Gold Coast Health Plan℠
A Public Entity

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

Regular Meeting
Monday, November 18, 2024 2:00 p.m.
Meeting Location: Community Room
711 E. Daily Drive #110
Camarillo, CA 93010

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

Conference Call Number: 1-805-324-7279
Conference ID Number: 652 416 234#

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

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

2400 South C St
Oxnard, CA 93033

2220 E Gonzales Rd Ste 120AB
Oxnard, CA 93036

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. 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 October 28, 2024.**

   Staff: Maddie Gutierrez, MMC Sr. Clerk to the Commission

   RECOMMENDATION: Approve the minutes as presented.

2. **Adoption of Commission Meeting Schedule for 2025.**

   Staff: Maddie Gutierrez, MMC Sr. Clerk to the Commission

   RECOMMENDATION: Approve the 2025 Commission meeting calendar as presented.

3. **Approve Recruitment Firm Agreement ("Agreement") with Morgan Consulting Resources ("MCR") for Chief Executive Officer Recruitment Services**

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

   RECOMMENDATION: Staff recommends the Commission approve the Agreement with MCR and authorize the Acting CEO to execute the Agreement.

UPDATES

4. Summary of Quality Improvement & Health Equity Committee 2024 Third Quarter Report

Staff: James Cruz, MD, Acting Chief Medical Officer
Kim Timmerman, MHA, CPHQ, Sr. Director of Quality Improvement

RECOMMENDATION: Receive and file the update

5. Operations of the Future (OOTF)

Staff: Alan Torres, Chief Information & System Modernization Officer
Anna Sproule, Exec. Director of Operations
Sara Dersch, Chief Financial Officer

RECOMMENDATION: Receive and file the update.

FORMAL ACTION

6. September Year to Date Financial Results

Staff: Sara Dersch, Chief Financial Officer

RECOMMENDATION: Receive and file the financial report.

7. Conversion of Fiscal Year

Staff: Sara Dersch, Chief Financial Officer

RECOMMENDATION: Staff has presented the information to the Executive Finance Committee. Staff is requesting that Commission approve the plan to convert the fiscal year to follow the calendar year.

8. FY 2024-25 D-SNP Revised Operational Readiness Costs

Staff: Robert Franco. Chief Compliance Officer
Eve Gelb, Chief Innovation Officer
Sara Dersch, Chief Financial Officer

RECOMMENDATION: It is GCHP's recommendation that Ventura County Medi-Cal Managed Care Commission to approve up to $5.3M additional budget for D-SNP operational readiness for the remainder of the 2024/2025 Fiscal Year.

9. Contribution to Ventura County Community Information Exchange (CIE)

Staff: Erik Cho, Chief Policy & Programs 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 Public Health Institute to assist with the development of the Ventura County Community Information Exchange.

CLOSED SESSION

10. CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Commission &
Chief of Human Resources & Organization Performance Officer
Unrepresented employee: Chief Executive Officer

11. PUBLIC EMPLOYEE APPOINTMENT
Title: Chief Executive Officer

ADJOURNMENT

The next meeting will be the Strategic Planning Retreat, scheduled for Thursday, December 12, 2024 2PM – 6PM Location: TBD

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 18, 2024

SUBJECT: Regular Meeting Minutes of October 28, 2024

RECOMMENDATION:

Approve the minutes.

ATTACHMENT:

Copy of Commission regular meeting minutes of October 28, 2024.

Ventura County Medi-Cal Managed Care Commission (VCMMCC)
Commission Meeting
Regular Meeting In-Person and via Teleconference

October 28, 2024

CALL TO ORDER

Committee Vice Chair Dee Pupa called the meeting to order at 2:01 p.m. 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, James Corwin, Tabin Cosio, Melissa Livingston, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood D.O.

Absent: Commissioners Allison Blaze, M.D., and Laura Espinosa

Attending the meeting for GCHP were Felix L. Nunez, M.D., Acting Chief Executive Officer, Alan Torres, Chief Information Officer, CPPO Erik Cho, CFO Sara Dersch, Marlen Torres, Executive Director, Strategy and External Affairs, Paul Aguilar, Chief of Human Resources, James Cruz, M.D., Acting Chief Medical Officer, Robert Franco, Chief Compliance Officer, Eve Gelb, Chief Innovation Officer, Ted Bagley, CDO, Anna Sproule, Exec. Director of Operations, Leeann Habte, BBK Law, and Scott Campbell, General Counsel.

Also in attendance were the following GCHP Staff: Kim Timmerman, David Tovar, Mayra Hernandez, Michelle Espinosa, Lupe Gonzalez, Josephine Gallella. TJ Piwowarski, Rachel Ponce, Lucy Marrero, Victoria Warner, Susana Enriquez-Euyoque, Lupe Harrion, Vicki Wrighster, Adriana Sandoval, Holly Krull, Alison Armstrong, Sergio Cendejas, Chris Dulan, Joanna Hioureas, Ifsha Butitta, John Shi, Shivany Pillay David Kirkpatrick, Yoonhee Kim, Kris Schmidt, Bob Bushey, Luis Aguilar, Nicole Kanter, Ben Lacy, Kevin Ortloff, Jerry Wang, Zed Heydar, Jeff Register, Pauline Preciado, Paula Cabral, Sandi Walker and Don Harbart, consultant

Guests: Tracy Gallaher – County of Ventura, Jared Tate – PSG Consultant, Moss Adams reps: Stelian Damu, Kimberly Sokoloff, and Ashely Merda

PUBLIC COMMENT

Dr. Sandra Aldana stated she wanted to present information on a client she lost due to a whole series of responses. The client passed away three weeks after all the needed services were in

place. Dr. Aldana stated that she wanted to remind all that clients in crisis need crisis services immediately. She stated that she wanted to call attention to finding ways that can improve and discussions that need to take place with immediacy for situations that come up. She stated that she noticed at the Disability conference held at the County that Gold Coast was not present and that they consider doing a presentation at the next year's conference.

Commission Chair Laura Espinosa arrived at 2:07 p.m.

CONSENT

1. **Approval of Ventura County Medi-Cal Managed Care Regular Commission meeting minutes of September 23, 2024.**

   Staff: Maddie Gutierrez, MMC Sr. Clerk to the Commission

   RECOMMENDATION: Approve the minutes as presented.

2. **Salary Adjustment for Acting Chief Executive Officer (CEO)**

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

   RECOMMENDATION: Approve a temporary 10% increase in the salary of the Acting Chief Executive Officer (CEO).

3. **711 Building Lease Extension**

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

   RECOMMENDATION: It is recommended that Commission approve the request to negotiate lease extension with the property owner for Building - 711 East Daily Drive, Camarillo, CA through June 2027.

4. **Written Summary of Quality Improvement and Health Equity Activities – Q3 2024**

   Staff: James Cruz, MD, Acting Chief Medical Officer
   Kim Timmerman, MHA, CPHQ, Sr. Director of Quality Improvement

   RECOMMENDATION: Staff recommends that the Ventura County Medi-Cal Managed Care Commission accept and file the Quarter 3, 2024 Quality Improvement and Health Equity Committee summary.

Commissioner Abbas motioned to approve Consent items 1 through 4. Commissioner Sanchez seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, James Corwin, Tabin Cosio, Laura Espinosa, Melissa Livingston, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood D.O.

NOES: None.

ABSENT: Commissioner Allison Blaze, M.D.

Motion carried.

FORMAL ACTION

7. 2023/2024 Fiscal Year Close Financials and Financial Audit

Staff: Sara Dersch, Chief Financial Officer
Moss Adams Representatives

RECOMMENDATION: Receive and file the Moss Adams audit results as presented.

Mr. Stelian Damu, lead partner at Moss Adams introduced Kimberly Sokoloff and Ashely Merda.

Ms. Sokoloff stated the audit results will be presented, and it will be issued once it is approved. Ms. Sokoloff stated that there are no independent concerns for 2024. She stated that every year during the audit, the professional auditing standards require that significant risks be evaluated and identified. She noted that this does not imply that Moss Adams believes there are specific flaws or vulnerabilities at Gold Coast or its controls or processes. She also noted that there is a summary of the audit procedures that were performed.

Ms. Sokoloff stated that management's internal controls are assessed, and they also evaluated the recent programs that were implemented during the year and evaluate the accounting for those new programs. She noted that there was a new claim system that was implemented in July and that fell just outside of the audit period, which is fiscal year 2024. They did not assess additional IT controls around the claim system implementation, which will be done in the 2025 audit year. However, some of the data was used to corroborate the medical claims liability estimate at the end of June 2024 was based out of information from the new claim system. Moss Adams did perform additional audit pro to help verify the reliability of that data output. They also assessed manual journal entries throughout the year. All procedures were completed. Moss Adams did not note any audit findings in these areas or in other areas of the audit execution.

