

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

**Executive Finance Committee**

**Special Meeting**

**Wednesday, August 9, 2023 – 10:00 a.m.**

**770 Paseo Camarillo, 2<sup>nd</sup> Floor, Camarillo CA 93010**

**Bell Canyon Conference Room**

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

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

**Conference ID Number: 441 723 535#**

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

Community Memorial Health System  
147 N. Brent St.  
Ventura, CA 93003

**AGENDA**

**CALL TO ORDER**

**ROLL CALL**

**PUBLIC COMMENT**

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

Persons wishing to address VCMMCC 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.

Members of the public may attend the meeting in person, call in, using the numbers above, or can submit public comments to the 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 Executive Finance Committee special meeting minutes of May 15, 2023, and June 12, 2023.**

Staff: Maddie Gutierrez, MMC, Clerk to the Commission

**RECOMMENDATION:** Approve the minutes as presented.

## **FORMAL ACTION**

2. **Recommendation for Contract Award to NTT Data for Provider and Member Portals**

Staff: Alan Torres, Chief Information Officer

**RECOMMENDATION:** It is the Plan's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care Commission waive any irregularities in NTT Data's proposal and authorize the CEO to execute a contract with NTT Data Inc., on terms acceptable to the CEO and General Counsel.

## **CLOSED SESSION**

3. **PUBLIC EMPLOYMENT:**  
Title: Chief Financial Officer

## **ADJOURNMENT**

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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 Board.

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 Tuesday prior to the meeting by 3 p.m. will enable the Clerk of the Board to make reasonable arrangements for accessibility to this meeting.

## **AGENDA ITEM NO. 1**

**TO:** Executive Finance Committee

**FROM:** Maddie Gutierrez, MMC -Clerk of the Board

**DATE:** August 9, 2023

**SUBJECT:** Meeting Minutes for Special Executive Finance Meetings of May 15, 2023,  
and June 12, 2023

### **RECOMMENDATION:**

Approve the minutes.

### **ATTACHMENTS:**

Copies of the Executive Finance Committee special meeting minutes of May 15, 2023,  
and June 12, 2023.

**Ventura County Medi-Cal Managed Care Commission (VCMMCC)  
Executive/Finance Committee  
Special Meeting via Teleconference/In Person**

**May 15, 2023**

**CALL TO ORDER**

Committee Chair Dee Pupa called the meeting to order at 1:04 p.m. The meeting was held in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Camarillo, California.

**ROLL CALL**

Present: Commissioner Dee Pupa, attended in person. Commissioners, Anwar Abbas, James Corwin attended the meeting remotely.

Absent: Commissioners Laura Espinosa and Jennifer Swenson.

GCHP Staff in attendance: CEO Nick Liguori, CIO Alan Torres, CCO Robert Franco, CMO Felix Nunez, M.D., CDO Ted Bagley, CPPO Erik Cho, Paul Aguilar, Michael Murguia, Exec. Directors of Human Resources, Marlen Torres, Exec. Director of Strategy & External Affairs, Susana Enriquez-Euyoque, Alison Armstrong, Leeann Habte, and Rich Egger of BBK Law.

Guests: Kyle Edrington and Mike Cornelison

Member of the Public: Susan Arcidiacono.

**PUBLIC COMMENT**

None.

**CONSENT**

**1. Approval of Executive Finance Committee special meeting minutes of February 23, 2023.**

Staff: Maddie Gutierrez, MMC, Clerk to the Commission

**RECOMMENDATION:** Approve the minutes as presented.

Commissioner Corwin motioned to approve Consent item 1. Commissioner Pupa seconded the motion.

AYES: Commissioners Anwar Abbas, James Corwin, Laura Espinosa, and Dee Pupa

NOES: None.

ABSENT: Commissioners Laura Espinosa and Jennifer Swenson.

The clerk declared the motion carried.

Commissioner Jennifer Swenson joined the meeting at 1:06 p.m.

## **FORMAL ACTION**

### **2. Discussion of 2023/2024 Budget**

Staff: Nick Liguori, Chief Executive Officer

**RECOMMENDATION:** Staff requests the Executive Finance Committee provide direction.

CEO Nick Liguori thanked the Committee members for their time. He stated the information on the 2023/2024 budget would be presented by the Executive Team. The team will present information on how GCHP will meet the needs of members today and in the future. He also reviewed the timeline for review of the 2023/24 budget and financial planning. CEO Liguori stated that the Commission would vote on the budget at the June 26<sup>th</sup> regular commission meeting.

