,558,647</b>
<b>Net Assets:</b>		
Beginning Net Assets	359,951,657	176,617,059
Total Increase / (Decrease in Unrestricted Net Assets)	41,127,471	183,334,598
<b>Net Assets</b>	<b>401,079,129</b>	<b>359,951,657</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 658,274,659</b>	<b>\$ 551,510,304</b>

**SCHEDULE OF INVESTMENTS AND CASH BALANCES**

	Market Value*	
	November 30,	
	2023	Account Type
Local Agency Investment Fund (LAIF) <sup>1</sup>	\$ 41,662,203	investment
Ventura County Investment Pool <sup>2</sup>	\$ 18,886,564	investment
CalTrust	\$ 36,765,557	short-term investment
Bank of West	\$ 389,613,410	money market account
Pacific Premier	\$ 4,765,530	operating accounts
Mechanics Bank <sup>3</sup>	\$ -	operating accounts
Petty Cash	\$ 500	cash
<b>Investments and monies held by GCHP</b>	<b>\$ 491,693,764</b>	

	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	FYTD 23-24
<b>Local Agency Investment Fund (LAIF)</b>						
Beginning Balance	\$ 40,693,939	\$ 40,968,210	\$ 41,289,868	\$ 41,289,868	\$ 41,289,868	\$ 41,289,868
Transfer of Funds from Ventura County Investment Pool	-	-	-	-	-	-
Quarterly Interest Received	274,271	321,658	-	372,335	372,335	\$ 372,335
Quarterly Interest Adjustment	-	-	-	-	-	-
<b>Current Market Value</b>	<b>\$ 40,968,210</b>	<b>\$ 41,289,868</b>	<b>\$ 41,289,868</b>	<b>\$ 41,662,203</b>	<b>\$ 41,662,203</b>	<b>\$ 41,662,203</b>
<b>Ventura County Investment Pool</b>						
Beginning Balance	\$ 18,651,150	\$ 18,720,399	\$ 18,720,399	\$ 18,803,482	\$ 18,803,482	\$ 18,803,482
Transfer of funds to LAIF	-	-	-	-	-	-
Interest Received	69,249	-	83,082	-	83,082	\$ 83,082
<b>Current Market Value</b>	<b>\$ 18,720,399</b>	<b>\$ 18,720,399</b>	<b>\$ 18,803,482</b>	<b>\$ 18,803,482</b>	<b>\$ 18,886,564</b>	<b>\$ 18,886,564</b>

**RECOMMENDATION:**

Staff requests that the Commission approve the November 2023 year-to-date financial package.

**CONCURRENCE:**

N/A

**ATTACHMENT:**

November Financial Package



**AGENDA ITEM NO. 5**

TO: Ventura Medi-Cal Managed Care Commission  
FROM: Sara Dersch, Chief Financial Officer  
DATE: January 22, 2024  
SUBJECT: Reforecast of Fiscal Year 2023/2024 Operating and Capital Budgets

**PowerPoint with  
Verbal Presentation**

**ATTACHMENTS:**

*FY 2023/2024 Reforecasted Operating & Capital Budgets*

# Gold Coast Health Plan

## FY 2023-2024 Reforecasted Operating and Capital Budgets



# What We Are Talking About Today

1. Review actual financial performance July through November vs FY2023/24 Original Budget
2. Review Reforecast FY2023/24 assumptions
3. Risks and Opportunities to year-end projections

# FY 2023-24 Fiscal Results thru November

## Uncertainty drives fluctuations

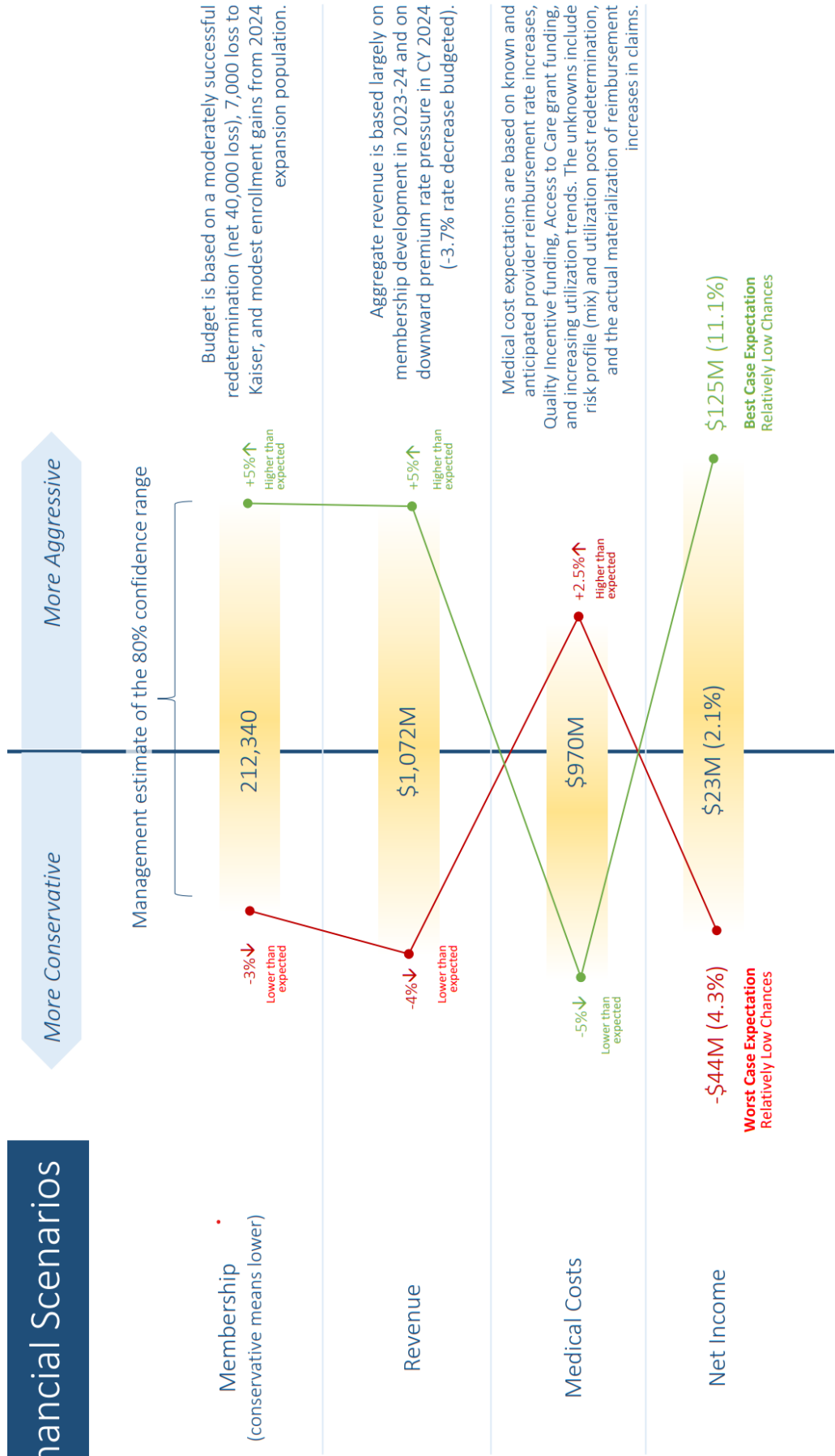
	YTD			Var Fav / (Unfav)
	Actual	Budget		
(\$Ms except pmpms & mm)				
Member Months	1,269,850	1,244,416		25,434
Revenue	\$ 437.6	\$ 438.0		\$ (0.4)
pmpm	\$ 344.58	\$ 351.96		\$ (7.38)
Non-Operating Revenue / (Expense)	\$ 6.9	\$ 4.2		\$ 2.7
pmpm	\$ 5.40	\$ 3.38		\$ 2.02
Medical Costs	\$ 358.8	\$ 380.6		\$ 21.8
pmpm	\$ 282.56	\$ 305.89		\$ 23.3
% of Revenue	80.7%	86.1%		
Admin Exp	\$ 36.3	\$ 33.2		\$ (3.1)
pmpm	\$ 28.58	\$ 26.71		\$ (1.87)
% of Revenue	8.2%	7.5%		
Project Portfolio	\$ 8.2	\$ 4.2		\$ (4.0)
pmpm	\$ 6.45	\$ 3.37		\$ (3.08)
% of Revenue	1.8%	0.9%		
Operating Gain/(Loss)	\$ 34.3	\$ 19.9		\$ 14.4
	\$ 26.99	\$ 15.99		\$ 11.00
Total Increase / (Decrease) in				
Unrestricted Net Assets	\$ 41.1	\$ 24.1		\$ 17.0
pmpm	\$ 32.39	\$ 19.36		\$ 13.02
% of Revenue	9.3%	5.4%		

- Membership is favorable due in part to redetermination efforts
- Revenue is slightly lower than budget despite membership favorability in part due to member mix (we are paid less for healthier members)
- Medical Cost favorability of \$21.8M continues to illustrate our members are not receiving the maximum care available; provider collaboration to connect members with quality care remains our top priority
- Administrative expense is slightly higher than budget
- Net Income favorability will allow us to continue to strive towards our goal of providing not only maximum quality care when members need it, but also and provide new and innovative programs designed to proactively connect members with care

# FY 2023-24 Original Budget Projection

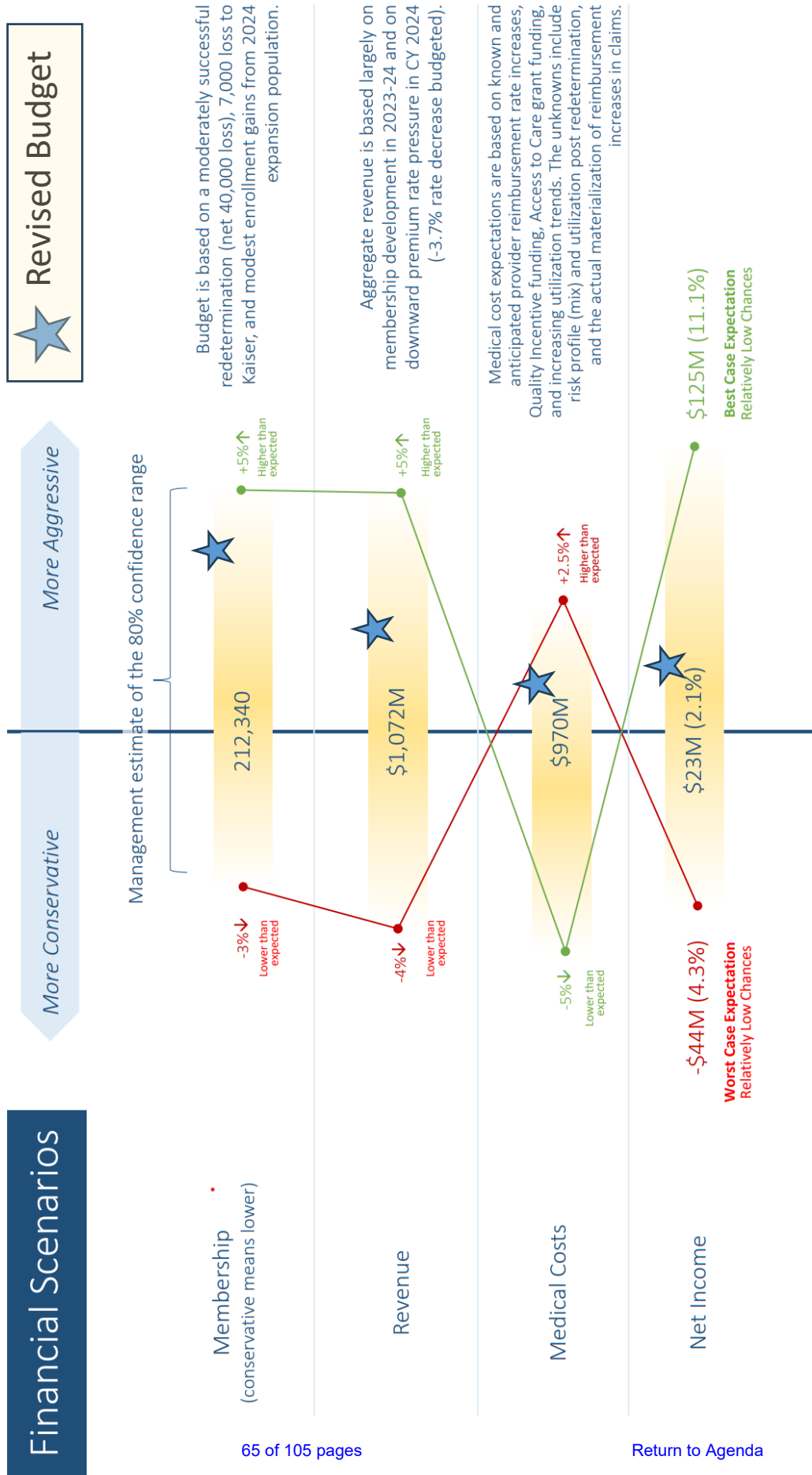
Variability in budget inputs lead to a spectrum of final results