Ms. Sokoloff stated that they are responsible for forming and expressing an audit opinion on whether financial statements have been prepared by management. They did not note any situations for the current fiscal year that warranted concern.
Ashley Merda stated that Moss Adams is required to communicate significant accounting practices. She noted that the quality of the entities, accounting policies, and underlying estimates had no changes in the entities approach to applying any critical accounting policies during the year of the audit. There were no unusual transactions identified, and no significant difficulties encountered during the audit. There were no disagreements with management. There were no circumstances that affected the form and contents or the audit report. There were no other findings or issues arising from the audit to report. Ms. Merda stated it was another great audit year.

Commissioner Pupa stated that she wanted to note that GCHP has done a tremendous job on firming up their IBNR claims. She stated she is proud of the team for bringing it down to a reasonable margin.

CFO Dersch stated that GCHP valued the partnership with Moss Adams and was happy to continue that partnership and benefit from their expertise.

Commissioner Pupa motioned to approve agenda item 7. Commissioner Abbas seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, James Corwin, Tabin Cosio, Laura Espinosa, Melissa Livingston, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood D.O.

NOES: None.

ABSENT: Commissioner Allison Blaze, M.D.

Motion carried.

PRESENTATIONS

5. Quality Improvement and Health Equity Committee 2024 Third Quarter Report

Staff: James Cruz, MD, Acting Chief Medical Officer
Kim Timmerman, MHA, CPHQ, Sr. Director of Quality Improvement

RECOMMENDATION: Staff recommends that the Ventura County Medi-Cal Managed Care Commission approve the 2023 QIHET Program Evaluation as presented and receive and file the complete report as presented.

Acting Chief Medical Officer, James Cruz, M.D., introduced Kim Timmerman MHA, CPHQ, Sr. Director of Quality Improvement. Ms. Timmerman stated she was going to present the annual QI and Health Equity transformation program. She noted that for 2023 there were thirty-six out of forty-six goals met. She detailed each of the five objectives and the number of goals met and not met for each objective. She stated that she would share the strengths, opportunities, enhancements, and next steps for the QI HET program. She noted that83% of the measures were met or exceeded the DHCS minimum performance level. 15 of 18 measures improved compared to last year Three measures achieved Minimum Performance Level for the first time in GCHP history. Ms. Timmerman stated that seven measures increased in percentile. There were also three measures in the 90th percentile and there were also four measures in the 75th percentile – breast cancer screening. She noted that 439 more women received their mammogram chlamydia screening. She noted that in 2022 the plan was sanctioned $33,000 and in measurement year 2021 it was $87,000. For measurement year 2023 we received positive news from DHCS – there are no financial sanctions for GCHP. We achieved this through a collaborative partner/provider partnership and the aligned goals with our systems. We launched the quality incentive pool and program (QIPP) and awarded provider grants to improve access and quality. There were also member outreach campaigns to close gaps in care and facilitate appointment scheduling. There was also expansion of the point of care member incentive programs, with an increase of approximately 400% of clinic locations participating, member education campaigns, and implementation of data improvements and collection of new supplemental data sources. There was a focus on meeting members where they are – health fairs, mobile mammogram events, and we also had the Wellth behavioral program. She did note that there were three MCAS measures that did not meet MPL target: asthma medication ratio (AMR), follow-up visit after ER visit for mental illness (FUM)., and follow-up visit after ER visit for alcohol or other drug abuse (FUA).

We identified the need for additional resources to support increased initiatives targeting our QI efforts in terms of the 2024 QI HET program. Opportunities were also identified to strengthen provider feedback. We want to continue to improve MCAS performance outcomes and improve the quality of care for our members. From a structure perspective we have included a behavioral health practitioner in the QI Committee and UM Committee to provide advisement.

Ms. Timmerman stated that the Pharmacy and Therapeutics Committee was reinstated in November 2023 and for QIHEC we added three additional sub-committees, MCAS Steering, CQA Key Stakeholder Forum, and Behavioral Health Quality Sub-committee. The Voice of the Member committee is under development under the leadership of Ms. Marlen Torres.

Acting CMO, James, Cruz, M.D. reviewed the AMR measure. He noted that this is not a straightforward measure – it relies on the ratio of 1A controller medication, which is what we want a person to be on, compared to the rescue inhaler – which is to be used in care of an exacerbation. He noted that often large pharmacies will automatically dispense both medications. We need to review with them the difference between a controller and

a rescuer. We also need to educate parents. CMO Cruz stated that it is a complex series of interactions and interventions, and we are working to improve this.

Commissioner Espinosa noted that the state is looking at the number of prescriptions - for example in a home where the parents live separately, there may be a medication at the dad's home, another at the mom's home and there might also be one at the school.

CMO Cruz stated this impact eh asthma medication rate ratio. The provider is refilling because they get requests, and they may be doing it reflexively as opposed to making sure that they are giving the controller versus the rescue. We want to make sure they are more mindful.

Ms. Timmerman reviewed next steps, establishment of focused workgroups and provider partnerships to work on the measures that are below our minimum performance goal. She noted that we have expanded QIPP to include some of our small providers and added additional core and optional measures into that program. We are also expanding the focus on the Model of care to meet the needs of our members. We are launching The Voice of the Member initiatives, including the member advisory committee and member listening surveys. There is an increased focus on Health Equity that includes engaging the community and member feedback.

Commissioner Monroy motioned to approve agenda item 5. Commissioner Pupa seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, James Corwin, Tabin Cosio, Laura Espinosa, Melissa Livingston, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood D.O.

NOES: None.

ABSENT: Commissioner Allison Blaze, M.D.

Motion carried.

FORMAL ACTION

6. Consideration of Moving the November 25, 2024, Commission Meeting and Adding a Meeting of the Executive Finance Committee in November.

Staff: Scott Campbell, General Counsel

RECOMMENDATION: Provide direction on moving the November 25th meeting due to the Thanksgiving Holiday and Adding an Executive Finance Meeting in November

General Counsel, Scott Campbell, stated that the November regular commission meeting is scheduled for the Monday of Thanksgiving week. Staff is asking if the meeting can be moved one week earlier to November 18th. There is also a request to add an Executive Finance Committee meeting for Thursday, November 14th because there will be a significant request for a D-SNP expenditure, and that item will first be presented to the Exec. Finance and then to Commission. There will also be a Closed Session discussion concerning the CEO search.

Commissioner Abbas motioned to approve agenda item 6. Commissioner Monroy seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, James Corwin, Tabin Cosio, Laura Espinosa, Melissa Livingston, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood D.O.

NOES: None.

ABSENT: Commissioner Allison Blaze, M.D.

Motion carried.

8. D-SNP Pharmacy Benefit Manager (PBM) Contract Approval

Staff: James Cruz. M.D., Acting Chief Medical Officer
Eve Gelb, Chief Innovation Officer
Sara Dersch, Chief Financial Officer

RECOMMENDATION: It is the Plan's recommendation that the Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute a 50-month agreement with Prime Therapeutics.

Chief Innovation Officer, Eve Gelb thanked staff and BBK for their participation in the process. She also thanks Jared Tate, PSG consultant. Jared was helpful in navigating the proposal and pricing process.

Acting CMO James Cruz, M.D., reviewed the pharmacy benefits manager (PBM) process. The PBM is critical in the process of accessing medications for Gold Coast Medi-Cal members. The State of California's PBM is Medi-Cal RX. D-SNP Gold Coast members must access their medications through the Medicare Part D program and GCHP must contract with a PBM to administer that Medicare Part D benefit. The PBM is instrumental in helping us design our formulary – that is the type of drugs and how we go about determining what medications will be available for our members. They will be involved in drug cost negotiations and rebates back to GCHP. They will be facilitating claims payment, conducting utilization management activities, they will be integral in

member services and in interacting with members, instituting quality programs, and ensuring that GCHP remains in compliance with our CMS.

CMO Cruz reviewed the procurement process and noted that the pharmacy consultant group helped facilitate the overall process. GCHP had a positive response to our Request for Proposal, and we received two competitive proposals which were evaluated by a team. Pricing was a key element of this process. We developed a pricing view based on our current GCHP members. Our pharmacy consultants used a proxy data set to approximate utilization since we do not have Medicare members /D-SNP members yet.