CEO Liguori proposed to add a mid-year budget re-forecast and review of the annual budgetary engagement with this committee as well as with the Commission. This review will include a report on actual vs budget performance of the Plan, management analysis of drivers of performance and developing trends and management analysis of developing industry, market, and regulatory conditions.

Commissioner Laura Espinosa joined the meeting at 1:17 p.m.

CEO Liguori stated the presentation would provide decision support contact and information for the committee's review.

CPPO Erik Cho presented information on building a high-quality health plan. He noted that the focus was to maintain momentum, pace of development, and strive for new

and improved capabilities. CPPO Cho stated we are working toward building a quality foundation. We are developing contracts and payment program structures of a Provider Quality Incentive Pool and Program. These are essential factors in achieving higher quality for our vulnerable population.

We are now partnering with Inovalon, they are a cutting-edge system. We are working together on a long-term plan. CPPO Cho stated that the selection of the Mihailik Group has assisted GCHP in advancing NCQA readiness efforts and has also assisted in the development of a comprehensive Quality Improvement Work Plan. CMO Nunez stated Inovalon helps power the data capacity and syncs well with the internal work being done.

CMO Felix Nunez, M.D. reviewed MCAS measures/performance metrics, which the State uses to evaluate us. We are hopeful our scores will go up. CMO Nunez noted quality is a major factor that will track the quality of care we provide. He noted that the State is holding us to the minimum performance level. We want to excel above the required level. Data should be accessible – we need to work smarter, not harder.

CEO Liguori reviewed the eight hybrid measures that we can be sanctioned on. He noted we are above the MPL. Commissioner Pupa asked if elements are needed for measures. CMO Nunez stated we are looking at medical records to find data to help improve scores. We will continue to constantly look for data.

Administrative measures depend on claims/encounters submitted by providers. The aim for MY 2023 is to achieve 50<sup>th</sup> percentile for all administrative measures. Care access and availability is key.

Chief Information Officer, Alan Torres reviewed the operations of the future. He reviewed our current progress. We are building a high performing IT organization which will allow us to modernize and transform operations. He noted that we are providing stability with our current processes. We have now developed a strategy and now are executing and delivering value. We are building systems and processes to meet our future needs. We need to keep pace. He stated there is an implementation of vision.

Executive Director of Human Resources, Michael Murguia reviewed the recruiting strategy. He noted that 30% of new hires came through the Expedition Hire Program. There were only six hires through a search firm. Mr. Murguia reviewed positions that have been added. He also reviewed diversity results and reviewed the priority list and variety of roles and experience.

Executive Director of Strategy & External Affairs, Marlen Torres stated that in January 2022 the GCHP Strategic Five-Year Plan was approved by the commission. She

noted that implementation began immediately. Ms. Torres stated the focus is to drive up quality scores and we continue to move forward. There is emphasis on members. We are tailoring programs to ensure we service our members.

CPPO Cho stated we have developed a broad-based plan to achieve better service for members. He reviewed goals and strategies. There is a lot of work going on at GCHP and we will continue to prioritize members.

CMO Nunez reviewed the development of high-performance leadership. We want to include staff as much as possible. CMO Nunez also reviewed operating reviews, which are in-depth monthly engagements between cross-functional goal teams and executives who are responsible for supporting the success of each goal. Status reports focus on what is next and what is needed for success.

CEO Liguori introduced Kyle Edrington, who is a consultant working with GCHP on financial consulting. Mr. Edrington is helping in many facets. He specializes in Medi-Cal and helps health plans to align with DHCS. He noted we are in the process to build rates is evolving and we are currently working on understanding data.

CEO Liguori stated the 2024 rates are being developed by DHCS and Mercer. We need to make the appropriate adjustments. Populations have changed in Medi-Cal. We will continue to review data and hope to make the correct assumption in line with DHCS.