## Financial Scenarios



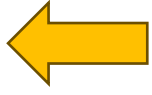
# FY 2023-24 Reforecast

YTD results combined with Reforecast illustrate revised results on same spectrum



## Reforecast Highlights

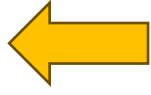
- Rate and membership increases boost revenue
- Quality remains a top priority
- Emerging IP experience trending up
- Targeted Rate Increase is budget neutral
- Administrative Expenses include Incentives and Quality Programs



### FY NET GAIN

Original: \$22.6M

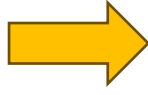
Revised: \$33.8M



### TANGIBLE NET EQUITY

\$435M

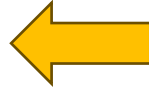
(1049% of 06/30/23 required minimum)



### MEDICAL LOSS RATIO

Original: 87.2%

Revised: 85.0%

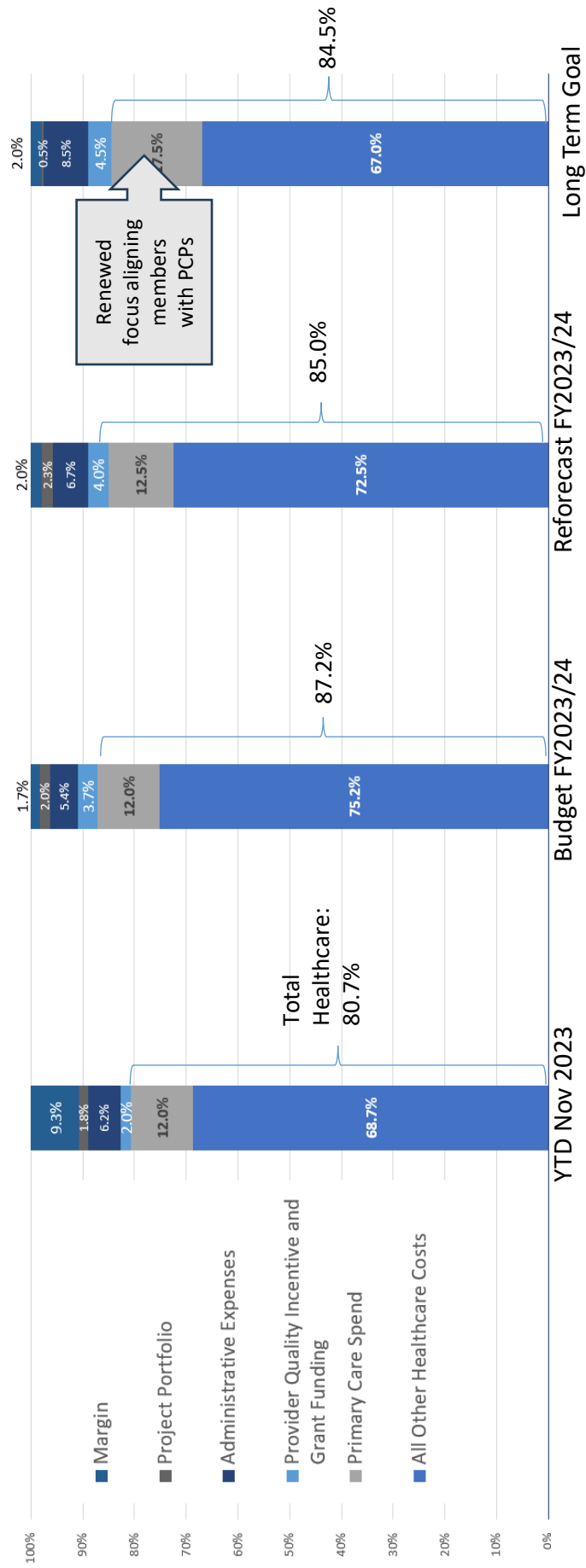


### ADMINISTRATIVE RATIO

	<u>Budget</u>	<u>Reforecast</u>
Total:	11.6%	13.0%
Quality/Incentives:	3.7%	4.0%
Core:	5.9%	6.7%
Project Portfolio:	2.0%	2.3%

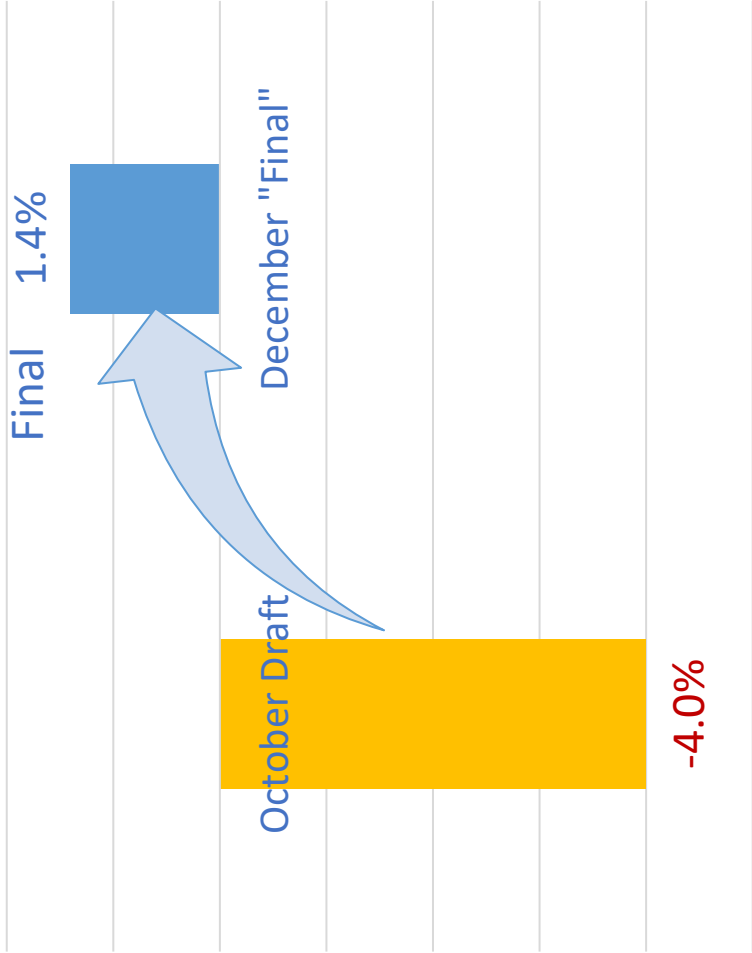
# Composition of GCHP's Major Expenditure Components

Becoming a Quality Leader  
Through Investments in Primary Care and Provider Quality Incentives



# Gold Coast Health Plan CY2024 Rates

## Premium Rates – Change from Draft to



- DHCS and Mercer set Managed Care Plan (“MCP”) Medi-Cal Premiums (“Rates”) based on claims and encounter data submitted by MCPs through the Rate Development Template (“RDT”) process.
  - Rates are set on a calendar year basis.
  - Data in the RDT are on a two-year lag.
  - DHCS/Mercer trend data forward and apply other assumptions and factors to forecast spend.
  - MCPs receive draft rates in October for the following year (e.g., October 2023 for CY2024). Rates are sent as “final” in December.
  - Advocacy the priority between October and December.
  - Successful advocacy = -4.0% → 1.4% (after accounting for the ‘pass through’ Targeted Rate Increase, “TRI”).
    - TRI = provider rates can be no less than 87.5% of Medicare fee schedule. In the “final” rates, the State will fully-funded TRI increases.
    - GCHP and LHPC Advocacy: TRI, population acuity post-redetermination, post-PHE increase in utilization.

# What Has Changed: Revenue

Headline: Revenue increase \$67M as a result of new premium rates combined with Targeted Rate Increase (TRI) offset by expansion of younger under-documented members

- 2024 premium rate increases attributed to both member mix and Gold Coast's advocacy account for \$20M increase in revenue
- Targeted Rate Increase accounts for increase of \$29.8M
- Other revenue increases of \$19M attributed to higher-than-projected year-end membership: 228K in the reforecast vs 214K in the Original Budget
- Original Budget: \$0.975B (net of premium tax)
- Reforecast: \$1.042B

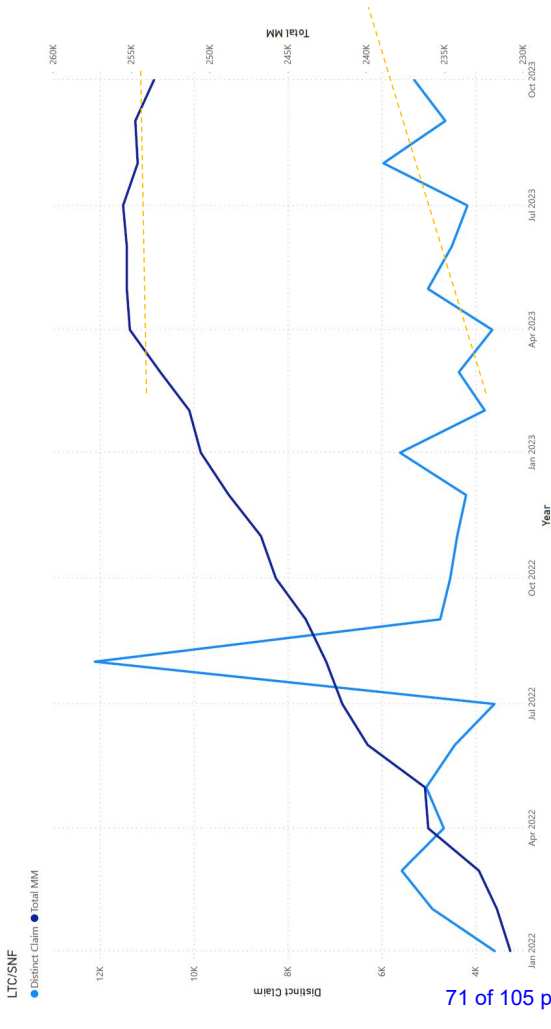


# What Has Changed: Medical Costs

Headline: Emerging experience, Acuity of Transitioning Population, Targeted Rate Increase contribute to overall increase of \$35.8M in medical costs

- Targeted Rate Increase impacts Outpatient and Specialty medical costs but are offset by approximate increase in revenue (TRI is “net neutral”)
- Long-Term Care increase of \$26.9M driven by YTD utilization and revised rates not contemplated in the Original Budget
- Increase in Transportation benefit spend of \$4.5M driven by need for improved (timely, accurate, member-centric) service
- Original Budget: \$850.1M (net of premium tax)
- Reforecast: \$886.0M

# Emerging Experience in Key Areas



## Long-Term Care and Skilled Nursing Utilization

- Utilization is trending up as membership flattens April through October

## Respiratory-related Inpatient Utilization

- Utilization is trending up going back to January 2022, inline with membership increase through April 2023 and remaining consistent through October 2023
- June 2023 volume is double June 2022 volume while membership is only about 11%, indicating resurgence in Covid, RSV, and pneumonia