CIO Gelb stated that we had both qualitative and quantitative aspects of our RFP – these have to do with the Medicare requirements for Part D and the vendor's ability to deliver, as well as a willingness to work with us in our preferred approach to implementing the PBM, and in terms of priority on the quality outcomes and our focus on quality programs. Pricing for a vendor was difficult because we do not know the exact membership. We do not have a history. We produced estimates to determine pricing. Prime Therapeutics scored ahead of Med Impact. Prime was more cost effective, and we are recommending that we select Prime Therapeutics.

Although the procurement process has taken us a long time, the actual implementation process will also take long – from the moment we sign the contract to January 1, 2026, we will be collaborating with our partner to build all the systems, integrate the data, and assess the processes. There are no fees until we are live. The pricing will project our year one, year two, and year three costs. These pricings are dependent on many factors – they are dependent on our membership, on the actual utilization, and the mix. If our members use more generic drugs than brand drugs, that payment will be different. For those that use more medications - that price will be different. The price is broken down into the actual claims cost, which is the cost for the medications and administered a fee which is to process all the claims, manage all the administrative work, and then the ancillary fee is in addition to processing claims.

CFO Sara Dersch stated that Prime can get us to a five-star level. Prime has a solid foundation, and the star rating drives revenue up. The more stars you have the more of a bonus you get. The star rating is critical. She noted that a market check will give us an opportunity to adjust the contract, as necessary.

Commissioner Cosio asked if the estimate was 1500 in year one, and then increase year two and three. He asked what the growth projection for the membership is. CFO Gelb stated our expectation for 2026 we would have 1500 members as our base scenario with a high of approximately 2100. For 2027 we use our base scenario of approximately 3,500 members and for 2028 about 5, 200 members. We are looking to grow slowly but consistently. One thing that prompts membership is letters from the state. It will depend on how members respond to a letter that they will receive from DHCS, stating that their Medi-Cal plan now has a Medicare plan. We do not know what kind of growth that will drive, we have projections.

Commissioner Abbas motioned to approve agenda item 8. Commissioner Pupa seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, James Corwin, Tabin Cosio, Laura Espinosa, Melissa Livingston, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood D.O.

NOES: None.

ABSENT: Commissioner Allison Blaze, M.D.

Motion carried.

9. Provider Grant Administrator – Contract Approval

Staff: Erik Cho, Chief Policy & Programs Officer
David Tovar, Incentive Strategy Manager

RECOMMENDATION: It is the Plan's recommendation that the Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute a 44-month agreement with Institute for Healthcare Improvement, a non-profit organization for an amount not to exceed $1.2M.

CPPO Erik Cho thanked staff for their assistance in the contract process. He introduced David Tovar, Incentive Strategy Manager. CPPO Cho stated that we had a provider recruitment grant program, and an equipment grant program. Through these grants we have approved ninety recruitments for providers in the county, as well as 393 pieces of equipment that has been approved. We are now looking to enter an expanded program. We want to continue to invest in this program, which will lead us to greater quality access. We want to do more, and we need some support. We are requesting approval of a grant administrator. This support will help us and help the grantees. This will give us an outside set of eyes that will lend expertise as well as functional support and give us a clear unbiased view with the best outcomes for our members. We have an administrator that we want to bring on board who will help us through a defined statement of work. We want to meet a significant objective: unmet health care needs or access issues. We want to bring care to GCHP members where they live, work, or go to school. We want to impact our member health outcomes and do it in a culturally responsive way that is focused on Health Equity. We are open to alternative, and non-traditional health care solutions. We intend to remove structural barriers where we can, we want to have the ability to reduce cost and improve access and efficiency.

Mr. Tovar stated that out of the ninety providers, two-thirds are new providers to the system, and many of them are primary care providers. We also have a number of specialty providers that we had lacked access to within our community. Commissioner Espinosa noted that the ability to serve on weekends and after hours has created greater access.

Commissioner Corwin asked if there is an ability for the health plan to get grants. CPPO Cho stated this administrator will work primarily on the grants we are issuing. We also have a budgeted position for grant support. This position will help us with some further development community grants. They would lead the process of us finding grants and grant money.

CIO Gelb stated that the vendor we have selected is very in tune with grants that are available and will give us access to understanding what grants are available for us to engage.

Mr. Tovar reviewed the RFP process and selection. He stated that we sent out the RFP to six vendors and received three solicitations. The three vendors were: Moss Adams, Community Partners, Institute for Healthcare Improvement (IHI). Moss Adams scored the highest, but because they do our financial audit, it was a conflict of interest, and they could not move forward. Community Partners scored a bit higher, but it came with a much higher cost. We felt that a higher budget would have taken away approximately $5 million from the grants going out to the network. We want to make sure we are being fiscally responsible, therefore we selected IHI as our proposed grant administrator.

Mr. Tovar reviewed history/background on IHI. He stated that our intent is to work with then over the next three years. We want to co-develop and work with them to ensure that we are addressing our healthcare needs for our network and our members and improve the quality for everyone. IHI will collaborate with us in a collaborative manner to create effective grants for our community and develop something that is unique and meets the needs for Ventura County.

Mr. Tovar stated that if this contract is approved, we would launch services immediately on November 1. We would then launch grants in February. We will host webinars, then review and score applications and make announcements in May.

Commissioner Cosio asked who the project manager would be, would it be Mr. Cho or Mr. Tovar. He then asked how confident staff is to be able to complete this project activation within three months. CPPO Cho stated that both Mr. Tovar and he would be working with IHI, and we also plan to on-board a grants manager position who will be collaborating with them directly too. Mr. Tovar stated that there have been many conversations with IHI to ensure that the work will be done according to the timeline. Commissioner Cosio then asked once the charter, the rubrics are developed, what is the control on the plan side – who will be working on the plan's side to ensure that everything is complied with. Mr. Tovar replied to us, within our statement of work and within our contract, we will have ongoing monthly and quarterly reviews of the grant administrator.

Whether it is fiscal controls, programmatic controls, we are going to filter up to the Commission as well. There will be a committee, who will be a deciding factor for the grants and will make sure that everything was properly received and scored. Leeann Habte of BBK Law stated the grant administrator has a measure of independence from GCHP. They will develop a selection committee which will be comprised of experts. Gold Coast will have some insight and opportunity to provide input. Gold Coast will also have a seat on this committee, but the intent is that the decisions be objective. Based on criteria provided by GCHP.

Commissioner Cosio stated his final question was if staff was asking form approval of $1.2 million or the $1.1 million which was the dollar value of the RFP. Mr. Tovar stated it was the dollar value of the RFP.

Commissioner Pupa stated that this compliments the Corporate Integrity Agreement – it demonstrates to the OIG that we are transparent, fair, and consistent.

Commissioner Corwin stated that he is comfortable with the $1.2 million to allow for adjustments. Commissioner Espinosa stated the verbiage “not to exceed” give a level of comfort.

Commissioner Abbas motioned to approve agenda item 9. Commissioner Monroy seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, James Corwin, Tabin Cosio, Laura Espinosa, Melissa Livingston, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood D.O.

NOES: None.

ABSENT: Commissioner Allison Blaze, M.D.

Motion carried.

10. Operations of the Future (OOTF) Approval of Remediation Plan and Cost

Staff: Alan Torres, Chief Information & System Modernization Officer
Anna Sproule, Exec. Director of Operations
Sara Dersch, Chief Financial Officer

RECOMMENDATION: GCHP staff is seeking approval from the Ventura County Medi-Cal Managed Care Commission to approve the execution of additional contract authorizations with the vendors listed above and approve the revised amount of $21.5M (adding $11.5M which includes contingency of 10%) to the Operations of the Future budget.

Anna Sproule, Executive Director of Operations reviewed the work that has been done to date, and what needs to be done to be back on track. She will also review the road map for our continued stabilization as well as cost projections.

Ms. Sproule stated that we have approximately 35,000 claims sitting in our inventory, that number fluctuates based on membership and incoming claims volume. We continue to stabilize. She reviewed the current dashboard. She noted that 90% of our claims are being paid within 30 days. She reviewed claims in process for our network providers was at 68% and non-contracted providers was at 31%. She reviewed the claims inventory dashboard and how much is paid at each pay run by day, as well as interest payments.

Ms. Sproule also reviewed our enrollment dashboard which tracks our members in and out as well as our current member demographics. She also reviewed claims completed to date, what is on track. She noted that we have committed to being back on track by 10/31/24. We are continuing to make progress with lots of work being done and support from additional vendors that have joined us.