CEO Liguori noted we are projecting a 3.7% decrease in rates. LTC fees are going down. Data for rate adjustment is lower. Mr. Edrington is working with the Plan to determine how to make reasonable assumptions. He continues to work with GCHP to determine how many will no longer be members. Due to the start (again) of re-determination enrollment will drop. He noted that Kaiser will now do direct contract with the State. Gross total revenue will decrease. We will need to determine how rates will be built. We need to retain funding in reserves to make sure we have enough to carry over because PMPM is dropping.

CEO Liguori reviewed major factors. He noted there is a decline of membership due to redetermination. 7,000 members have already elected Kaiser; therefore, our revenue will decline, but medical costs are expected to grow due to overdue reimbursement rates and Quality Incentive rates. Medical expenses are expected to grow, even though there will be a decrease in membership and an anticipated premium rate decrease.

We anticipate approximately 25,000 GCHP members to disenroll due to having other medical insurance and the redetermination process. We expect to retain our top 10%, who account for nearly all controllable medical expenses.

Commissioner Jennifer Swenson let the meeting at 2:01 p.m.

Commissioner Pupa stated the rate development process is not specific to GCHP, it affects all plans. She hopes DHCS will take into consideration that GCHP is small.

CEO Liguori stated “free” surplus funds are above commission set guidelines. We are working to provide incentives to providers. He noted we have developed a policy to govern future spend down of “Free” surplus – this policy will be reviewed in June.

CEO Liguori stated D-SNP will begin in January of 2026. He noted more growth means more losses. If growth is quick, losses can be substantial. We need to set aside money now.

CPPO Cho reviewed provider incentives and funding. We are committing to at least \$50,000,000 to the Quality Incentive Program. Between 2023 through 2025 all PCP providers would be eligible for funding – this is subject to DHCS approval. We want to be in the higher end for Quality Improvement. CPPO Cho reviewed the program structure that supports providers across the quality spectrum. CPPO Cho quickly reviewed Gap Closure methodology. The target setting is a 10.0% gap closure. He also reviewed access and practice transformation, which will help improve the service to our members.

CEO Liguori stated we have a highly innovative program which is structured to have 80% of our membership covered by a quality contract.

## **ADJOURNMENT**

With no questions from the Committee, the meeting was adjourned at 3:02 p.m.

Approved:

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Maddie Gutierrez, MMC  
Clerk to the Commission



**Ventura County Medi-Cal Managed Care Commission (VCMGCC)  
Executive/Finance Committee  
Special Meeting via Teleconference/In Person**

**June 12, 2023**

**CALL TO ORDER**

Committee Chair Dee Pupa called the meeting to order at 3:04 p.m. The meeting was held in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Camarillo, California.

**ROLL CALL**

Present: Commissioner Dee Pupa, attended in person. Commissioners, Anwar Abbas, Laura Espinosa, and Jennifer Swenson attended the meeting remotely.

Absent: Commissioner James Corwin.

GCHP Staff in attendance: CEO Nick Liguori, CIO Alan Torres, CCO Robert Franco, CMO Felix Nunez, M.D., CPPO Erik Cho, Paul Aguilar, Exec. Director of Human Resources, Marlen Torres, Exec. Director of Strategy & External Affairs, Susana Enriquez-Euyoque, Bob Bushey, Kent Ichida, Lupe Harrion, Susan Arcidiacono, and General Counsel, Scott Campbell.

**PUBLIC COMMENT**

None.

**FORMAL ACTION**

**1. Contract Approval – Electronic Data Interchange Software**

Staff: Alan Torres, Chief Information Officer

**RECOMMENDATION:** It is the Plan's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care Commission waive any irregularities in Edifec's proposal and authorize the CEO to execute a contract with Edifecs Inc., to include the additional work in SOW 2 above subject to non-material terms to be agreed upon and acceptable to the CEO and General Counsel. The term of the contract will be 12 months of implementation and 5 years of production commencing July 1, 2023, and expiring on June 30, 2029, for an amount not to exceed \$8.3M.

Chief Information Officer, Alan Torres reviewed the project background for the contract approval of EDI (Electronic Data Interchange). He noted this is the third in a series of RFPs. This contract is for technology and services capabilities. The RFP was released November 2022. There were twelve (12) vendors. Demos were presented and three (3) vendors responded and were scored. Edifecs scored well overall with a final score of 59.39

The work is divided into two (2) Scopes of Work (SOW). Edifecs submitted a proposal of \$8.3 million. The implementation period begins July 1, 2023, through June 30, 2029. General Counsel, Scott Campbell, stated GCHP is asking for approval on SOW 1 and 2 for a total of \$8.3 million. Mr. Campbell stated Conduent is the current vendor, and they were aware of the RFP. He stated he would advise the Commission if there are any protests.