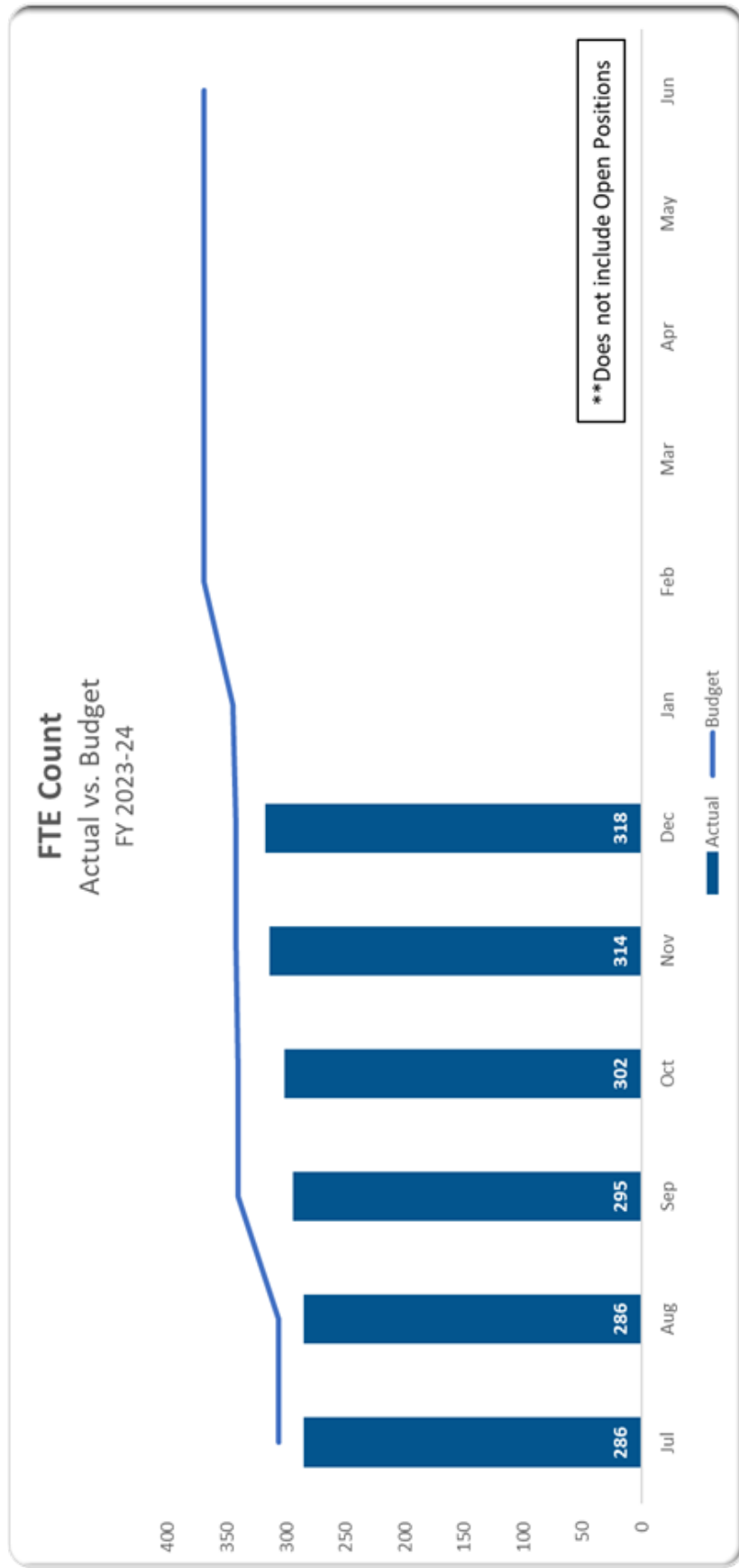
# What Has Changed: Administrative Expense

Headline: Actual results continue to approximate budget, so minimal changes contemplated in core expense reforecast; Operations of the Future set aside of \$10M

- Operations of the Future receives funding to allow for additional enhancements and flexibility in the delivery of the systems and infrastructure investments
- Wellth spending increases by \$1.6M (Commission-approved) as result of unprecedented year-to-date success
- MCAS-related incentives increased as a result of success of Commission-Approved 2023Q4 outreach push
- Quality spending for Managed Care Accountability Set programs increases by \$300K
- New Diabetes Management Program adds \$100K to reforecast
- \$340K added for DSNP readiness (over and above the \$250K in the Original Budget)
- Seeking approval for \$150K to fund continuation of Pajaro resource for Organization Transformation Project

# FTE Count by Month

Our unfilled position rate is currently running around 7%; the reforecast reflects this adjustment



# Major Risks and Opportunities

## Risks

- Targeted Rate Increase utilization higher than projected
- Higher IP or LTC/SNF utilization than projected
- Extension of legacy infrastructure past July 1, 2023

## Opportunities

- Earlier recognition of efficiencies related to Project Portfolio
- Continued Rate Advocacy resulting in retroactive premium increases

# FY 2024/2025 “First Look”

## Headwinds

- Impact of Kaiser membership
- Additional TRI-eligible services

## Tailwinds

- Continued Rate Advocacy could result in higher rates by Category of Aid
- Emerging utilization lower than expected

# Appendix



# Rate Development Methodology

- Rates are determined by “Categories of Aid” cohorts and are currently based on a Managed Care Organization’s historical medical cost experience (delineated at the “Categories of Service” level)
- Additional factors are layered in once the initial rates are calculated:
  - Utilization trends not in historical utilization but expected in the rate year
  - Immigration documentation status
  - Resumption of redetermination acuity impacts
  - Targeted Rate Increase (TRI) legislation added by Assembly Bill 118 calls for rate increases for specific utilization in primary care, obstetric, and non-specialty mental health services
    - New rates are set no less than 87.5% of the Medicare rate
    - Note: the State has fully-funded TRI increases
  - New funding for undocumented immigrants aged 26-49

# Questions?

Staff requests that the Commission approve the Fiscal Year 2023-2024 Revised Operating Budget

## **AGENDA ITEM NO. 6**

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nick Liguori, Chief Executive Officer

DATE: January 22, 2024

SUBJECT: Chief Executive Officer (CEO) Report

### **I. EXTERNAL AFFAIRS**

#### **A. California Proposed State Budget Released**

##### **State Budget Activity**

The 2024-25 California state budget proposal was released by the Governor on Jan. 10, 2024. The proposal includes a total state budget of \$291.5B and specifically, \$73.9B General Fund (GF) for California Health and Human Services (CalHHS) and \$35.9B GF for the Medi-Cal program.

Due to market volatility and delays in federal tax deadlines, California faces a \$37.9B deficit in 2024-25. This is a significantly lower deficit estimate than those from outside sources including the Legislative Analysts' Office (LAO) who recently estimated the budget deficit to be \$68B. The budget deficit is the difference between projected state revenue and the estimated current baseline of spending on services. To address this year's budget shortfall, the Administration opted for a variety of budget solutions such as funding reductions (\$8.5B), revenue and internal borrowing (\$5.7B), delays (\$5.1B), fund shifts (\$3.4B), deferrals (\$2.1B), and notably, reserve withdrawals (\$13.1B).

Despite the budget shortfalls, the proposed budget safeguards the majority of Medi-Cal spending with funding protected for major investments including the expansion of Medi-Cal for eligible Californians, advancement of the behavioral health continuum of care, and transformation of the health care delivery system through California Advancing and Innovating Medi-Cal (CalAIM). However, the Administration does propose to delay GF allocations for the Behavioral Health Continuum Infrastructure Program (\$140.4M GF from 2024-25 to 2025-26), Behavioral Health Bridge Housing (\$235 million GF planned for 2024-25 to 2025-26), and clinic workforce stabilization payments (\$14.9M reversion).

Further, the Administration proposes to request an amendment to the recently approved managed care organization (MCO) Tax. California's request for a three-year retroactive MCO Tax was formally approved on Dec. 19, 2023 by the federal Centers for Medicare & Medicaid Services (CMS). The total approved amount is \$19.4B and of that, \$8.3B is intended to

support existing Medi-Cal expenditures and \$11.1B is dedicated to new investments in Medi-Cal. The January proposal opts to increase the tax by \$1.5B to \$20.9B; of that \$12.9B would support the Medi-Cal program and \$8B would be used for the targeted rate increases in the areas of primary care, obstetrics, doula services, and non-specialty mental health. The proposed increase to the MCO Tax intends to help the state achieve a balanced budget and ensure that access to critical healthcare services is maintained.

The Medi-Cal delivery system continues to be a priority for the Administration and the state as a whole. The decline of state general funds is attributed to various reasons including reduced caseloads from the national public health emergency (PHE) unwinding and the ending of the continuous coverage requirement. In 2023-24, Medi-Cal is anticipated to cover around 14.8M Californians. In 2024-25, Medi-Cal will cover approximately 13.8M; a 1M decline in Medi-Cal enrollees compared to 2023-24. In Ventura County, Medi-Cal covers approximately 30 percent of all residents with one in three residents, one in two children, and one in six seniors enrolled in Medi-Cal. Medi-Cal GF spending is expected to increase in the outyears as the newly enacted managed care organization (MCO) Tax ends in December 2026, caseloads increase, and per enrollee costs grow.

The budget is a working document and the release of the January proposed budget is the first official step of the budget process. After extensive stakeholder discussions over the next couple months, the Administration will release their updated budget in May (termed the “May Revise”). Through state constitutional mandate, the Legislature must pass a balanced budget by June 15. The full January budget proposal is available [here](#).

GCHP’s Government Relations shared a summary of the proposed budget with the business and will continue to provide updates to ensure the business and Commission are aware of all significant budgetary or legislative changes that may impact the Medi-Cal delivery system and/or Medi-Cal managed care plans.

## **B. Federal Updates**

### **Trade Associations Submit Comments on D-SNP Provisions in CMS Proposed Rule**

The Centers for Medicare and Medicaid Services (CMS) issued a [proposed regulation](#) on Nov. 15, 2023, that includes Contract Year 2025 Policy and Technical Changes to the Medicare Advantage Program. The proposed rule includes policies that seek to advance dually eligible beneficiaries receiving coordinated care from the same organization. The rule includes limiting the participation of look-alike plans, reducing confusion, and allowing for more opportunities to enroll in aligned Medicare products.

Our trade associations, the Association of Community Affiliated Plans (ACAP) and the Local Health Plans of California (LHPC), submitted comments on the proposed rule that support CMS’s overarching goals and express concerns regarding the unintended consequences of allowing beneficiaries to transition between aligned plans too frequently. ACAP and LHPC advocate for allowing a monthly special enrollment period (SEP) into an aligned Dual Eligible Special Needs Plan (D-SNP) from a Medicare Advantage plan, standalone prescription drug

plan (PDP), or fee-for-service (FFS). However, they do not recommend that beneficiaries be allowed to switch between aligned D-SNPs on a monthly basis.

GCHP will begin enrolling dually eligible beneficiaries in 2026. Significant work is underway to prepare for the D-SNP coverage. Comments were due to CMS by Jan. 5, 2024. The Government Relations Team will report on the final rule upon its release.

## **Significant Federal Regulatory Activity Expected in Early 2024**

The Medicaid Access final rules are expected to be released this spring. The proposed rules, [“Ensuring Access to Medicaid Services”](#) and [“Medicaid and Children’s Health Insurance Program Managed Care Access, Finance, and Quality.”](#) released last spring, contain significant updates to the Medicaid Program and address issues related to access to care, quality assessment, payment, and home and community-based services (HCBS). These rules reflect the increased focus on access, quality, and transparency that we are seeing at the state and federal level.

ACAP and LHPC submitted comments that are supportive of CMS’s objectives of increasing transparency and accountability, standardizing data and monitoring, and creating opportunities to promote active beneficiary engagement in Medicaid programs, with the overarching goal of improving access to quality care, health outcomes, and health equity issues. The associations also requested that CMS examine how and the degree to which the proposed rules add significant administrative and reporting requirements on states, plans, and providers, adjusting the proposed appointment wait time standards, ensuring the protection of reported proprietary data, and ensuring Medical Loss Ratio (MLR) calculations recognize the direct expenses associated with seeking and maintaining accreditation and quality improvement activities.

Upon being finalized, GCHP will be required to implement new processes, including standardized reporting requirements, compliance with maximum wait times for certain provider types, and ensuring 80% of Medicaid payments for HCBS be spent on compensation for the direct care workforce. The Government Relations Team will report on the final rule upon its release.