Chief Information & System Modernization Officer, Alan Torres stated he would be discussing topics that are challenging to us. We are mitigating, remediating, and stabilizing work. We are still in the implementation process. We are working to get back on track, but we must be sure to do the work correctly. We are working to get back on our timeline. We want to improve efficiency and improve overall cost management. It is critical that we return to where we need to be. He noted that have been disruptions to our providers regarding financial and operational workflows to have a resolution and move forward, there is going to be a large commitment of time, resources, and finance. We are going to use this money to expedite work, and the dollar amount is significant. We need to rebuild trust with our Commission and with our network partners.

We are still in the beginning of this work and there is a lot more to do. There will be additional asks coming later. This is an extraordinary expense, and we recognize that. We will have to revise projections and review change orders associated with this project. The revised budget will include essenti9al resources that we will need to position ourselves for success.

Mr. Torres stated that we are extending Conduent to support our mail room capabilities. We are also extending Medhok, our medical management system. We are going to be asking for increased funds to support our hyper care team, which is out IT support team as well as continue to finish extracts and data needs for conversion.

We are going to engage with two new vendors Emids – that will support our 835 process that is underway, as well as with Deloitte Consulting which will support data clean up and operations.

CIO Torres stated that the original budget will be revised and will be $21.5 million to $21.6 million.

Ms. Sproule noted that we made the decision to bring the mailroom in-house. This will require a total of thirteen, resources scanning and indexing roles. She noted that we want to maintain transparency throughout this process, and we will provide consistent and detailed updates each month including the utilization of the budget.

Commissioner Livingston stated this is not unusual when managing large initiatives.
Commissioner Pupa stated that she understood this was not an easy ask and she is grateful for the transparency. This is a major transformation.

Commissioner Abbas motioned to approve agenda item 10. Commissioner Livingston seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, James Corwin, Tabin Cosio, Laura Espinosa, Melissa Livingston, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood D.O.

NOES: None.

ABSENT: Commissioner Allison Blaze, M.D.

Motion carried.

REPORTS

11. Chief Executive Officer (CEO) Report

Staff: Felix L. Nunez, M.D., MPH, Acting Chief Executive Officer

RECOMMENDATION: Receive and file the report

Acting CEO Felix Nunez, M.D. stated that his report speaks to the work that has been done to strengthen unity among the team. He noted that there was a Health Fair in Santa Paula over the weekend, and it was successful. He noted that the focus right now is the team to remain unified and to work collaboratively, come together and form a decision, and move forward.

CEO Nunez reviewed external engagements he participated in over the past month. He also noted that Ms. Marlen Torres spent time in Washington DC. The team was well represented at the California Association of Health Plans last week and they were able to engage with sister plans up and down the state. The team will continue to push for further engagement and further networking as an organization.
CDO Ted Bagley, stated that he will give an extensive report at year end that will show diversity across all of Gold Coast.

Commissioner Abbas motioned to approve agenda item 11. Commissioner Sanchez seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, James Corwin, Tabin Cosio, Laura Espinosa, Melissa Livingston, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, Sara Sanchez, and Scott Underwood D.O.

NOES: None.

ABSENT: Commissioner Allison Blaze, M.D.

Motion carried.

Open session ended at 4:20 p.m

Closed Session started at 4:22 p.m.

CLOSED SESSION

12. CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Commission &
Chief of Human Resources & Organization Performance Officer
Unrepresented employee: Chief Executive Officer

13. PUBLIC EMPLOYEE APPOINTMENT
Title: Chief Executive Officer

ADJOURNMENT

With no other business to conduct, the meeting was adjourned at 4:51 p.m.

Approved:

_____
Maddie Gutierrez, MMC
Clerk to the Commission

AGENDA ITEM NO. 2

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Maddie Gutierrez, MMC – Sr. Clerk to the Commission

DATE: November 18, 2024

SUBJECT: Adoption of Commission Meeting Schedule for 2025,

SUMMARY:

This item will establish dates for the Ventura County Medi-Cal Managed Care Commission (Commission) meetings for 2025.

RECOMMENDATION:

Approve the 2025 Commission meeting calendar as presented.

ATTACHMENT:

Copy of the 2025 Commission meeting calendar.

Gold Coast Health Plan℠
A Public Entity

2025
Commission Meetings

Commission Meeting 2PM
Strategic Planning Retreat
March and July are dark months

January

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February

Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
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16	17	18	19	20	21	22
23	24	25	26	27	28	

March

Su	M	Tu	W	Th	F	Sa
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23	24	25	26	27	28	29
30	31					

April

Su	M	Tu	W	Th	F	Sa
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13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

May

Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

June

Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

July

Su	M	Tu	W	Th	F	Sa
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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

August

Su	M	Tu	W	Th	F	Sa
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24	25	26	27	28	29	30
31						

September

Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

This meeting will begin at 6PM

October

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November

Su	M	Tu	W	Th	F	Sa
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

December

Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Yearly Calendar Template by Vertex42.com
https://www.vertex42.com/ExcelTemplates/yearly-calendar.html
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AGENDA ITEM NO.3

To: Ventura Country Medi-Cal Managed Care Commission

From: Paul Aguilar, Chief Human Resource & Organization Performance Officer

Date: November 18, 2024

Subject: Approve Recruitment Firm Agreement ("Agreement") with Morgan Consulting Resources ("MCR") for Chief Executive Officer Recruitment Services

SUMMARY:

On Wednesday, August 28, 2024, the Gold Coast Health Plan Commission ("Commission") appointed Dr Felix Nunez as Acting Chief Executive Officer ("CEO") until the Plan selects a permanent CEO. The Commission solicited three potential bidders for executive recruitment services for the position of CEO, and now wish to consider the award of a contract to Morgan Consulting Resources ("MCR"). Following negotiations, MCR has agreed to the following terms, subject to approval by the Commission: (1) Recruitment Firm Fee of 25% of the candidate's first year base salary; and (2) Initial payment of one-third of the Recruitment Firm Fee ($50,000) due upon initiation of services. The proposed Recruitment Firm Agreement is attached hereto as Exhibit 1. Pursuant to the Scope of Services, MCR will actively participate in the recruitment and placement of prospective job candidates for CEO, including, without limitation, arranging interview appointments, supplying and checking applicants' references, providing Plan with all pertinent information regarding the candidate(s) and conveying a favorable impression of Plan to each candidate

BACKGROUND/DISCUSSION:

Three proposals were solicited for executive recruitment services for the position of CEO pursuant to Section 2.5(a) of the Commission's Procurement Policy: MCR, Spencer Stuart and Furst Group. MCR was selected because of their positive experience working with Gold Coast Health Plan, experience working with Medi-Cal and community-based health plans, hands-on professional services, as well as well-known California and nationwide candidate network. In addition, the recruiting fees were the most competitive of the three proposals. Staff is confident that MCR will be successful in the recruitment of a permanent CEO.

FISCAL IMPACT:

Approximately $150,000 in recruitment fee, plus expenses.

RECOMMENDATION:

Staff recommends the Commission approve the Agreement with MCR and authorize the Acting CEO to execute the Agreement.

If the Commission desires to review this contract, it is available at Gold Coast Health Plan's Finance Department.

AGENDA ITEM NO. 4

TO: Ventura County Medi-Cal Managed Care Commission

FROM: James Cruz, M.D., Acting Chief Medical Officer
Kim Timmerman, MHA, CPHQ, Sr. Director of Quality Improvement

DATE: November 18, 2024

SUBJECT: Quality Improvement Report – November 2024

SUMMARY:

The Department of Health Care Services ("DHCS") requires Gold Coast Health Plan ("GCHP") to implement an effective quality improvement system and to ensure that the governing body routinely receives written progress reports from the Quality Improvement and Health Equity Committee ("QIHEC").

The attached report contains a summary of activities of the QIHEC and its subcommittees.

FISCAL IMPACT:

None

RECOMMENDATION:

Staff recommends that the Ventura County Medi-Cal Managed Care Commission receive and file the November 2024 Quality Improvement Report.

ATTACHMENTS:

1) Timmerman, K., (2024). Quality Improvement, Ventura County Medi-Cal Managed Care Commission, November 2024 Quality Improvement Report

Quality Improvement Report

Date:	11/18/2024
Business Owner	Kim Timmerman, Sr. QI Director

Managed Care Accountability Set: Current State

- MY 2024 Prospective Rate Highlights as of October:
  - 5 Measures at 75th percentile:
    - LSC (82 members to HPL)
    - W30 2+ (134 members to HPL)
    - BCS, IMA, PPC-Post
  - 4 Measures at MPL:
    - PPC-Pre, W30 6+, DEV, CIS
- MY 2024 Prospective Rate Lowlights as of October:
  - 6 measures at 25th percentile: AMR, HBD (H), CHL, CCS (H), FUA, CBP (H)
  - 3 Measures below 25th percentile: FUM, TFL, WCV
- MY 2023: No DHCS sanctions for GCHP!!!