Commissioner Swenson stated this should have been done a long time ago. She thanks CIO Torres for the work on the proposal. Commissioner Pupa stated she agreed with Commissioner Swenson.

Commissioner Pupa motioned to approve Formal Action Agenda Item 1. Commissioner Swenson seconded the motion.

AYES: Commissioners Laura Espinosa, Dee Pupa, and Jennifer Swenson

NOES: None.

ABSENT: Commissioner James Corwin

ABSTAIN: Commissioner Anwar Abbas

The clerk declared the motion carried.

## **2. Discussion of 2023/2024 Budget**

Staff: Nick Liguori, Chief Executive Officer

**RECOMMENDATION:** Staff requests the Executive Finance Committee provide direction.

Commissioner Corwin joined the meeting remotely at 3:24 p.m.

Chief Executive Officer, Nick Liguori, stated the Executive Finance Committee is being asked to recommend to the Commission the approval of the 2023/24. CEO Liguori gave an overview of the information that would be presented at this meeting. This

presentation is based on the feedback and questions from the Committee. GCHP continues to focus on continuous improvement in the budget process. He noted that there will be a mid-year budget forecast will be reviewed. We want to meet our mission and provide appropriate access to quality healthcare for our members and to maintain financial strength for the Plan long-term.

Commissioner Espinosa arrived in person to the meeting at 3:28 p.m.

CEO Liguori stated May financials will be reviewed with the Commission. Enrollment, revenue, total cost of healthcare, and administrative expenses will be reviewed at this meeting. CEO Liguori reviewed financial scenarios, showing a more conservative versus more aggressive view for membership, revenue, medical costs, and net income. He stated he wants to use a cautious approach. He also reviewed MER drivers, and how to get from 75% to 90%, showing Medical Expense divided by Premium. He noted the focus on the providers. GCHP is increasing funding to providers by \$80million. The \$80 million is based on the Provider Incentive Program.

Commissioner Pupa stated she appreciated the information on Provider Payments. She stated we need to get dollars in the hands of the providers, this will help avoid claw backs. She stated trending in capitation needs to be considered. DHCS hopefully will be flexible. She noted she is concerned about claw backs.

General Counsel, Scott Campbell stated that the current fiscal year there will be an increase to providers.

CEO Liguori reviewed the TNE comparison. He noted TNE continues to grow, and all health plans are seeing an increase in TNE. CEO Liguori reviewed Cost Profile and what is driving financial performance. He noted Free Surplus growth will be slow in 2023/24. He did note that in October 2022 we met upper guideline for reserves. Commissioner Espinosa asked if CEO Liguori was proposing an updated policy. He responded yes. CEO Liguori reviewed and requested input to the policy as part of the budget process, which will have a basis for long-term reserve planning. He noted GCHP must maintain financial strength to ensure long-term viability, must be compliant to meet imperative fund improvements in member health outcomes and access to quality healthcare, must do its part to ensure adequate and equitable funding for providers and services, and all efforts must align with the GCHP mission to improve member health outcomes, member access to quality healthcare and equitable healthcare. He also recommended to set aside DSNP funding now. We do expect losses in the first three (3) years, premiums need to catch up. We need to set aside reserves to continue to operate programs. We are currently not ready now. Providers must be reimbursed. He noted that Free surplus would still be manageable. The main priority is adequate and sustainable funding. We cannot support additional funding and we will not put ourselves at risk (compliance wise). We must be clear on

compliance fundamentals. Limits will be enforced. CEO Liguori proposed to engage and report, in detail, surplus deployment plans with this committee. He stated he will present and aim to achieve a break even result in the next year. He noted there will be periods of break even and losses.

CEO Liguori stated we will inform DHCS of plans and policies – this is a key issue. We need to have plans and policies in place. Commissioner Pupa stated she appreciates the efforts and the quarterly updates. We need to know what DHCS thinks of Spend Down Plan. We need to protect premiums and protect the members. Commissioner Swenson stated we need to spend, as necessary. Commissioner Corwin stated impact quality is big, we need to plan. Commissioner Espinosa stated we need to have an adequate plan. General Counsel, Scott Campbell stated we need to comply with Federal and State regulations, and we have looked at what others are doing. We need to be in front of DHCS in the right way.