Stakeholders are also awaiting the release of the final rule on Streamlining Eligibility requirements. The proposed rule, [Streamlining the Medicaid, Children’s Health Insurance Program, and Basic Health Program Application, Eligibility Determination, Enrollment, and Renewal Processes](#) that was initially published on Sep. 7, 2022, includes proposals to enhance timeliness requirements for state eligibility determinations and creates new requirements for states when they receive returned mail. Additionally, the proposed rule would prohibit enrollment barriers for children in the Children’s Health Insurance Programs (CHIP), such as eliminating waiting periods, coverage lockouts for failure to pay premiums, and annual or lifetime caps on benefits for children enrolled in separate CHIP programs.

If finalized as proposed, the requirements would be fully implemented in 2027 and are expected to increase coverage as well as generate savings from lower administrative costs and improvements to program integrity. The estimated change in federal spending in 2027

would be \$12.8 billion. The final rule is expected to be released during the first quarter of 2024. These efforts to streamline enrollment will make transitioning between the Medicaid and CHIP program easier for enrollees, including GCHP members. The Government Relations Team will report on the outcomes of the final rule upon release.

In Dec. 2022, the Department of Health and Human Services (HHS) issued a [proposed regulation](#) that proposes changes to the Confidentiality of Substance Use Disorder (SUD) Patient Records under 42 CFR part 2 (“Part 2”), which protects patient privacy and records concerning treatment related to substance use challenges from unauthorized disclosures.

The proposed changes include permitting the use and disclosure of Part 2 records based on a single patient consent given once for all future uses and disclosures, creating new patient rights under Part 2 to obtain an accounting of disclosures and to request restrictions on certain disclosures. The rule also proposes creating new HHS enforcement authority, including the imposition of civil monetary penalties for violations of Part 2, and updating the Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule Notice of Privacy Practices requirements to address uses and disclosures of Part 2 records and individual rights with respect to those records.

These changes will require significant work on the part of payers and providers, including GCHP, to update policies and procedures and implement processes consistent with the revised privacy requirements.

The final regulation is in the final stages of clearance at the Office of Management and Budget and is expected to be released soon. The Government Relations Team will report on the outcomes of the final rule upon release.

### **C. Redetermination Update**

The Kaiser Family Foundation (KFF) [reports](#) that as of Jan. 9, 2024, at least 14.3 million Medicaid enrollees have been disenrolled from coverage nationwide; with 1.1 million of those disenrollments occurring in California. While there is wide variation in disenrollment rates across reporting states, ranging from 62 percent in Texas to 13 percent in Maine, the data shows that California’s 27 percent disenrollment rate is lower than the majority of states. According to the [DHCS October Unwinding Dashboard](#), Ventura County’s disenrollment rate has dropped to 23 percent from 25 percent in earlier months; 77 percent of completed redeterminations in Ventura County resulted in continued coverage in Oct 2023.

CMS issued an [Interim Final Rule](#) in early December that implements state reporting requirements and federal enforcement authorities for state non-compliance with reporting requirements and federal redetermination requirements. These requirements and federal enforcement authorities have been effective since Apr. 2023, but CMS issued this regulation as a reminder to states and to enable CMS to exercise its full statutory authority fairly and uniformly.

During a Jan. 3, 2023, DHCS stakeholder call, managed care plans (MCPs) were informed that there will be a delay in the February renewal file provided by DHCS; MCPs usually receive

this file in mid-late January, but the delay will result in the file being provided between Feb. 15-20, 2023. GCHP uses the renewal file provided by the county as it is more up to date; therefore, this delay should not impact GCHP. DHCS indicated that it will issue written guidance regarding expectations for MCPs since the delay will likely impact some MCP's ability to conduct timely outreach to members. The March data is expected to be provided as usual in late February. The Government Relations Team will communicate updates as they are released.

## **D. State Regulatory Update**

### **Adult Expansion for Ages 26-49 and 2024 Medi-Cal MCP Transition Takes Effect**

On Jan. 1, 2024, California became the first state in the nation to provide full-scope Medicaid coverage to undocumented individuals of all ages. The Medi-Cal Adult Expansion for Ages 26-49 consists of individuals transitioning from restricted-scope Medi-Cal (due to lack of Satisfactory Immigration Status (SIS)) and new enrollees. The governor's budget estimates the adult expansion population to be around 707,000 individuals; 14,827 individuals transitioned from restricted scope Medi-Cal to GCHP in January as a result of the transition. Those in County Organized Health Systems (COHS) counties were automatically enrolled in the county MCP on Jan. 1, 2024; for those in non-COHS counties, a choice packet was sent requesting individuals to select from available plans.

To prepare for the Adult Expansion population, DHCS issued [APL 23-031](#) to address Primary Care Physician (PCP) assignment for the Adult Expansion Transition population. The Government Relations Team communicated the APL requirements to the business and will continue to provide updates as they become available.

On Jan. 1, 2024, approximately 7,000 GCHP members transitioned to Kaiser under the direct contract model. Guidance for the transition, including continuity of care requirements, are contained in the [2024 MCP Transition Policy Guide](#). Updates to the Policy Guide are communicated to the business as they are released.

### **CMS Approves Managed Care Organization (MCO) Tax Federal Waiver**

On Dec. 15, 2023, CMS [approved](#) the Managed Care Organization (MCO) Tax federal waiver, paving the way for DHCS to move forward with implementing the MCO Tax for the authorized effective period (April 2023 – Dec. 2026), subject to any future changes in federal requirements concerning health care-related taxes. The MCO Tax is estimated to provide \$19.4 billion in net non-federal funding over the 3.75-year tax period. Subject to appropriation and federal approval of applicable payment and rate methodologies, MCO tax revenues will be used to support the Medi-Cal program including, but not limited to, targeted provider rate increases and other investments that advance access, quality and equity for Medi-Cal members, and promote provider participation in the Medi-Cal program.



## **Targeted Medi-Cal Rate Increases Take Effect**

On Dec.19, 2023, CMS approved a State Plan Amendment, authorizing DHCS to provide targeted rate increases to no less than 87.5% of the Medicare rate for primary / general care, obstetric, doula, and non-specialty mental health services effective Jan. 1, 2024. These rate increases promote provider participation in the state's Medi-Cal program, helping address health care workforce shortages. GCHP's Provider Grants are also helping support our network providers and promote network participation and increase access for our members.

## **DHCS Extends Deadline for Submission of Data Sharing Agreement (DSA) Tracker**

DHCS extended the deadline to submit the Data Sharing Agreement (DSA) Tracker from Dec. 29, 2023, to Jan. 15, 2024. To comply, MCPs must list on the tracker all Subcontractors and Network Providers belonging to any category that were required to execute the DSA on or before Jan. 1, 2023. GCHP complied with the original deadline and used the extension to update the list with outreach that has been conducted since the initial submission.

## **All Plan Letters (APLs)**

DHCS closed out 2023 with the release of several All Plan Letters (APLs) covering issues including Quality Enforcement Actions, Enhanced Care Management, Adult Expansion Provider Assignment, and the Student Behavioral Health Incentive Payment (SBHIP) Program.

Among the APLs released in December, DHCS issued the final Quality Enforcement Actions APL ([APL 23-012](#)) largely as proposed, with a few notable changes; DHCS removed the proposed regional approach and reverts to Measurement Year (MY) 2021 sanction methodology with two modifications relating to the inclusion of the Healthy Places Index (HPI) factor reduction and tier assignment at the reporting unit level. The final APL also separates tiers for enforcement versus tiers for quality improvement activities. MCPs, including GCHP, remain concerned with issues surrounding the calculation methodology for sanctions. GCHP contributed feedback to LHPC, which submitted a joint comment letter with the California Association of Health Plans (CAHP) on the draft APL detailing MCP's concerns with the unintended consequences of the proposed policy changes, sanction calculation methodology, and the lack of transparency and input opportunities provided for these policy changes. The Government Relations Team continues to report updates on APL activity to the business as they become available.

## **E. State Legislative Update**

### **State Legislative Activity**

California's 2024-25 legislative cycle has officially begun. The Legislature reconvened on Jan. 3, 2024 and we expect to see continued activity on issues relating to health care quality, access, and health plan operations.



Prior to the official start of the legislative session, discussions were underway with stakeholders on two key bills that carried over from last session: [AB 236](#) Provider Directories (Holdren) and [SB 516](#) Prior Authorization (Skinner). AB 236 seeks to impose far-reaching obligations and penalties for provider directory inaccuracies; SB 516 is the former prior authorization (PA) gold-carding bill that has been amended to a more favorable proposal that would streamline the PA process and remove PA requirements for frequently approved services, defined as those with a 95% or above approval rate. GCHP is working closely with LHPC to provide feedback on these bills and share concerns with the proposed provider directory requirements with Committee members. The Government Relations Team will provide updates on these and other bills impacting GCHP as they move through the legislative session.

## F. Community Relations: Sponsorships

Through its sponsorship program, GCHP continues to support the efforts of community-based organizations in Ventura County to help Medi-Cal members and other vulnerable populations. The following organizations were awarded in November:

Organization	Description	Amount
Santa to the Sea, Inc.	Santa to the Sea, Inc., holds an annual, fun, healthy and safe running event while supporting disadvantaged communities. The sponsorship supported the “Santa to the Sea Half Marathon” to support its efforts to collect toys for underprivileged children in Ventura County.	\$1,000
<b>TOTAL</b>		<b>\$1,000</b>

## G. Community Relations: Community Meetings and Events

In November and December, the Community Relations team participated in various collaborative meetings, community events and partnered with the community for health fairs. The purpose of these events is to connect with our community partners and members to engage in dialogue about how to raise awareness about services for the most vulnerable Medi-Cal beneficiaries.

Organization	Description	Date
Piru Neighborhood Council (PNC)  <b>Piru Food Distribution</b>	PNC promotes better living conditions, better education, and improved housing. Its monthly food pantry distribution provides Ventura County residents with food boxes and community resources.	Nov. 15, 2024
		Dec. 20, 2024
Organization	Description	Date

The Samaritan Center Simi Valley <b>Food Distribution</b>	The Samaritan Center offers residents experiencing housing and food insecurities supportive services. GCHP representatives attend their food distribution to connect members to GCHP services.	Nov. 16, 2024
MICOP <b>Health Fair</b>	MICOP hosted its annual health and resource fair. GCHP partnered with Clinicas del Camino Real to conduct blood pressure screenings for attendees, members and their families. In addition, GCHP's Care Management Team connected members with other health screenings and services.	Nov. 17, 2024
Indivisible Ventura Swap Meet Justice <b>Health Fair</b>	Swap Meet Justice is a citizen and family resource fair. Various community organizations share resources and information with attendees at Oxnard College. GCHP staff conducted blood pressure screenings for attendees, members and their families. GCHP staff also helped members with their Medi-Cal renewals and answered their questions.	Nov. 19, 2024
Oxnard Tamale Festival  Oxnard Recreation and Community Services <b>Festival/Health Fair</b>	The Oxnard Tamale Festival is a community event that provides a positive and active opportunity to embrace diversity and social connection. GCHP staff was onsite conducting blood pressure screenings for attendees, members and their families. GCHP staff also helped members with their Medi-Cal renewals and answered their questions.	Dec. 2, 2024
Our Lady of Guadalupe Church Santa Paula  Proyecto Esperanza <b>Health Fair</b>	Proyecto Esperanza and GCHP partnered to host a health fair to share resources and services that are available in the county. GCHP staff was onsite conducting blood pressure screenings for attendees, members and their families. GCHP staff also helped members with their Medi-Cal renewals and answered their questions.	Dec. 3, 2024
El Rio School District Food Giveaway <b>Food Distribution</b>	The Rio School District hosts its bi-monthly distribution where community organizations share information and resources. GCHP team members were onsite to provide resources and answer questions about the Medi-Cal renewal forms.	Dec. 5, 2024
		Dec. 19, 2024
<b>Organization</b>	<b>Description</b>	<b>Date</b>