NCQA Accreditation

- Health Equity Accreditation (HEA) survey start date is June 10, 2025.
- HEA mock survey completed with a total current score of 52% of standards points. Report findings reviewed with business owners. Remediation efforts in place to address remaining gaps.
- Health Plan Accreditation (HPA) survey start date is October 7, 2025.
- HPA mock survey scheduled from October-December. Review meetings scheduled November-December to discuss mock survey findings, review remaining gaps, and develop plans to remediate gaps.

Managed Care Accountability Set: Plan

- MY 2024 Interventions:
  - Measure Workgroups: AMR, BH, CIS/Flu, COL
  - Member Incentives: WCV, CCS, BCS, HPV, LSC, Flu
  - Q4 Push:
    - ✓ POC HbA1c member incentive
    - ✓ Assess need for non-standard supplemental data collection
  - CareNet Gaps in Care Outreach/Appt Scheduling: WCV: 7,271, CCS: 1,126, PPC-Post: 50
  - AMR Member Outreach: 74 reached, 24 appts
  - Wellth Member Engagement
  - Support QIPP partners:
    - Monthly JQPC/JQOM
    - Onsite events (Health Fairs, Mobile Mammography, Well Child Clinics)

GCHP Quality Convocation Event

- GHCP hosted its inaugural Quality Convocation Event on 11/6/24.
- Event was a convening of network provider quality improvement stakeholders and GCHP staff that celebrated Healthcare Quality Week and achievements in quality performance through provider partnerships.
- Presentations included:
  - Quality Metrics: Past, Present, and Future
  - Future of Quality Funding
  - Poster presentations
- Riding the Wave of Quality Awards Ceremony recognized awardees for their outstanding achievement in quality.

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Measurement Year (MY) 2024 Managed Care Accountability Set (MCAS) Update: November 2024

As of the October rate reporting refresh, with data reflecting care rendered through September, all measures are performing better compared to the same timeframe last year. Recently completed data activities include:

- Data build, file creation, and discrepancy remediation associated with core system conversion and Operations of the Future initiatives
- Integration of newly-released MY 2024 benchmarks for NCQA measures
- Inclusion of new data sources for key behavioral health measures (FUA/FUM)
- Planning for additional data enhancements aimed to maximize MY 2024 outcomes

Highlights of current measure performance include:

- Five measures currently at the 75th percentile:
    - Breast Cancer Screening
    - Postpartum Care
    - Lead Screening in Children (82 gaps to high performance level)
    - Immunizations for Adolescents
    - Well Child Visits in the First 30 Months of Life (134 gaps to high performance level)
- Four measures currently at the 50th percentile (Minimum Performance Level or MPL)
    - Prenatal Care
    - Childhood Immunizations
    - Well Child Visits in the First 15 months of Life
    - Developmental Screenings in the First Three Years of Life

While most measures are on track to meet or exceed established targets for MY 2024, several measures are currently tracking at risk for falling below MPL:

- Follow-up after an ED visit for Substance Use Disorder within 30 days (FUA)
- Follow-up after an ED visit for Mental Illness within 30 days (FUM)
- Asthma Medication Ratio (AMR)

Several workgroups are focused on continuing to improve performance in 2024 and to sustain the gains achieved in Measurement Year 2023. Synergistic initiatives are being implemented through organization-wide workgroups, in collaboration with community partners and our provider network. Initiatives implemented include expansion of QIPP metrics, targeted member outreach to facilitate appointments to close gaps in care, promotion and expansion of member incentive programs, community health fairs, clinic-sponsored health fairs, and mobile mammography.

Through GCHP's partnership with CareNet, the following appointments have been scheduled for targeted gaps in care: 7,271 well child visits; 1,126 cervical cancer screenings; 50 postpartum visits.

The GCHP Care Management Team has also been actively outreaching to members with asthma to ensure they are utilizing their medications appropriately. To date, 161 members have been contacted, 74 members have been reached, and 24 made appointments to discuss their asthma with their doctor.

Additionally, the member incentive program has expanded to include members aged 0-2 due for their flu vaccine, and a point-of-care Hemoglobin A1c member incentive launched at targeted clinic locations. Overall, in 2024, approximately 32,000 member incentives have been distributed.

National Committee for Quality Assurance Accreditation (NCQA) Project Update: November 2024

GCHP continues to prepare to achieve NCQA Health Plan Accreditation (HPA) and Health Equity Accreditation (HEA) by January 2026, as mandated under CalAIM. The HEA survey start date is scheduled for June 10, 2025. The HPA survey start date is scheduled for October 7, 2025.

In preparation for the 2025 surveys, the NCQA project team organized mock surveys with our contracted NCQA consultants, The Mihalik Group (TMG), and business owners. The HEA mock survey has been completed and the table below shows the overall scoring by each HEA Standard. Report findings were shared and reviewed with business owners, and remediation efforts are in place to address remaining gaps.

HEA Standard ID	HEA Standard Name	Points Received	Points Possible	Current Overall %
HE 1	Organizational Readiness	1.5	2	75%
HE 2	Race/Ethnicity, Language, Gender Identity and Sexual Orientation Data	0	9	0%
HE 3	Access and Availability of Language Services	2.5	4	63%
HE 4	Practitioner Network Cultural Responsiveness	1	2	50%
HE 5	Culturally and Linguistically Appropriate Services Programs	2	2	100%
HE 6	Reducing Health Care Disparities	7	8	88%
HE 7	Delegation of Health Equity Activities	0	4	0%
Overall Current Score:		**14**	**27**	**52%**
2023 Readiness Assessment Score:		3	27	11%

Note:

- To earn accreditation, GCHP needs a minimum of **80%** for all the standards combined
- Score as of 10/4/24 based on several "conditionally met" areas, indicating that there is a process to complete the requirements, but it has not been fully implemented yet

The HPA mock survey is scheduled from late-October through mid-December. All evidence is due to TMG by early-November and review meetings are scheduled from early-November through mid-December to discuss mock survey findings, review remaining gaps, and develop plans to remediate those gaps. Below is a status overview of the HPA scoring, as of 10/21/24.

Standard Category	Total Points Possible	Current Points	Percent
Credentialing and Re-credentialing (CR)	20	16	80%
Member Experience (ME)	28	11.5	41%
Network Management (NET)	29	8	28%
Population Health Management (PHM)	23	8	35%
Quality Improvement (QI)	15	6.5	43%
Utilization Management (UM)	47	10	21%

High-level risks currently include HEA outstanding policies and reports, updates to the Provider Directory to satisfy NET-5 (Physician and Hospital Directories) requirements, completion of delegation agreement revisions, and creating an NCQA-compliant delegation and reporting oversight process.

Additional team members have been assigned to complete HEA outstanding work items that were delayed as teams supported the new system implementations in July and August. The Provider Directory is expected to be in production in November. The NCQA team is working with BBK, Provider Network Operations, and Procurement on addressing delegation agreement gaps. Teams are also working with Compliance and Operations Oversight to establish a standardized mechanism for conducting oversight of NCQA delegates' reporting, per NCQA requirements. The team continues to closely monitor all risks and issues and escalate barriers to leadership, as appropriate.

Riding the Wave of Quality: Gold Coast Health Plan Quality Convocation: November 2024

On November 6th, Gold Coast Health Plan hosted its inaugural Quality Convocation Event. The Quality Convocation was a convening of network provider quality improvement stakeholders and GCHP quality improvement staff. The event celebrated Healthcare Quality Week and highlighted that, through our strategic partnership, we have achieved great momentum in improving our performance and bringing high value to our mutual members and stakeholders. Our goal is to keep riding the wave of quality to further our advancements in this collaborative journey.