Commissioner Jennifer Swenson left the meeting at 4:03 p.m.

CEO Liguori stated we introduced a new pilot program for member incentives, and we have received full approval from DHCS. CPPO Cho stated we got the full green light from DHCS and will go forward in one month. CEO Liguori stated the primary objective is medication adherence with members who have multiple chronic conditions. Commissioner Pupa stated sometimes members need an extra push.

CEO Liguori moved onto Administrative Expenses. He reviewed staffing comparison, and noted that currently we are under unnecessary stress, but our teams are enthusiastic about their work.

CEO Liguori reviewed CHP member/Provider Service Program of the Future. We need to build in-house and community-based program to replace Conduent. GCHP will go-live the second half of 2024 (7/1/2024) internally. He reviewed the Call Center staffing model, the Community-Based service team, and Satellite offices. These services can be done and deliver services at a lower cost. CEO Liguori reviewed the proposal to hire twenty (20) call Center personnel. Staffing will be based on capacity versus demand analysis. We will hold a Job Fair in November 2023. He noted there will also be a In-Person Live Job Fair in the County. We need to listen, learn, and get better. We might need consulting support. The satellite model will be in Oxnard and Santa Paula.

CEO Liguori stated there is a total of twenty-six (26) positions needed to meet member health and service needs. He noted that our auditors were asked to review and give their opinion and their information will be presented.

Commissioner Pupa asked how many positions have been added. CEO Liguori responded thirty-one but will research to ensure he has the accurate information. Commissioner Pupa stated she would like to see a comparison. EO Liguori review our current information in relation to other health plans. He noted we are 5-10% below on salary standpoint. Commissioner Espinosa stated Human Resources does surveys and she thought it was reported that we are at median. CEO Liguori stated we are close to median. Human Resources Executive Director, Paul Aguilar stated we are trending in the last couple of years. The market has shifted 5%. He noted the merit increase will be up to 5.5%. CEO Liguori stated we lag in non-salary performance base. We are median to below on retirement benefits. He proposes to pilot a modest bonus program and will present more detail once the structure is determined. Commissioner Espinosa asked if the 5.5% includes management. CEO Liguori responded yes. Commissioner Pupa asked what level of staff will be in the Bonus Program. CEO Liguori stated we need to develop the structure. Mr. Aguilar stated the design plan will have one for management and one for non-management. It will be outcome based, meaning it will be based on measure of success. Commissioner Espinosa asked if it will be an average where some get maximum, and others will not. Mr. Aguilar stated it varies by level. It will be in the designing plan. CEO Liguori stated some are high performing, some are low performing, but most are in the middle. Mr. Aguilar stated merit based on performance, based on salary range. The pay-out will be determined. Commissioner Espinosa stated the big complaint is unfairness in merit increases. CEO Liguori stated CDO Ted Bagley will review all plans. He will review the 5.5% and present information. CEO Liguori stated we need to improve management development – there needs to be training.

Commissioner Pupa noted most budgets based on quality work. CMO Nunez stated it is broken up as hybrid measure in terms of resource and personnel. We have submitted to the State and are waiting for final.

CEO Liguori noted that we expect 40,000 members to redetermine. If the member has other insurance, they are not included. CMO Nunez stated we are just coming out of the PHE. PHE affected the way data was analyzed. He stated there is a fourth quarter push on member incentives, screen tests and to help members improve their health. The Model of care alignment is moving forward. The entire enterprise for quality work aligns with our objectives. Technology capabilities will also improve. Commissioner Pupa stated some areas do need improvement. CMO Nunez stated trend is pointing in the right direction. Value Based Payment Model will be measured. Commissioner Pupa stated it is all about the member. CMO Nunez stated momentum is building.

Commissioner Abbas stated this was a great presentation. Commissioner Corwin noted there was lots of data. General Counsel, Scott Campbell stated he recommends approval of budget with more detailed information on the \$3.6 million expense.

Commissioner Corwin motioned to approve Formal Action Agenda Item 2. Commissioner Espinosa seconded the motion.