Oxnard Police Department <b>Outreach Coordinators meeting</b>	Community partners share resources, promote outreach events, and invite presenters to educate participants on various topics. The goal is to bring community awareness and resources to Ventura County residents.	Dec. 6, 2023
Partnership for Safe Families <b>Strengthening Families Collaborative Meeting</b>	The Partnership for Safe Families & Communities of Ventura County is a collaborative non-profit organization providing inter-agency coordination, networking, advocacy, and public awareness. The collaborative meeting engages parents and community representatives to share resources, announcements, and community events.	Dec. 6, 2023
One Step a La Vez <b>Circle of Care</b>	One Step a La Vez focuses on serving communities in the Santa Clara Valley by providing a safe environment for 13- to 19-year-olds and bridging the gaps of inequality while cultivating healthy individuals and community. Circle of Care is a monthly meeting where community leaders share resources, network, and promote community events.	Dec. 6, 2023
Poder Popular <b>Food Distribution / Medi-Cal Renewal Workshop</b>	Poder Popular hosts a weekly food distribution where community organizations share information and resources. GCHP team members were onsite to provide resources and answer questions about the Medi-Cal renewal forms.	Dec. 7, 2024
		Dec.14, 2024
Reiter Affiliated Posada <b>Health Fair</b>	Reiter Affiliated hosted its annual Posada for its farmworkers to celebrate a great work year. GCHP staff were onsite conducting blood pressure screenings for attendees, members and their families. GCHP staff also helped members with their Medi-Cal renewals and answered their questions.	Dec. 8, 2024
Santa to the Sea, Inc. <b>Health Fair</b>	Santa to the Sea provides a fun and healthy event that provides toys and scholarships for Oxnard residents. GCHP partnered with Santa to the Sea to offer blood pressure screenings for attendees, members and their families. GCHP staff also helped members with their Medi-Cal renewals and answered their questions.	Dec. 9, 2024
<b>Organization</b>	<b>Description</b>	<b>Date</b>

Oxnard Police Department Santa at the Station <b>Community Event</b>	The Oxnard Police Department hosted its annual holiday walk-through to share resources with the community. GCHP team members were onsite providing resources and answering questions about the Medi-Cal renewal forms.	Dec.11, 2024
Promotoras y Promotores La Colonia Resource Event	Promotoras y Promotores is a wellness organization connecting community members to behavioral health resources and services. GCHP team members were onsite providing resources and answering questions about the Medi-Cal renewal forms.	Dec.17, 2024
<b>Total community meetings and events</b>		<b>18</b>

#### H. Community Relations: Speakers Bureau

The purpose of the Speakers Bureau is to educate and inform the public, partners, and external groups about GCHP and our mission in the community. GCHP participated in one radio interview in Dec. 2023.

Name of organization	Description	Date
La Mexicana Radio Station <b>El Mercadito Interview</b>	Provided information about GCHP's upcoming health fairs and encouraged members to get their medical screenings before the end of the year. We also shared information about the Medi-Cal renewal process and where to get help with the forms.	Dec. 13, 2023

## II. PLAN OPERATIONS

## A. Membership

	VCMC	CLINICAS	CMH	DIGNITY	PCP-OTHER	KAISER	ADMIN MEMBERS	NOT ASSIGNED
Dec-23	89,372	48,410	34,093	7,032	5,005	N/A	49,497	2,058
Nov-23	90,087	48,649	34,314	7,058	5,032	6,884	49,979	2,223
Oct- 23	91,039	49,022	34,657	7,136	5,047	6,972	50,183	2,125

### NOTE:

Unassigned members are those who have not been assigned to a Primary Care Provider (PCP) and have 30 days to choose one. If a member does not choose a PCP, GCHP will assign one to them.

## Administrative Member Details

Category	Dec 2023
Total Administrative Members	49,497
Share of Cost (SOC)	623
Long-Term Care (LTC)	712
Breast and Cervical Cancer Treatment Program (BCCTP)	103
Hospice (REST-SVS)	26
Out of Area (Not in Ventura County)	336
DUALS (A, AB, ABD, AD, B, BD)	27,075
Commercial Other Health Insurance (OHI) (Removing Medicare, Medicare Retro Billing, and Null)	22,063

### NOTE:

The total number of members will not add up to the total number of Administrative Members, as members can be represented in multiple boxes. For example, a member can be both Share of Cost and Out of Area. They would be counted in both boxes.

## METHODOLOGY

Administrative members for this report were identified as anyone with active coverage with the benefit code ADM01. Additional criteria follow:

- Share of Cost (SOC-AMT) > zeros
  - AID Code is not 6G, 0P, 0R, 0E, 0U, H5, T1, T3, R1 or 5L
- LTC members identified by AID codes 13, 23, and 63.
- BCCTP members identified by AID codes 0M, 0N, 0P, and 0W.
- Hospice members identified by the flag (REST-SVS) with values of 900, 901, 910, 911, 920, 921, 930, or 931.
- Out of Area members were identified by the following zip codes:

- a. Ventura Zip Codes include: 90265, 91304, 91307, 91311, 91319-20, 91358-62, 91377, 93000-12, 93015-16, 93020-24, 93030-36, 93040-44, 93060-66, 93094, 93099, 93225, 93252
  - b. If no residential address, the mailing address is used for this determination.
6. Other commercial insurance was identified by a current record of commercial insurance for the member.

## **B. Provider Contracting Update**

### **Provider Network Contracting Initiatives**

#### Provider Network Operations (PNO)

The Annual Network Certification (ANC) and Subcontractor Network Certification (SNC) administered by the state Department of Health Care Services (DHCS) launched in Oct. 2023. The SNC provides assurances that GCHP's Subcontractors' network meets state and federal network adequacy and access requirements. PNO submitted a SNC Landscape Analysis template in Oct. 2023, and it was approved by DHCS in Dec. 2023. The final SNC submission documents will be completed in Jan. 2024.

DHCS has several ongoing provider network readiness assessments which they use to monitor a Managed Care Plan's (MCP's) network for newly launched covered services. Near the end of Q4 2023, PNO submitted readiness deliverables for the Long-Term Care (LTC) Quarterly Report, Doula Services contracting status, Subacute Readiness, and a Community Supports (CS) Provider Network Survey. In addition to the network readiness assessment deliverables, PNO submitted regulatory deliverables for Operational Readiness related to Memorandums of Understanding (MOUs) with third-party entities.

Other notable deliverables and collaborations include:

- Regulatory: Intermediate Care Facility / Developmentally Disabled (ICF/DD\_ Readiness Report
- Regulatory: Provider Data Exchange Framework (DxF) Data Sharing Agreement
- GCHP: HealthPayer Core System Implementation
- GCHP: Provider Portal

In support of GCHP's goal to improve quality for our members and improve our scores on MCAS measures, the GCHP and Ventura County Medical Center (VCMC) teams collaborated with Alinea Medical Imaging to host mobile mammogram services at the VCMC Las Islas and Conejo clinic locations. The mobile mammogram events were a success: More than 50 women completed their mammograms! We have plans to host additional events in 2024.

To stay connected with providers and improve provider relations, PNO held a Joint Operations Meeting (JOM) with Durable Medical Equipment (DME) providers and Primary Care Physicians in Oct. 2023. Additionally, in Dec. 2023, PNO conducted 25 provider site visits, 68 new provider orientations and two provider portal training webinars.

To improve member access, PNO added an Enhanced Care Management (ECM) provider to the GCHP network. Additionally, PNO is performing targeted outreach to ECM providers with a focus on the Justice Involved (JI) population. Additional provider recruiting includes Doula Services, Medically Tailored Meals, and pediatric subacute facilities. Our team continues to support and provide deliverables for DHCS program initiatives, NCQA accreditation, DHCS Operational Readiness, company projects, provider contracting, updates to policies and procedures, provider onboarding, and communications.

### Provider Network Developments: Nov. 1 – Dec. 31, 2023

Network Developments for New Contracts	
Provider Additions Fulfilling Network Gaps	Count
ECM	1
Pediatric Sub Acute Facility	1

#### Additional Network Developments:

- Additions:107
- Terminations:18

Note: The majority of providers were hospital-based, tertiary and ancillary providers; no significant impact to the network.

GCHP Provider Network Additions and Total Counts by Provider Type			
Provider Type	Network Additions		Total Counts
	Oct-23	Nov-23	
<b>Hospitals:</b>	<b>0</b>	<b>0</b>	<b>25</b>
Acute Care	0	0	19
Long-Term Acute Care (LTAC)	0	0	1
Tertiary	0	0	5
<b>Providers:</b>	<b>104</b>	<b>414</b>	<b>6,907</b>
Primary Care Providers (PCPs) & Mid-levels	3	4	495
Specialists	101	410	5,763
Hospitalists	0	0	649
<b>Ancillary:</b>	<b>2</b>	<b>31</b>	<b>1,097</b>
Ambulatory Surgery Center (ASC)	0	0	7
Community-Based Adult Services (CBAS)	0	0	14
Durable Medical Equipment (DME)	0	0	97
Home Health	1	0	26
Hospice	0	0	23
Laboratory	0	0	40
Optometry	1	0	99
Occupational Therapy (OT) / Physical Therapy (PT) / Speech Therapy (ST)	0	4	148



Radiology / Imaging	0	7	67
Skilled Nursing Facility (SNF) / Long-Term Care (LTC) / Congregate Living Facility (CLF) / Intermediate Care Facility (ICF)	0	0	82
Behavioral Health	0	20	494

### C. Delegation Oversight

Gold Coast Health Plan (GCHP) is contractually required to perform oversight of all functions delegated through subcontracting arrangements. Oversight includes, but is not limited to:

- Monitoring / reviewing routine submissions from subcontractors
- Conducting onsite audits
- Issuing a Corrective Action Plan (CAP) when deficiencies are identified

*\*Ongoing monitoring denotes the delegate is not making progress on a CAP issued and/or audit results were unsatisfactory. GCHP is required to monitor the delegate closely, as it is a risk to GCHP when delegates are unable to comply.*

Compliance will continue to monitor all CAPs. GCHP's goal is to ensure compliance is achieved and sustained by its delegates. It is a state Department of Health Care Services (DHCS) requirement for GCHP to hold all delegates accountable. The oversight activities conducted by GCHP are evaluated during the annual DHCS medical audit. DHCS auditors review GCHP's policies and procedures, audit tools, audit methodology, and audits conducted and corrective action plans issued by GCHP during the audit period. DHCS continues to emphasize the high level of responsibility plans have in the oversight of their delegates.

The following table includes audits and CAPs that are open and closed. Closed audits are removed after they are reported to the Commission. The table reflects changes in activity through Dec. 31, 2023.

Delegate	Audit Year / Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes
Carelon	2022 Annual Claims Audit	Closed	6/22/2022	11/23/2023	N/A
Carelon	2023 Annual Claims Audit	Open	5/11/2022	Under CAP	N/A
Carelon	2023 Annual Call Center Audit	Open	9/14/2023	N/A	N/A
Delegate	Audit Year / Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes

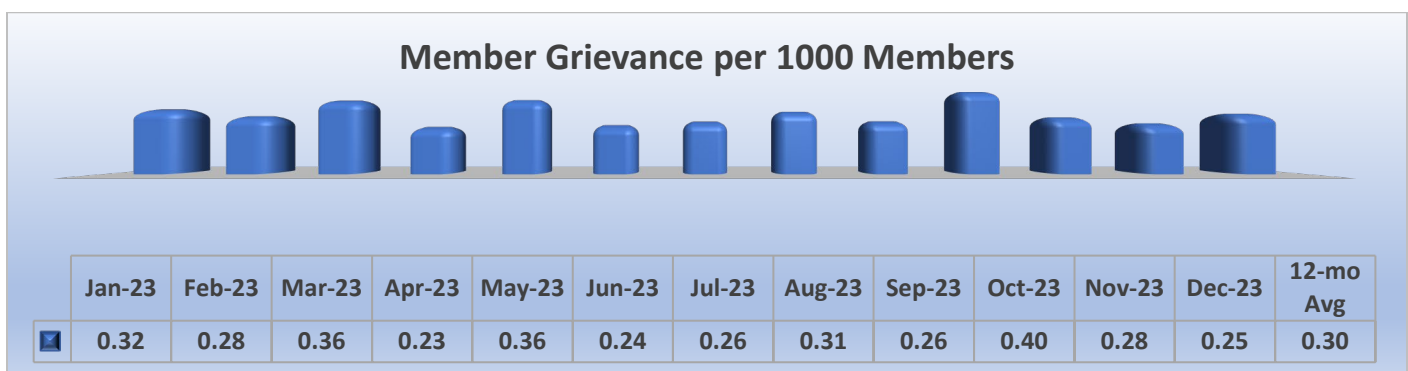


Carelon	Quarterly Utilization Management (UM) Audit – Q4 2023	Open	11/15/2023	Under CAP	N/A
Carelon	Focused UM Audit – Q4 2023	Closed	N/A	N/A	N/A
Clinicas del Camino Real (CDCR)	Quarterly UM Audit – Q4 2023	Open	11/1/2023	Under CAP	N/A
CDCR	2022 Annual Claims Audit	Closed	5/5/2023	9/21/2023	N/A
CDCR	2023 Annual Claims Audit	Scheduled	N/A	N/A	N/A
CDCR	2023 Quarterly Focused Claim Audit (July)	Open	9/7/2023	Under CAP	N/A
Conduent	2017 Annual Claims Audit	Closed	12/28/2017	11/07/2023	End of contract as of 7/1/2024
Conduent	2022 Annual Claims Audit	Open	8/31/2022	Under CAP	N/A
Conduent	2023 Annual Claims Audit	Open	8/1/2023	Under CAP	N/A
Conduent	2023 Annual Call Center Audit	Open	N/A	N/A	N/A
Vision Service Plan (VSP)	2022 Annual Claims Audit	Closed	12/7/2022	12/21/2023	N/A
VSP	2023 Annual Claims Audit	Closed	N/A	12/7/2023	N/A
Delegate	Audit Year / Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes
Ventura Transit	2023 Focused Call Center Audit	Open	12/21/2023	N/A	N/A