Presentations covered topics including:

- Quality Metrics: Past, Present, and Future
- Future of Quality Funding
- Poster session and presentations from Ventura County Health Care Agency, Clinicas Del Camino Real, and Community Memorial Health System

The Convocation concluded with the Riding the Wave of Quality Awards Ceremony recognizing awardees for their outstanding achievement in quality. Award recipients were:

- Best in Show – Greatest Overall MCAS Achievement by Health System
  - Clinicas Del Camino Real
- Quality Champion – For leadership in quality improvement collaboration with GCHP
  - Gadiel Chavez, Quality Coordinator
    Ventura County Healthcare Agency
- Most Improved – Greatest Overall MCAS Improvement by Health System
  - Clinicas Del Camino Real
- Most Improved Health System in Any One Measure
  - Community Memorial Health for Well Child Visits in the First 15 Months of Life (W30-6+)
- Most Collaborative
  - Ventura County Healthcare Agency for partnership in the point-of-care member incentive program, mobile mammography, and well-child clinics
- Highest Performing Individual Clinics
  - Well-Baby (W30)– Ventura County Healthcare Agency: Las Islas Family Medical Group
  - Well-Child (Child and Adolescent Well Care) – Buena Medical Clinic
  - Cancer Prevention (Breast and Cervical Cancer) – Rose Avenue Family Medical Group
  - Reproductive Health (Prenatal and Postpartum Care, Chlamydia Screening) – Clinicas Del Camino Real: Meta Health Center (Oxnard)
  - Chronic Conditions (Diabetes, High Blood Pressure, Asthma) – Ventura County Healthcare Agency: Fillmore Family Medical Group

AGENDA ITEM NO. 5

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Alan Torres, Chief Innovation & System Modernization Officer
Anna Sproule, Executive Director of Operations

DATE: November 18, 2024

SUBJECT: Operations of the Future (OOTF) Update

PowerPoint with Verbal Presentation

ATTACHMENTS:

Operations of the Future Update

Gold Coast Health Plan℠
A Public Entity

Operations of the Future

Integrity
Accountability
Collaboration
Trust
Respect

November 18, 2024

Anna Sproule, Executive Director, Operations
Alan Torres, Chief Information and System Modernization Officer

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AGENDA ITEM NO. 6

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Sara Dersch, Chief Financial Officer

DATE: November 18, 2024

SUBJECT: November 2024 Year to Date Financials

SUMMARY:
Staff is presenting the attached September 2024 fiscal year-to-date ("FYTD") unaudited financial statements of Gold Coast Health Plan ("GCHP") for review and approval.

ATTACHMENT:
September 2024 Financial Package

APPENDIX:
- Income Statement FYTD
- Balance Sheet
- Statement of Cash Flow
- Statement of Investments and Cash Balances

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR MONTH ENDED September 30, 2024

	Sept2024	September 2024 Year-To-Date		Variance	Variance
	Actual	Actual	Budget	Fav / (Unfav)	%
Membership (includes retro members)	245,569	739,652	749,120	(9,468)	-1.3%
Revenue					
Premium	$ 123,380,285	$ 370,487,362	$ 269,232,108	$ 101,255,255	37.6%
Reserve for Cap Requirements	(212,873)	(624,284)	(641,531)	17,247	-2.7%
MCO Premium Tax	(34,472,500)	(103,417,500)	-	(103,417,500)	0.0%
Total Net Premium	**88,694,911**	**266,445,578**	**268,590,577**	**(2,144,999)**	**-0.8%**
Other Revenue:					
Miscellaneous Income	90	315	-	315	0.0%
Total Other Revenue	90	315	-	315	0.0%
Total Revenue	**88,695,001**	**266,445,893**	**268,590,577**	**(2,144,684)**	**-0.8%**
Medical Benefits:					
Capitation:					
PCP, Specialty, Kaiser, NEMT & Vision	$ 5,376,589	$ 20,516,996	$ 19,195,621	$ (1,321,375)	-6.9%
ECM	737,908	2,196,797	$ 4,181,967	1,985,169	47.5%
Total Capitation	6,114,498	22,713,794	23,377,587	663,794	2.8%
FFS Claims:					
Inpatient	15,754,308	57,640,671	55,332,940	(2,307,731)	-4.2%
LTC / SNF	13,330,754	43,766,031	45,597,580	1,831,549	4.0%
Outpatient	7,357,954	22,056,210	23,684,525	1,628,316	6.9%
Laboratory and Radiology	1,972,192	3,262,482	2,428,166	(834,316)	-34.4%
Directed Payments - Provider	1,059,432	4,817,301	2,391,676	(2,425,625)	-101.4%
Emergency Room	1,596,285	8,688,593	10,156,956	1,468,363	14.5%
Physician Specialty	6,891,348	22,994,109	22,392,312	(601,797)	-2.7%
Primary Care Physician	2,710,023	10,527,533	10,713,870	186,338	1.7%
Home & Community Based Services	1,186,138	6,630,126	5,793,100	(837,026)	-14.4%
Applied Behavioral Analysis/Mental Health Services	3,746,664	11,778,837	10,960,073	(818,764)	-7.5%
Pharmacy	-	-	-	-	0.0%
Adult Expansion Reserve	-	-	-	-	0.0%
Quality Incentives/Provider Reserves	*772,472*	*917,854*	5,000,000	4,082,146	0.0%
Quality Incentive Provider Program (QIPP)	*3,607,161*	*10,097,732*	12,500,000	2,402,268	48.0%
Other Medical Professional	468,058	915,827	1,211,127	295,300	2.4%
Other Medical Care	-	-	-	-	0.0%
Professional Fee For Service	-	6,650	-	(6,650)	0.0%
Other Fee For Service	4,536,348	9,777,109	5,743,920	(4,033,189)	-70.2%
Transportation	291,201	667,603	1,398,618	731,015	52.3%
Total Claims	65,280,337	214,544,668	215,304,864	760,196	0.4%
Provider Grant Program	4,626,543	5,026,543	3,125,000	(1,901,543)	-60.8%
Medical & Care Management	3,316,621	8,169,270	8,663,897	494,627	5.7%
Reinsurance	145,324	807,186	475,000	(332,186)	-69.9%
Claims Recoveries	(195,687)	(917,033)	(300,000)	617,033	-205.7%
Sub-total	7,892,800	13,085,965	11,963,897	(1,122,068)	-9.4%
Total Medical Benefits	**79,287,635**	**250,344,426**	**250,646,348**	**301,922**	**0.1%**
Contribution Margin	**9,407,367**	**16,101,467**	**17,944,229**	**(1,842,761)**	**-10.3%**
General & Administrative Expenses:					
Salaries, Wages & Employee Benefits	4,493,335	15,229,528	14,502,235	(727,293)	-5.0%
Training, Conference & Travel	46,048	147,685	440,774	293,089	66.5%
Outside Services	4,670,968	7,302,816	9,138,630	1,835,814	20.1%
Professional Services	1,766,435	3,579,829	1,612,147	(1,967,682)	-122.1%
Occupancy, Supplies, Insurance & Others	1,697,816	5,127,069	7,324,751	2,197,683	30.0%
Sponsorships	5,000	25,498		(25,498)	0.0%
Care Management Reclass to Medical	(3,316,621)	(8,169,270)	(8,663,897)	(494,627)	5.7%
G&A Expenses	9,709,047	23,589,221	24,354,640	765,420	3.1%
Project Portfolio (OOTF)	(2,284,118)	-	4,000,000	4,000,000	100.0%
Strategic Initiatives (SI)	4,917,420	4,917,420	722,304	(4,195,115)	
				-	
Total G&A Expenses	**12,342,349**	**28,506,640**	**29,076,945**	**570,304**	**2.0%**
Total Operating Gain / (Loss)	**(2,934,983)**	**(12,405,173)**	**(11,132,716)**	**(1,272,457)**	**11.4%**
Retro Premium Adj	**76,334**	**51,996**	**-**	**51,996**	**0.0%**
Non Operating					
Revenues - Interest	1,845,979	5,466,366	4,000,000	1,466,366	36.7%
Expenses - Interest		-	-	-	-
Gain/(Loss) on Sale of Asset	-	-	-	-	-
Total Non-Operating	**1,845,979**	**5,466,366**	**4,000,000**	**1,466,366**	**36.7%**
Total Increase / (Decrease) in Unrestricted Net Assets	**$ (1,012,670)**	**$ (6,886,811)**	**$ (7,132,716)**	**$ 245,905**	**-3.4%**

STATEMENT OF FINANCIAL POSITION

	9/30/2024	06/30/24
ASSETS		
Current Assets:		
Total Cash and Cash Equivalents	**$ 505,535,828**	**$ 430,974,305**
Total Short-Term Investments	**100,671,075**	**99,718,245**
Medi-Cal Receivable	199,730,240	173,911,167
Interest Receivable	1,189,713	772,425
Provider Receivable	11,253,281	12,484,788
Other Receivables	7,481,904	5,579,474
Total Accounts Receivable	**219,655,138**	**192,747,856**
Total Prepaid Accounts	6,236,710	10,875,162
Total Other Current Assets	133,545	133,545
Total Current Assets	**832,232,297**	**734,449,113**
Total Fixed Assets	**48,044,277**	**23,343,857**
Total Assets	**$ 880,276,574**	**$ 757,792,970**