AYES: Commissioners James Corwin, Laura Espinosa, and Dee Pupa

NOES: None.

ABSENT: Commissioner Jennifer Swenson

ABSTAIN: Commissioner Anwar Abbas

The clerk declared the motion carried.

### **ADJOURNMENT**

The meeting was adjourned at 5:06 p.m.

Approved:

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Maddie Gutierrez, MMC  
Clerk to the Commission

## AGENDA ITEM NO. 2

TO: Executive Finance Committee

FROM: Alan Torres, Chief Information Officer

DATE: August 9, 2023

SUBJECT: Recommendation for Contract Award to NTT Data for Provider and Member Portals

### BACKGROUND/DISCUSSION:

#### Project Background

By this request, GCHP staff is asking that the Executive Finance Committee recommend that the Commission award a competitively bid contract for Provider and Member Portal Software that will support claims processing efficiencies and significantly enhance the provider and member experience. Following the health plan industry's standard practice of regularly evaluating capabilities and performance against the nationwide market of system and service providers, GCHP began a comprehensive procurement of technologies and services, (reference the initiative list below in table 1). GCHP intends to implement these solutions by July 1, 2024. The Commission has authorized GCHP staff to undertake improvements throughout the Plan to improve medical care and outcomes and become a leader in the delivery of health care services to members. The specific initiative relative to this request was to survey the marketplace through a competitive bidding process (RFP 4) for new provider and member portals. The solution will be expected to support and enhance the modernized capabilities of the new Health Edge Health Rules Core Administration system and the new Zyter/TruCare case management software. A table showing the RFPs currently being processed is set forth below:

**Table 1**

<b>RFP 1</b>	EDI Services
<b>RFP 2</b>	Core Claims Processing Software
<b>RFP 3</b>	Medical Management Software
<b>RFP 4</b>	Provider and Member Portal Software
<b>RFP 5</b>	BPO (Claims Processing Services)
<b>RFP 6</b>	Mailroom and Claims Editing Services
<b>RFP 7</b>	Print and Fulfillment Services
<b>RFP 8</b>	Call Center Software/Technology
<b>RFP 9</b>	Customer Experience Management Software



## **Procurement Background**

Lead by GCHP's Executive team on September 9, 2022, staff issued a Request For Proposal, (RFP) for Provider and Member Portal Software directly to the sixteen (16) vendors listed who the staff believed were appropriate potential vendors for the Plan Other vendors could respond as the list was not exclusive. Because there were advantages to having a single vendor design and provide solutions for both the provider and member portals, vendors were required to be able to provide both portals. The 16 vendors specifically solicited were

Accenture	Gainwell
AthenaOne	NTT
Availity	OptumInsight
Bridge Patient Portal	Oracle
CareCloud	Trillian
Caspio	UST
Cognizant	VBA
Deloitte	ZeOmega

Set forth below is the schedule utilized for this RFP.

<b>Event</b>	<b>Date</b>
RFP Released	9/19/2022
Questions Due	9/26/2022
Questions Answered via Bidders Conference	10/5/2022
Intent to Propose Notification Due By	10/7/2022
Proposal Due Date	<b>10/17/2022*</b>
Short List Established and Contractual Discussions Begin	11/7/2022
Short List – Product Demo With GCHP staff	11/18/2022
Short List – Product Demo with GCHP providers and members	6/12/2022 – 6/30/2022
Short List - Conducted reference calls	6/22/2023 – 6/26/2023

GCHP received five (5) responsive proposals from vendors that could provide both provider and member portals. Five (5) proposals were rejected as they could not provide both portals. A cross functional evaluation team was formed with representation from IT, (5 team members), Operations, (3 team members), Provider Contracting, (1 team member), Medical Management, (3 team members), and Procurement, (1 team member) to evaluate the responsive proposals. Using predetermined evaluation criteria and weights, the team scored each proposal from the RFP's qualitative and quantitative requirements.



Based upon the evaluation of the responsive proposals, GCHP staff narrowed the proposers to 3, Oracle, NTT and Deloitte and invited them to the presentation round. Two separate scripted demonstrations with the top scoring three vendors were undertaken. The first demonstration was conducted in November with internal GCHP staff, and the second demonstration included providers and members to include their insight in the review. This second demonstration's evaluation team included 10 members and 3 providers and occurred in June. During the interim period between the demonstrations, GCHP staff focused on implementing the Core Administration, Medical Management and Electronic Data Interchange contracts.