System (VTS)					
VTS	2023 Quarterly Audit – Credentialing and Subcontracting	Open	5/11/2023	N/A	N/A
VTS	2023 Annual Non-Medical Transportation (NMT) / Non-Emergency Medical Transportation (NEMT) Audit	Open	11/20/2023	N/A	N/A
VTS	2022 Annual NMT / NEMT Audit	Open	11/17/2022	N/A	N/A
VTS	2022 Annual Call Center Audit	Closed	5/26/2022	12/21/2023	N/A
VTS	2022 Focused Call Center Audit	Closed	10/27/2022	12/21/2023	N/A
VTS	NMT Scheduling Grievances CAP	Open	5/6/2022	N/A	N/A
VTS	Subcontracting CAP	Open	7/22/2022	N/A	N/A
<b>Privacy &amp; Security CAPs</b>					
Delegate	CAP Type	Status	Date CAP Issued	Date CAP Closed	Notes
N/A	N/A	N/A	N/A	N/A	N/A
<b>Operational CAPs</b>					
Delegate	CAP Type	Status	Date CAP Issued	Date CAP Closed	Notes

Conduent	IKA Inventory, KWIK Queue, APL 21-002	Open	4/28/2021	N/A	IKA Inventory and KWIK Queue Findings Closed
Conduent	Sept. 23, 2021 CAP	Open	9/23/2021	N/A	N/A
Conduent	Oct. 2021 CAPs	Open	11/22/2021	N/A	N/A
Conduent	Nov. 2021 Service Level Agreements (SLA)	Open	1/28/2022	N/A	N/A
Conduent	Jan. 2021 Contract Deficiencies	Open	2/4/2022	N/A	N/A
Conduent	Dec. 2021 Contract Deficiencies	Open	2/11/2022	N/A	N/A
Conduent	March 2022 SLA Deficiencies & Findings	Open	3/11/2022	N/A	N/A
Conduent	Jan. 2022 SLA CAP	Open	3/25/2022	N/A	N/A
Conduent	Feb. 2022 SLA CAP	Open	4/15/2022	N/A	N/A
Conduent	March 2022 SLA CAP	Open	6/17/2022	N/A	N/A

#### D. Grievance and Appeals

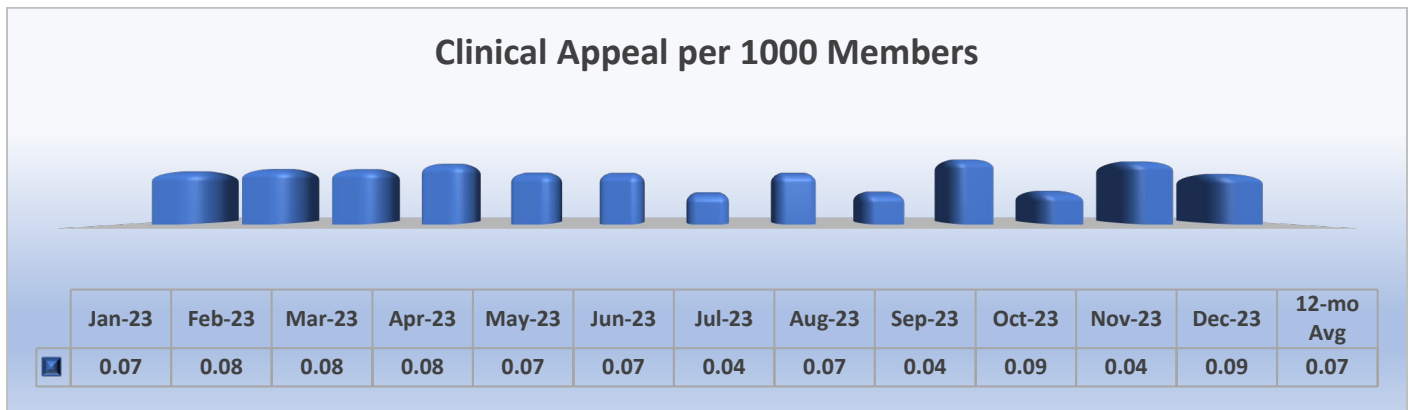


#### Member Grievances per 1,000 Members

The data show GCHP's volume of grievances decreased in December. In December, GCHP received 60 member grievances. Overall, the volume is still relatively low compared to the

number of enrolled members. The 12-month average of enrolled members is 251,010, with an average annual grievance rate of .30 grievances per 1,000 members.

In Dec. 2023, the top reason reported was “Quality of Care,” which is related to member concerns about the care they received from their providers.



### Clinical Appeals per 1,000 Members

The data comparison volume is based on the 12-month average of .07 appeals per 1,000 members.

In Dec. 2023, GCHP received 21 clinical appeals:

1. Eight were overturned
2. One was upheld
3. Two were withdrawn
4. 10 are in progress

### RECOMMENDATION:

Receive and file.

**AGENDA ITEM NO. 7**

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Felix L. Nuñez, MD, MPH, Chief Medical Officer

DATE: January 22, 2024

SUBJECT: Chief Medical Officer (CMO) Report

**INFLUENZA / COVID / RSV ACTIVITY**

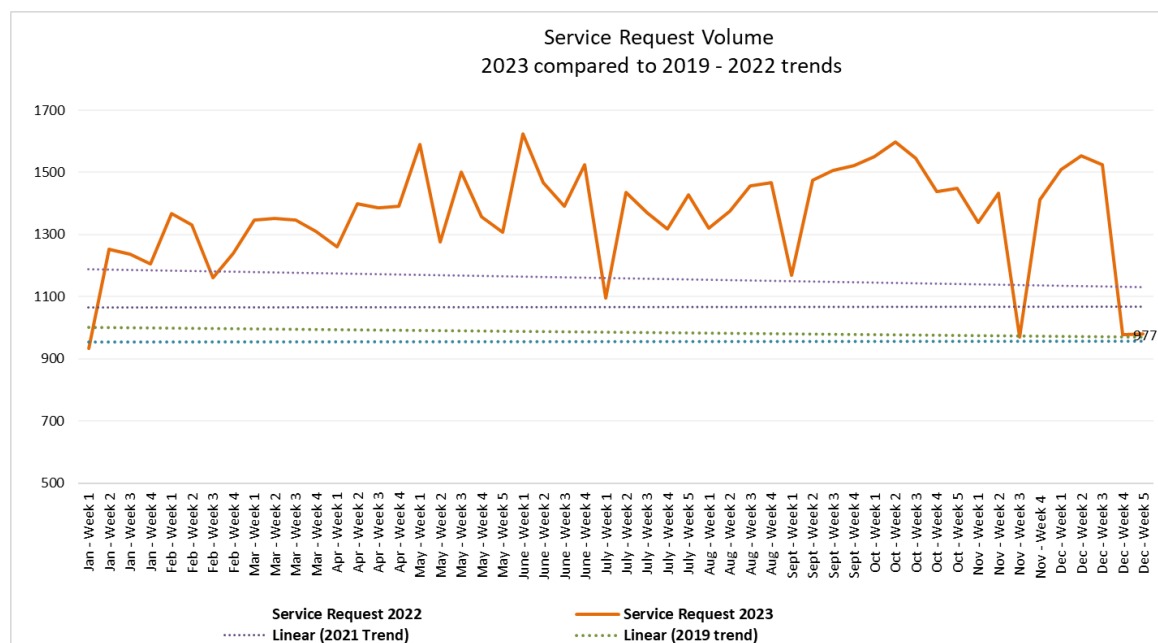
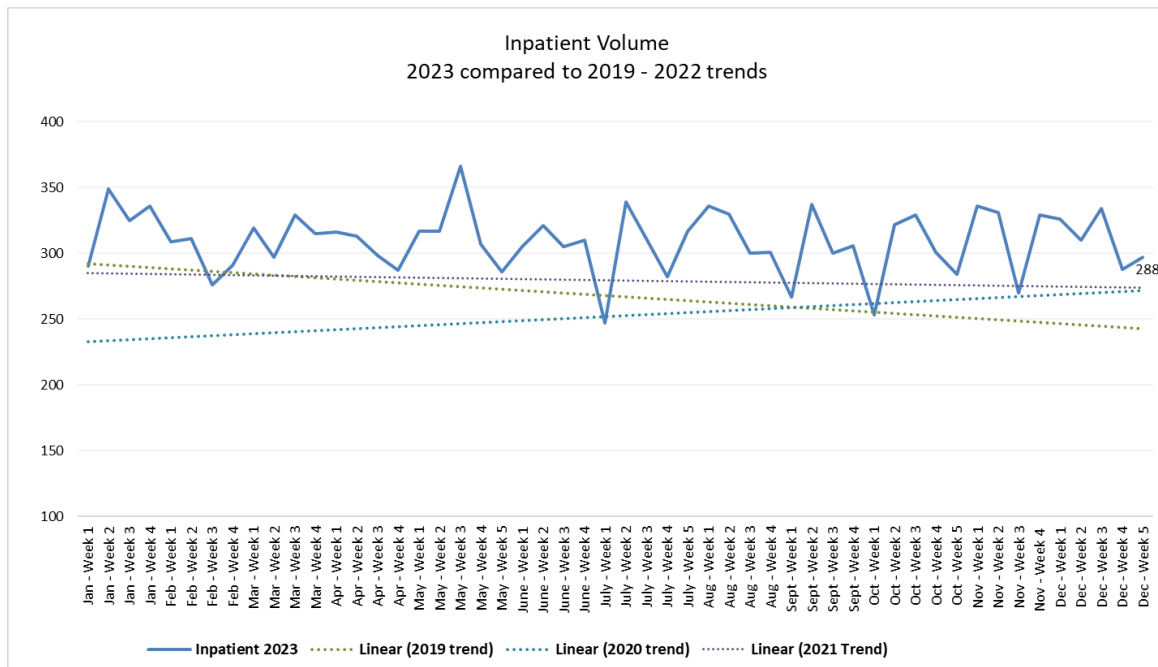
Influenza, COVID, and respiratory syncytial virus (RSV) activity has been increasing across the nation with national figures demonstrating elevated activity with increases in associated emergency room and hospital admissions. Ventura county data does not as of January 12, 2024, demonstrate a significant increase in COVID activity with relatively low number of cases and hospitalizations. While we continue to monitor activity among our members, currently our indicators do not show a significant increase in hospitalizations related to respiratory illness, and emergency room (ER) utilization is at this time consistent with organizational baselines.