LIABILITIES & NET ASSETS	9/30/2024	06/30/24
Current Liabilities:		
Incurred But Not Reported	$ 146,367,695	$ 103,483,161
Claims Payable	18,370,448	18,370,448
Capitation Payable	8,392,018	8,201,415
Physician Payable	32,651,218	30,314,835
DHCS - Reserve for Capitation Recoup	52,145,186	55,107,254
Lease Payable- ROU	4,674,563	2,411,196
Accounts Payable	1,682,958	4,671,951
Accrued ACS	463,689	4,068,323
Accrued Provider Incentives/Reserve	7,643,142	8,389,182
Accrued Expenses	46,045,080	9,112,142
Accrued Premium Tax	174,080,831	138,769,137
Accrued Payroll Expense	3,274,438	4,240,566
Quality Withhold	1,911,317	1,287,033
Total Current Liabilities	**497,702,584**	**388,426,645**
Long-Term Liabilities:		
Lease Payable - NonCurrent - ROU	23,771,837	3,677,360
Total Long-Term Liabilities	**23,771,837**	**3,677,360**
Total Liabilities	**521,474,421**	**392,104,005**
Net Assets:		
Beginning Net Assets	359,814,824	359,951,657
Total Increase / (Decrease in Unrestricted Net Assets)	(1,012,670)	5,737,309
Total Net Assets	**358,802,155**	**365,688,966**
Total Liabilities & Net Assets	**$ 880,276,574**	**$ 757,792,970**

STATEMENT OF CASH FLOWS	Sept 2024	Sept 2024 YTD
Cash Flows Provided By Operating Activities		
Net Income (Loss)	$ (1,012,670)	$ (6,886,811)
provided by operating activities		
Depreciation on fixed assets	976,480	2,930,858
Changes in Operating Assets and Liabilites		
Accounts Receivable	(7,957,689)	(26,907,284)
Prepaid Expenses	(559,657)	4,638,452
Accrued Expense and Accounts Payable	29,019,025	48,993,382
Claims Payable	(5,663,775)	2,526,986
MCO Tax liablity	34,472,500	35,311,694
IBNR	(10,803,220)	42,884,533
Net Cash Provided by (Used in) Operating Activities	**38,470,993**	**103,491,811**
Cash Flow Provided By Investing Activities		
Proceeds from Investments	(339,796)	(952,831)
Purchase of Property and Equipment	(430,000)	(27,631,279)
Net Cash (Used In) Provided by Investing Activities	**(769,796)**	**(28,584,109)**
Cash Flow Provided By Financing Activities		
Lease Payable - ROU	(115,897)	(346,180)
Net Cash Used In Financing Activities	**(115,897)**	**(346,180)**
Increase/(Decrease) in Cash and Cash Equivalents	37,585,300	**74,561,522**
Cash and Cash Equivalents, Beginning of Period	467,950,527	**430,974,305**
Cash and Cash Equivalents, End of Period	**505,535,827**	**$ 505,535,827**

SCHEDULE OF INVESTMENTS AND CASH BALANCES	Market Value September 30, 2024	Account Type
Local Agency Investment Fund (LAIF)	$ 42,530,370	Investment
Ventura County Investment Pool	$ 19,563,321	Investment
CalTrust	$ 38,577,384	Short-term investment
Bank of West	$ 492,576,599	Money market account
Pacific Premier Bank	$ 12,959,229	Operating accounts
Investments and monies held by GCHP	**$ 606,206,903**	

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Trust
Respect

September 2024 Fiscal Year-to-Date Financial Results

Ventura County Medi-Cal Managed Care Commission

November 18, 2024

Sara Dersch, Chief Financial Officer

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711 East Daily Drive, Suite 106, Camarillo, CA 93010 www.goldcoasthealthplan.org

Financial Results Summary: September

- September 2024 fiscal year-to-date (FYTD) ($6.9M) Net Asset Decrease represents a $0.2M variance to Budget and is the result of the following:
  - FYTD Member months are 9,468 lower than budget primarily in the Child, Adult and Seniors and People with Disabilities (SPD) Duals Categories of Aid. The variance is partially offset by Adult Expansion (AE).
  - The ($2.1M) Revenue variance is primarily volume driven resulting from lower-than budgeted membership. The volume related variance is partially offset by member mix.
  - The Medical Benefits variance of $0.3M aligns with budget. September results include a reserve release of $10.8M as a result of YTD catch-up with claims data now available.
  - The Core Administrative favorability of $0.8M was primarily driven by a shift of expenses to Operations of the Future (OOTF).

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September Financial Results

($Ms except pmpms & mm)	MTD Actual	MTD Budget	MTD Var Fav / (Unfav)	YTD Actual	YTD Budget	YTD Var Fav / (Unfav)
Member Months	245,569	249,848	(4,279)	739,652	749,120	(9,468)
Revenue	$ 88.7	$ 89.6	$ (0.9)	$ 266.4	$ 268.6	$ (2.1)
pmpm	*$ 361.18*	*$ 358.64*	*$ 2.54*	*$ 360.23*	*$ 358.54*	*$ 1.69*
Non-Operating Revenue / (Expense)	$ 1.8	$ 1.3	$ 0.5	$ 5.5	$ 4.0	$ 1.5
pmpm	*$ 7.52*	*$ 5.34*	*$ 2.18*	*$ 7.39*	*$ 5.34*	*$ 2.05*
Medical Benefits	$ 79.3	$ 83.6	$ 4.3	$ 250.3	$ 250.6	$ 0.3
pmpm	*$ 322.87*	*$ 334.58*	*$ 11.7*	*$ 338.46*	*$ 334.59*	*$ (3.9)*
% of Revenue	*89.4%*	*93.3%*		*94.0%*	*93.3%*	
Administrative Expense	$ 9.7	$ 8.1	$ (1.6)	$ 23.6	$ 24.4	$ 0.8
pmpm	*$ 39.54*	*$ 32.26*	*$ (7.28)*	*$ 31.89*	*$ 32.51*	*$ 0.62*
% of Revenue	*10.9%*	*9.0%*		*8.9%*	*9.1%*	
Project Portfolio	$ 2.6	$ 2.0	$ (0.6)	$ 4.9	$ 4.7	$ (0.2)
pmpm	*$ 10.72*	*$ 8.15*	*$ (2.57)*	*$ 6.65*	*$ 6.30*	*$ (0.34)*
% of Revenue	*3.0%*	*2.3%*		*1.8%*	*1.8%*	
Operating Gain/(Loss)	$ (2.9)	$ (4.1)	$ 1.1	$ (12.4)	$ (11.1)	$ (1.3)
	$ (11.95)	*$ (16.35)*	*$ 4.40*	*$ (16.77)*	*$ (14.86)*	*$ (1.91)*
Retro Revenue Adjustments	$ 0.1	$ -	$ 0.1	$ 0.1	$ -	$ 0.1
pmpm	*$ 0.31*	*$ -*	*$ 0.31*	*$ 0.07*	*$ -*	*$ 0.07*
Total Increase / (Decrease) in Unrestricted Net Assets	$ (1.0)	$ (2.8)	$ 1.7	$ (6.9)	$ (7.1)	$ 0.2
pmpm	*$ (4.12)*	*$ (11.01)*	*$ 6.89*	*$ (9.31)*	*$ (9.52)*	*$ 0.21*
% of Revenue	*-1.1%*	*-3.1%*		*-2.6%*	*-2.7%*	

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Membership

Child, Adult, and SPD Duals membership is driving the unfavorable variance, which is partially offset by Adult Expansion.

Revenue

Lower membership is driving ($2.1M) variance, which is partially offset be member mix.

Medical Benefits

A YTD true-up in reserves results in alignment with budget. We are not currently seeing any unanticipated utilization across the Categories of Service.

Administrative Expense

$0.8M favorability due primarily to Software expenses shifted from Core Admin OOTF development offset by provider settlements ($0.7M) and Temp expenses ($0.7M). Note that the temp spend is likely OOTF and will be reclassed as such next month.

Project Portfolio

OOTF ($0.2M) unfavorable to budget YTD. Note that the OOTF budget was front-loaded in Q1 with no budget for Q2-4.