The key takeaways from the second demonstration were:

- NTT was responsive and their products functional capabilities and technologies met the expectations of all parties, with the Provider panel preferring the NTT capabilities over the other competitors demonstrations. In addition, the Member panel found the mobile application to be something they would use.
- Deloitte's functional capabilities and technology met expectations of all groups that evaluated the demonstrations. It was user friendly, the members preferred the portal demonstrated by Deloitte, but the cost was multiple times the other proposals and they did not demonstrate a mobile application. Deloitte was scored second of the products demonstrated overall.
- Oracle partnered with a third-party vendor, Myelth, and the proposed product did not meet GCHP expectations and needed material development and growth. Gold Coast staff, the providers and members ranked Oracle's portals last of the products that were demonstrated.

After the second set of demonstrations conducted, Plan staff concluded the scoring of the RFPs to determine with which vendors Plan staff should enter into intensive contract discussions.. The scores are set forth below:

**Overall Scores (High to Low, Maximum Score of 200):**

<b>Consolidated Scores</b>	<b>Total Scores</b>
Deloitte	120.55
NTT Data	119.92
Oracle	106.75

## Contract Negotiations

The total 5 - year “Proposal” cost for each of the three short listed vendors was as follows:

Oracle/Myelth \$ 5,312,448  
NTT Data: \$ 7,039,989  
Deloitte: \$19,370,000

These three vendors, given their RFP score ranking, comprised the initial short list. Given that Oracle’s proposed solution was determined by the cross-functional team, providers and members to fall well short of the expectations and capabilities during the demonstrations, GCHP prioritized discussions with NTT Data and Deloitte.

Key takeaways during the contracting discussions:

- NTT and Deloitte both agreed to use GCHP’s standard contract templates as a baseline, but with some important differences due to variations in the proposed delivery model for each vendor and a much more aggressive negotiating position by Deloitte on issues of liability. NTT focused on a typical subscription model and SaaS solution for implementation, operation and support of the portals and substantially accepted GCHP terms. Deloitte proposed a licensed software solution customized to GCHP needs with GCHP retaining responsibility for hosting, support and maintenance of the software after an intensive two year development and go-live period. In years 3-5, Deloitte’s role was limited to providing personnel resources under the supervision of GCHP with no liability for outcomes. Accordingly, SaaS terms were not a part of the Deloitte negotiation.
- NTT agreed to terms more favorable to GCHP with respect to the indemnity and defense of liability claims under the Master Services Agreement and the Business Associate Agreement, particularly on the issue of security breaches and the protection of PHI. These types of claims are generally the highest concern for GCHP. NTT also was willing to comply with GCHP’s insurance requirements for such claims and Deloitte was not, which would put GCHP at a disadvantage with respect to the defense of such claims. For general claims under the MSA, Deloitte was willing to offer a higher limitation on liability that reflected its overall higher cost, but the limitation on liability for security related claims was the same for both vendors.
- NTT agreed to provide service level commitments and support with respect to the operation and support of the portals, including taking responsibility for regulatory updates consistent with GCHP’s standard terms. Deloitte was only willing to provide these commitments during the first two years of software customization, with support and maintenance after year two exclusively the responsibility of GCHP using Deloitte staff resources on a time and materials basis.
- The Deloitte delivery model provided GCHP with greater rights in the source code for the customized software pursuant to a perpetual license, which has potential benefits to GCHP in the future, but at significantly greater cost, retention of hosting and support obligations, and less protection from risk and liability. Due to the fact that the Deloitte core software is licensed from a separate division within Deloitte, the full license fee of

\$10.2 million is payable in advance and GCHP's rights in the core software are defined by an agreement that is separate from the GCHP standard contracting language for the customized portals and is subject to termination. The NTT software subscription fee has been heavily discounted until the portals have been fully implemented and are in use. Procurement and Legal believe that the proposed NTT terms are significantly more favorable terms.