**Utilization Update**

**Service Requests**

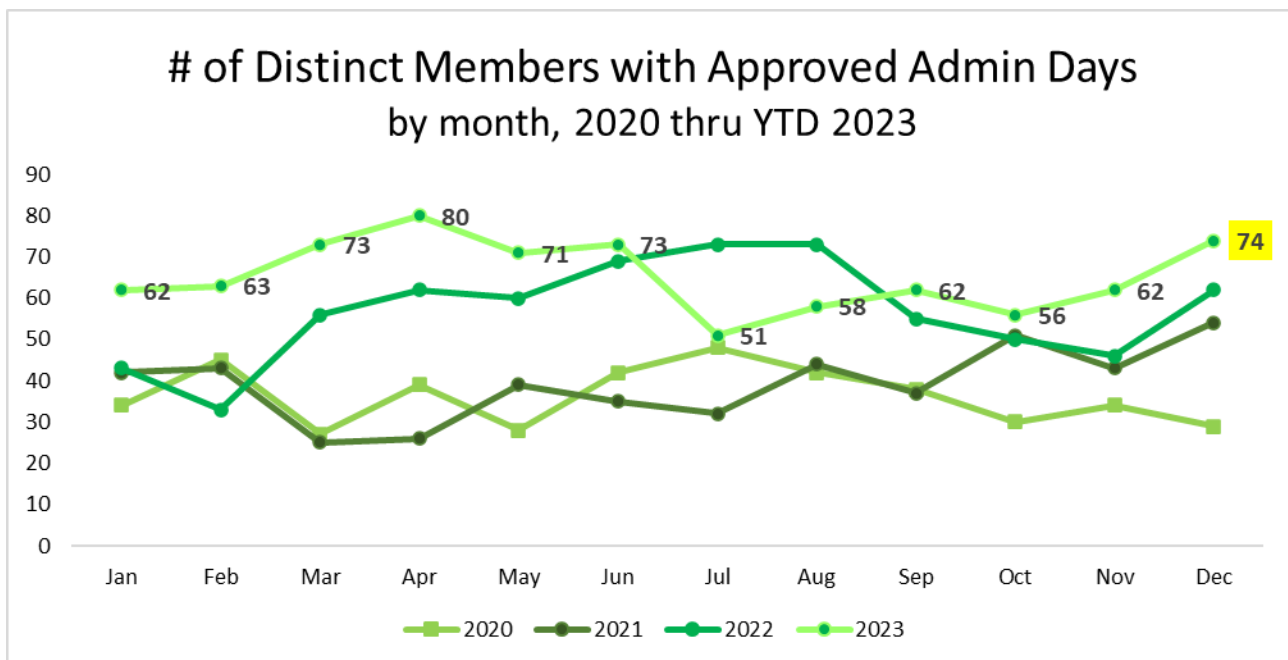
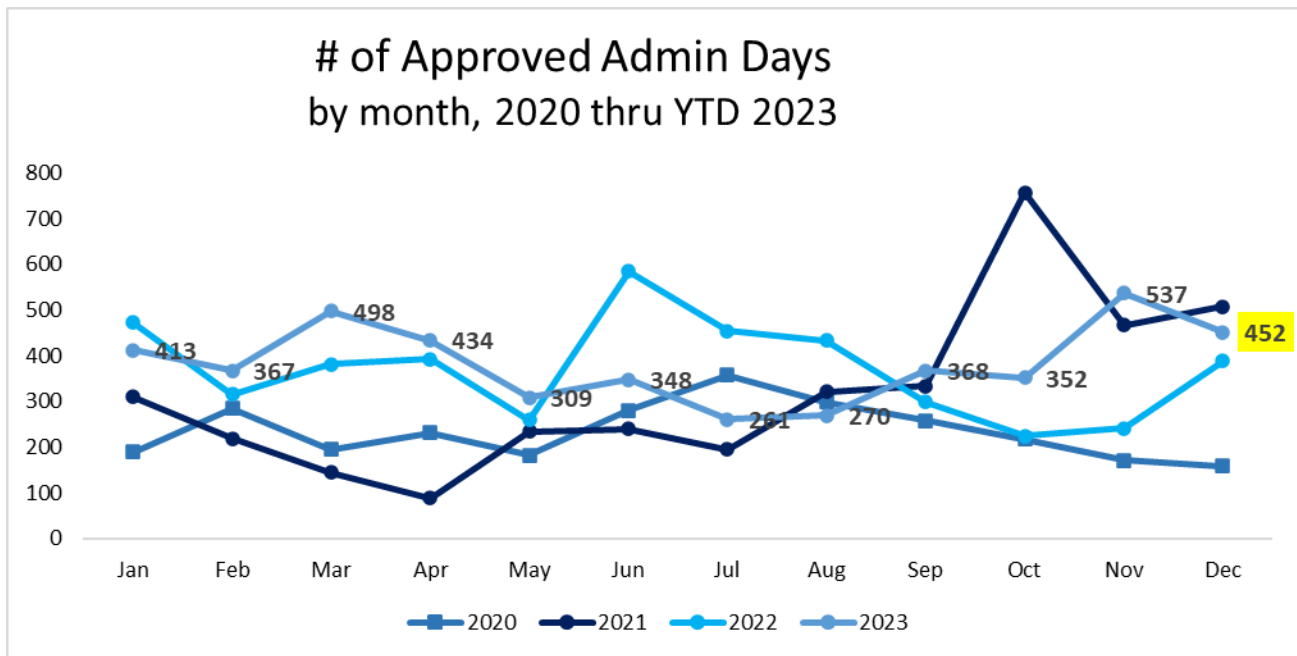
For Q4, overall requests for services were up by about 18% for CY 2023 compared with the same quarter of CY 2022.

Q4 CY 2023 inpatient request volume increased by 3% compared to CY 2022 and outpatient service request volume increased by 23% compared to CY 2023.



## Administrative Days

For Q4 of CY 2023, the number of Administrative Days used increased compared with the same time period in CY 2022 (56% increase). The number of members utilizing Administrative Days also increase by 21.5% for the same period (158 compared with 192).

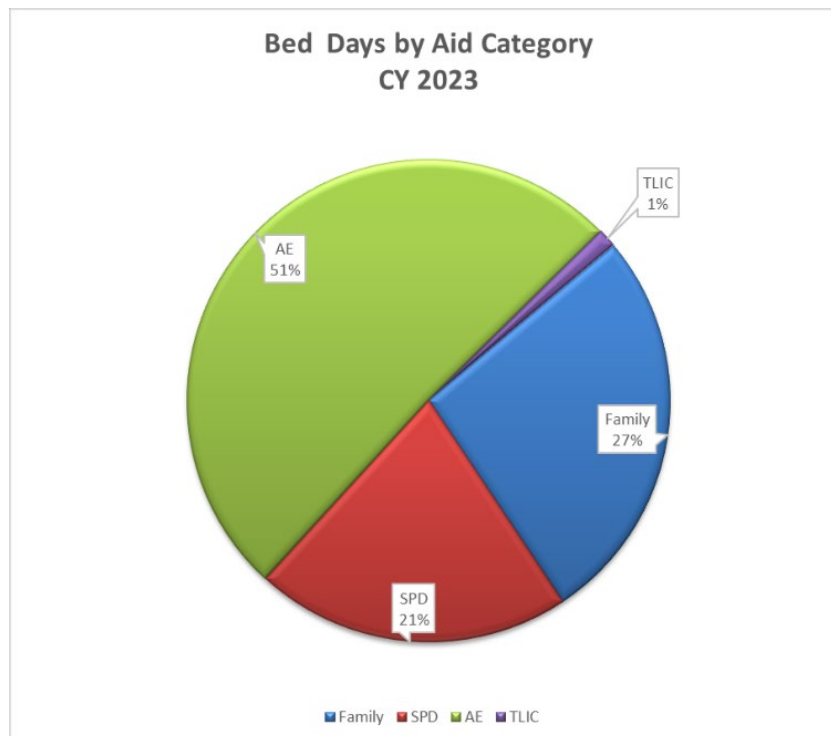
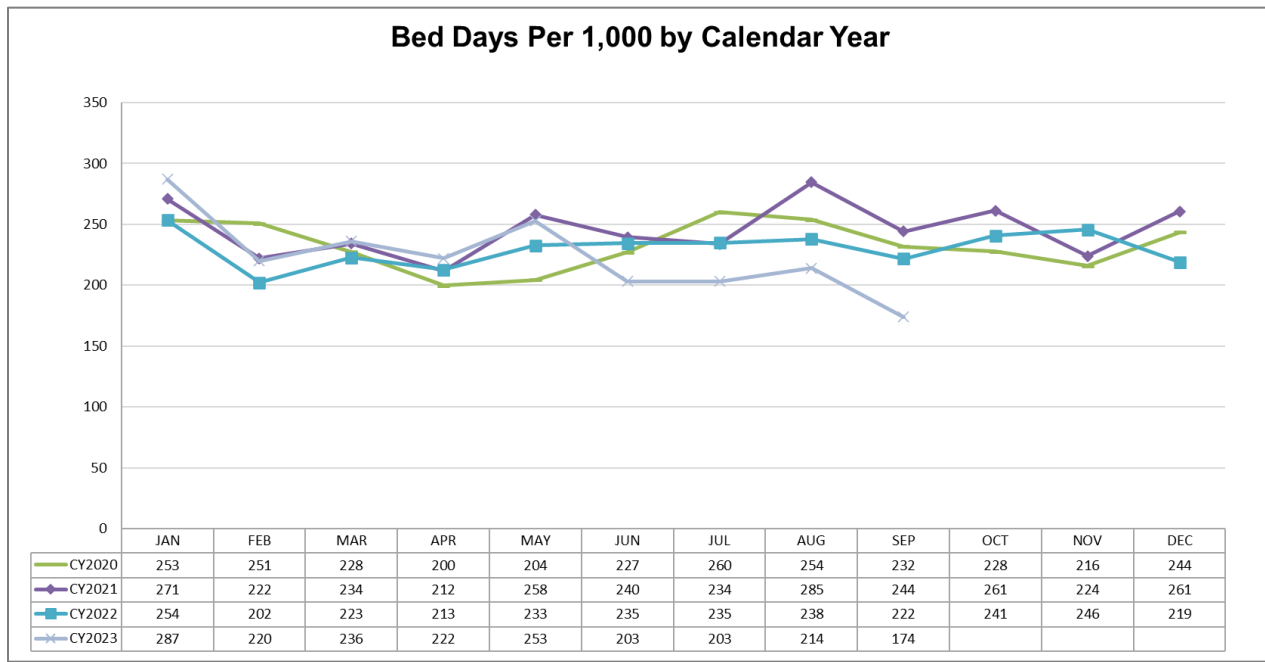


## Bed Days/1000 Members

Bed days for Q3 CY 2023 are 15% lower than Q3 CY 2022 (197/1000 members compared with 232/1000 members).

For SPD population, Bed Days for Q3 CY 2023 decreased 26% compared to the same quarter of CY 2022 (711/1000 members compared with 957/1000 members).

Nearly half of all bed days are utilized by Adult Expansion (“AE”) members (50.8%), followed by Family aid code groups (26.8%) and Senior and Persons with Disabilities (“SPD”) (21.2%). Low-income children (“TLIC”) utilization is 1.2%.