### **Reference Checks**

From June 22nd through June 26th, reference calls, led by Procurement, and including representatives from the cross-functional team, participated in reference calls vetting the capabilities of both NTT and Deloitte with the following references:

#### **NTT:**

- Community Health Plan of Washington
- AvMed (Florida NFP Health Plan)
- BCBS of Rhode Island

#### **Deloitte:**

- California Statewide Automated Welfare System
- Washington Health Benefit Exchange
- KYNet Health Coverage

The references confirmed that the projects performed for these entities were successful as to their specific scope.

### **Summary of Basis for Recommendation for NTT Data**

GHHP staff recommends that the Executive Finance Team recommend the Commission enter into a contract with NTT Data. While there were some advantages of the Deloitte solution, including that it does not require a historical data conversion for claims and member data, that members preferred the technology in a demonstration and that Deloitte has a deep healthcare practice and robust capabilities, the cost savings in excess of \$11,000,000, the significantly more favorable contract terms and the providers' preference for NTT Data, outweigh those and any other factors.

### **The NTT Data Contract**

NTT's member and provider portals will provide advantages for GCHP by improving the member and provider experiences as well as user experience. The Provider Portal will allow providers to gain easy access to GCHP resources to support our members care. Ideally our provider network will be able to use the portal to identify preventive care resources and gain understanding of how GCHP quality goals align with care. The regulations require a provider portal and given that the Plan's contract with Conduent terminates July 1, 2024, NTT's provider portal, which our providers preferred, will be a priority in the implementation.

The Member Portal will provide personalized resources that align with GCHP quality and performance goals. As members access the portal, they will be directed to health education, community based, behavioral health, and chronic disease resources that are specific to our members unique health needs. The portals will form a vital element of the member experience and will serve to align our network partners around our GCHP strategic goals focused on bringing high value to our membership. During the demonstrations with the members, the members liked the mobile app offered by NTT.

The tools and features of the system will help to eliminate technical debt and less intervention from IT staff for support of the system. NTT is continually investing in the software and adding functionality to help health plans achieve their goals and increase productivity.

- **Audit tracking and traceability**
  - Deep audit tracking capabilities to ensure GCHP can trace back to specific root causes for any issues (system, performance, manual processes, notes, etc.)
- **Real-Time member & provider data**
  - Potential for real time communication of claim status to the provider and access to real time member data
  - Combines member tools for self-service, health management in one spot – backed by a personalization engine driving targeted user experiences.
  - Makes it easy for members and providers to view and update information such as: 1) Member demographic 2) Member PCP assignments 3) Authorizations 4) Claims status.
- **Highly Configurable**
  - Highly configurable system that allows GCHP more control and less dependency on a vendor
  - Robust controlled environment that allows for greater oversight and financial accuracy
  - Improved end user experience through thoughtful screen design and ease of navigation.
- **Portal Integration Capabilities**
  - Superior functionality for portal integrations will improve accuracy and efficiency of processing Claims and communicating with our members and providers.
  - Improve the member and provider experience with GCHP with self-service capabilities.
  - The Plug In will also improve productivity for IT and the business by eliminating maintenance and production issues between the Core Administration system and the Provider Portal.

**FISCAL IMPACT:**

Award of the contract to NTT will deliver operational efficiencies to GCHP while improving the provider and member experience.

The total cost proposed by NTT over the projected useful life of the 12-month implementation period and 5-year agreement (9/1/2023- 6/30/2029) is projected to not exceed \$8.1M. This is at or below fair market value based on fair and open competition.

The projected costs from NTT compared to the other finalist Deloitte are set forth below:

NTT	\$ 7,039,989M
Deloitte	\$19,370,000M

There will be a savings of over \$11,000,000 by contracting with NTT and their contract terms are more favorable than offered by Deloitte. Any capabilities that Deloitte's proposal may have over NTT's are more than overcome by the cost savings and more favorable contract terms.

**RECOMMENDATION:**

It is the Plan's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care Commission waive any irregularities in NTT Data's proposal and authorize the CEO to execute a contract with NTT Data Inc., on terms acceptable to the CEO and General Counsel. The term of the contract will be 12 months of implementation and 5 years of production commencing **July 1, 2023**, and expiring on **June 30, 2029**, for an amount not to exceed \$8.1M [designed to cover the base fee, plus ~15% for potential contingencies.]

If the Executive Finance Committee desires to review this contract and the scoring, they are available at Gold Coast Health Plan's Finance Department.