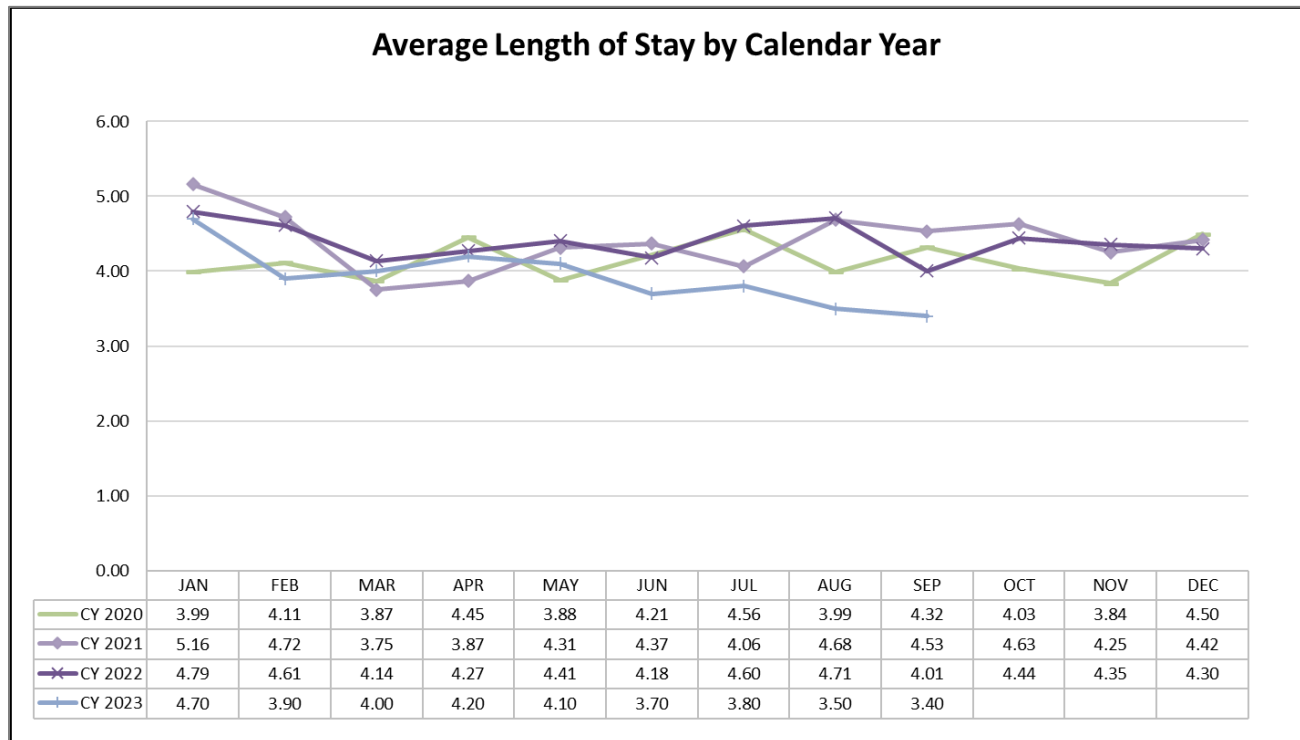




## Average Length of Stay (“ALOS”)

Average length of stay for Q3 CY 2023 decreased to 3.6 days compared to an ALOS of 4.4 for Q3 CY 2022 (18% decrease).

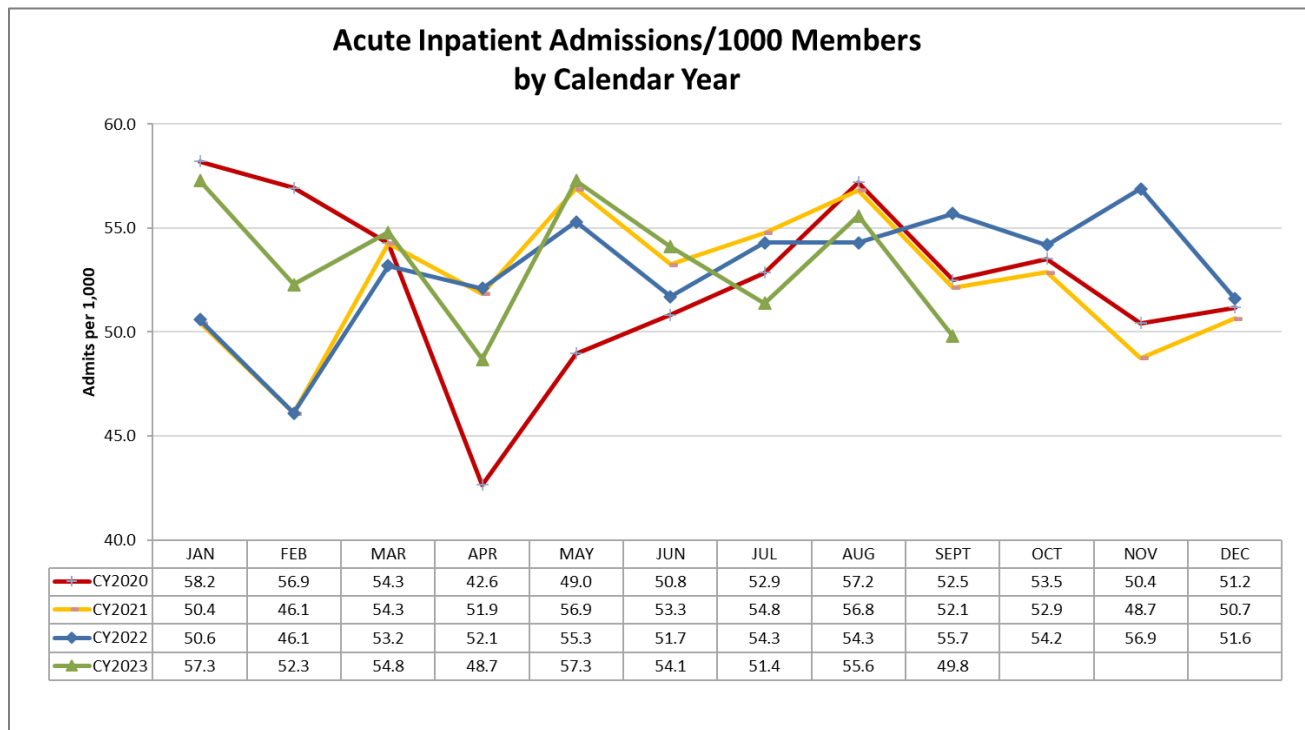
For SPD Population, Average length of stay for Q3 CY 2023 decreased to 4.5 days compared to an ALOS of 5.5 for Q3 CY 2022 (18% decrease).



## Admits/1000 Members

Admits/1000 members for Q3 CY 2023 increased by 6% compared with Q3 CY 2022 (52 compared with 49).

For the SPD population, Admits/1000 members for Q3 CY 2023 decreased 10% compared with the same quarter of 2022 (157 compared with 175).

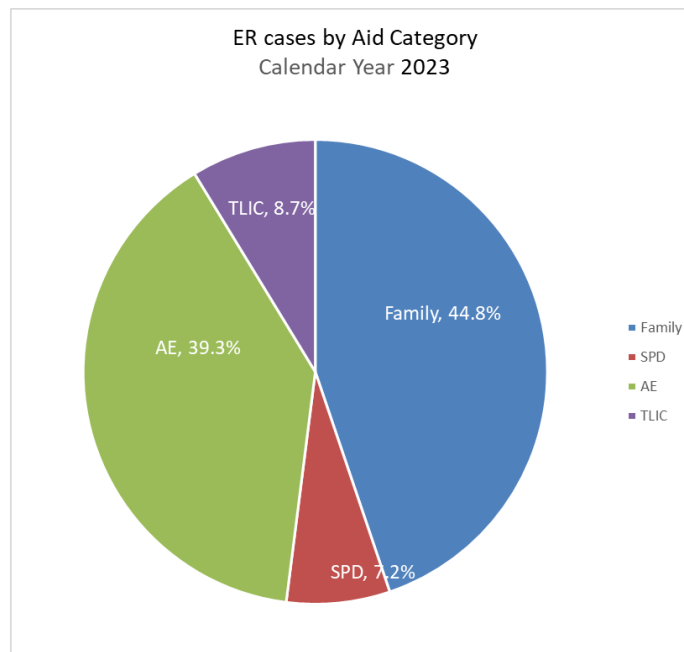
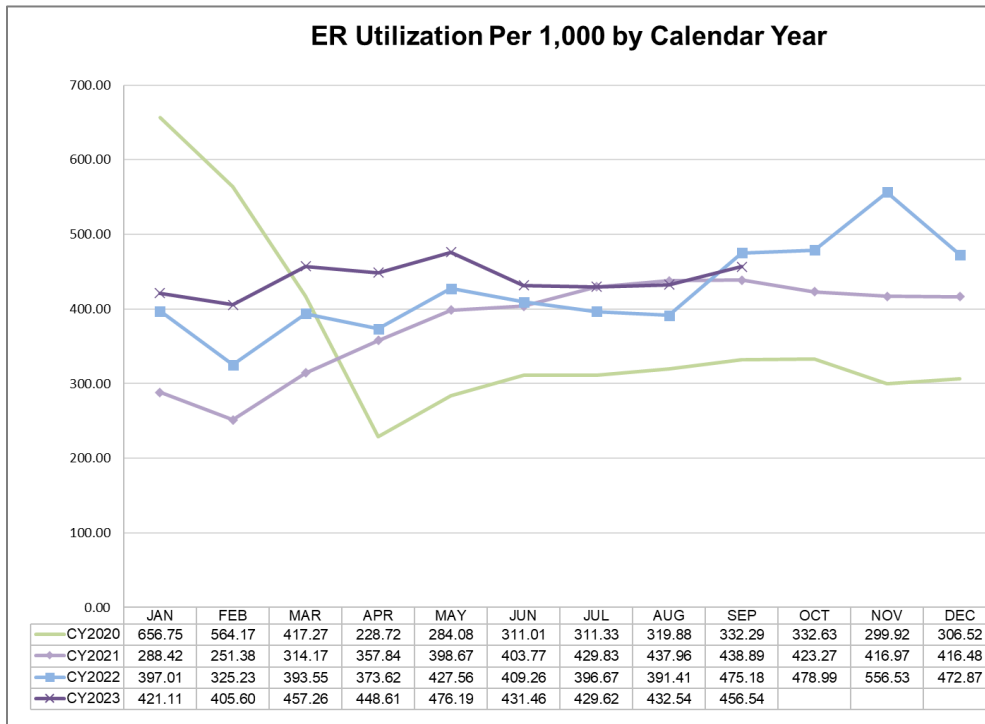


### Emergency Department (“ED”) Utilization/1000 Members

ED utilization/1000 members decreased by 4% in Q3 CY 2023 compared with Q3 CY 2022 (440 compared with 421).

For the SPD Population, ED utilization/1000 members decreased 6% in Q3 CY 2023 compared with Q3 CY 2022 (886 compared with 939).

The Family aid code group represented 44.8% of ED utilization followed by AE (39.3%), SPD (7.2%) and TLIC (8.7%).



## Readmission Rate

The quarterly readmission rate for Q3 CY 2023 averaged 7.2% compared with the Q3 CY 2022 average of 7.7%.

## **Denial Rate**

The quarterly denial rate for Q3 CY 2023 averaged 4.2% compared with the Q3 CY 2022 average of 5.3%.

## **Medi-Cal Rx and Pharmacy Services Update**

Pharmacy Services Department continues align work in keeping with key organizational priorities focusing on quality and access. To this end our pharmacy team has grown in personnel with the addition of a new Clinical Programs Pharmacist, Dr. Yoonhee Kim who joins Gold Coast Health Plan (GCHP) to advance our work in addressing care gaps around asthma care, and develop capacity for medication management for our membership. Dr. Kim has over 20 years of experience as a registered pharmacist with experience in managed care and pharmacy benefit management. Her addition to our team brings strengths that align very well with our organizational imperatives and strategic direction.

GCHP Pharmacy Services Department has been monitoring and assisting members who need assistance with processing their prescriptions, understanding the limitations or restrictions based on the coverage criteria by Medi-Cal Rx, and facilitating communication between the members and the pharmacies/providers. We are still answering questions about how members can get access to vaccines, the COVID-19 at home test kits, and their medications. The Pharmacy Services department has provided monthly updates about the Medi-Cal Rx benefit with members and providers on the GCHP website and quarterly updates in the pharmacy newsletter.

Communication about any Medi-Cal Rx updates have been shared in the Pharmacy newsletter, Provider Operations Bulletin, GCHP website and in multiple GCHP committees to provide awareness to the GCHP team and providers to enable us to help our members. We have shared the appropriate resources to member services at the call center, the providers, as well as the internal GCHP team. GCHP will continue to work closely with DHCS and Medi-Cal Rx to assist members in accessing their medications.

The department has begun work to develop a request for proposal (RFP) for a Pharmacy Benefits Management vendor (PBM) and continue review and refine all current workflows and policies to align necessary organization development and the launch of our D-SNP line of business in 2026. As a component of our alignment with this work GCHP reconvened the Pharmacy & Therapeutics Committee on November 16, 2023 to review the current policies and procedures for pharmaceutical management to prepare us for NCQA accreditation. In the future, we will be reviewing the physician administered drug list and authorization process and prepare for the implementation of a Medicare Part D pharmacy benefit for the upcoming Dual Eligible Special Needs Plan (D-SNP) for 2026. The next scheduled meeting of the Pharmacy & Therapeutics Committee is February 15, 2024.

GCHP will also be working with a pharmacy consultant group to help us create and submit a Request for Proposal (RFP) for a Pharmacy Benefit Manager (PBM) which will be required

to help GCHP prepare and implement a Medicare Part D prescription drug benefit for our D-SNP in 2026.