September Financial Results: Categories of Service

(In Millions except membership)	September 2024 Month-To-Date		Variance	September 2024 Year-To-Date		Variance
	Actual	Budget	Fav / (Unfav)	Actual	Budget	Fav / (Unfav)
Membership (includes retro members)	245,569	249,848	(4,279)	739,652	749,120	(9,468)
Medical Benefits:						
Capitation						
PCP, Specialty, Kaiser, NEMT & Vision	$5.4	$6.4	$1.0	$20.5	$19.2	($1.3)
ECM	$0.7	$1.4	$0.7	$2.2	$4.2	$2.0
Total Capitation	$6.1	$7.8	$1.7	$22.7	$23.4	$0.7
FFS Claims						
Inpatient	$15.8	$18.5	$2.7	$57.6	$55.3	($2.3)
LTC / SNF	$13.3	$15.2	$1.9	$43.8	$45.6	$1.8
Outpatient	$7.4	$7.9	$0.5	$22.1	$23.7	$1.6
Laboratory and Radiology	$2.0	$0.8	($1.2)	$3.3	$2.4	($0.8)
Directed Payments - Provider	$1.1	$0.8	($0.3)	$4.8	$2.4	($2.4)
Emergency Room	$1.6	$3.4	$1.8	$8.7	$10.2	$1.5
Physician Specialty	$6.9	$7.5	$0.6	$23.0	$22.4	($0.6)
Primary Care Physician	$2.7	$3.6	$0.9	$10.5	$10.7	$0.2
Home & Community Based Services	$1.2	$1.9	$0.7	$6.6	$5.8	($0.8)
Applied Behavioral Analysis/Mental Health Services	$3.7	$3.7	($0.1)	$11.8	$11.0	($0.8)
Quality Incentives/Provider Reserves	$0.8	$1.7	$0.9	$0.9	$5.0	$4.1
Quality Incentive Provider Program (QIPP)	$3.6	$4.2	$0.6	$10.1	$12.5	$2.4
Other Medical Professional	$0.5	$0.4	($0.1)	$0.9	$1.2	$0.3
Other Fee For Service	$4.5	$1.9	($2.6)	$9.8	$5.7	($4.0)
Transportation	$0.3	$0.5	$0.2	$0.7	$1.4	$0.7
Total Claims	$65.3	$71.8	$6.5	$214.5	$215.3	$0.8
Other						
Provider Grant Program	$4.6	$1.0	($3.6)	$5.0	$3.1	($1.9)
Medical & Care Management	$3.3	$2.9	($0.4)	$8.2	$8.7	$0.5
Reinsurance	$0.1	$0.2	$0.0	$0.8	$0.5	($0.3)
Claims Recoveries	($0.2)	($0.1)	$0.1	($0.9)	($0.3)	$0.6
Total Other	$7.9	$4.0	($3.9)	$13.1	$12.0	($1.1)
Total Medical Benefits	$79.3	$83.6	$4.3	$250.3	$250.6	$0.3
Contribution Margin	$9.4	$6.0	$3.4	$16.1	$17.9	($1.8)

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Looking Ahead….

- Items impacting FY2024-25
  - Ops of the Future Remediation / Stabilization
  - Reprioritization of Strategic Initiatives
  - 2024 & 2025 Rate Actions and Advocacy
  - Utilization Changes
  - DSNP Right-sizing
  - Revised Budget (by mid December)

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Exhibits

This section contains the following exhibits:

- Operations of the Future Expenditures
- Membership Breakdown
- Balance Sheet
- Cash and Short-Term Investment Portfolio
- Medical Benefits by Category of Service

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Operations of the Future Expenditures

Vendor	Sept 2024 FYTD
Conduent	$ 2,202,883
HealthEdge	1,194,342
Akkodis	1,023,520
Strategic initiatives	552,367
Ellit	480,316
Silverline	337,209
Adecco	278,609
Transaction Applications Group	241,922
OmniData	165,430
Salesforce	135,560
Divurgent	128,434
Optum Insight	69,215
Edifecs	51,004
Prophecy	50,000
symplr	37,838
TTEC Government Solutions	31,738
UpToDate, Inc	22,222
Casenet	13,288
Depreciation	10,386
Other	3,224
Insight Direct	3,028
Other Software	(12,308)
Other Temp	(12,963)
Other Consulting	(189,115)
Amortized Expenses	(1,900,728)
Total	$ 4,917,420

Category	Sept 2024 FYTD
Software Subscriptions	$ 2,509,189
Outside Services	1,400,083
Temp Help	944,364
Consulting	27,975
Software Maintenance & Support	17,415
Depreciation	10,386
Miscellaneous	8,007
Total	$ 4,917,420

Amortized Expenses to be recognized as functionality goes live	
Category	**Sept 2024 FYTD**
Outside Services	$ (1,038,407)
Consulting	(441,293)
Temp Help	(355,604)
Software Subscriptions	(65,424)
Total	$ (1,900,728)

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September - Membership Breakdown

September 2024 Year to Date					
Catagories of Aid	Member Months Actual	Member Months Budget	Member Months Variance		Premium Rate Actual
Child - SIS	254,428	262,050	(7,622)	$	108.85
Child - UIS	12,900	11,364	1,536	$	102.93
Adult - SIS	73,807	78,098	(4,291)	$	340.31
Adult - UIS	45,869	48,126	(2,257)	$	481.50
SPD - SIS	29,543	29,983	(440)	$	1,311.41
SPD - UIS	4,198	3,687	511	$	1,352.06
SPD Dual - SIS	70,835	73,748	(2,913)	$	656.26
SPD Dual - UIS	309	278	31	$	517.45
LTC Non-Dual - SIS	108	103	5	$	1,262.28
LTC Non-Dual - UIS	61	66	(5)	$	1,273.50
LTC Dual - SIS	1,969	2,038	(69)	$	2,021.11
LTC Dual - UIS	20	27	(7)	$	1,483.66
Adult Expansion - SIS	206,552	203,363	3,189	$	340.40
Adult Expansion - UIS	39,053	36,189	2,864	$	560.69
Total	**739,652**	**749,120**	**(9,468)**		

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September Balance Sheet: Assets

STATEMENT OF FINANCIAL POSITION		
	9/30/2024	06/30/24
ASSETS		
Current Assets:		
Total Cash and Cash Equivalents	**$ 505,535,828**	**$ 430,974,305**
Total Short-Term Investments	**100,671,075**	**99,718,245**
Medi-Cal Receivable	199,730,240	173,911,167
Interest Receivable	1,189,713	772,425
Provider Receivable	11,253,281	12,484,788
Other Receivables	7,481,904	5,579,474
Total Accounts Receivable	**219,655,138**	**192,747,856**
Total Prepaid Accounts	6,236,710	10,875,162
Total Other Current Assets	133,545	133,545
Total Current Assets	**832,232,297**	**734,449,113**
Total Fixed Assets	**48,044,277**	**23,343,857**
Total Assets	**$ 880,276,574**	**$ 757,792,970**

- The $122.5M increase in total Assets is attributed to the following:
  - Cash and Equivalents: Money Market Investment growth
  - Accounts Receivable: Med-Cal Receivable
  - Fixed Assets: includes GASB 96 reclassification of expense.

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September Balance Sheet: Liabilities

LIABILITIES & NET ASSETS	9/30/2024	06/30/24
Current Liabilities:		
Incurred But Not Reported	$ 146,367,695	$ 103,483,161
Claims Payable	18,370,448	18,370,448
Capitation Payable	8,392,018	8,201,415
Physician Payable	32,651,218	30,314,835
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Lease Payable - NonCurrent - ROU	23,771,837	3,677,360
Total Long-Term Liabilities	**23,771,837**	**3,677,360**
Total Liabilities	**521,474,421**	**392,104,005**
Net Assets:		
Beginning Net Assets	359,814,824	359,951,657
Total Increase / (Decrease in Unrestricted Net Assets)	(1,012,670)	5,737,309
Total Net Assets	**358,802,155**	**365,688,966**
Total Liabilities & Net Assets	**$ 880,276,574**	**$ 757,792,970**

- The $129M increase in Total Liabilities is primarily driven by Incurred But Not Paid (IBNP) (expenses for medical services provided but not yet submitted or paid).
- Increases in Premium Taxes and general expense accruals are also driving up total liabilities.

Cash and Short-Term Investment Portfolio

SCHEDULE OF INVESTMENTS AND CASH BALANCES			
		Market Value September 30, 2024	Account Type
Local Agency Investment Fund (LAIF)	$	42,530,370	Investment
Ventura County Investment Pool	$	19,563,321	Investment
CalTrust	$	38,577,384	Short-term investment
Bank of West	$	492,576,599	Money market account
Pacific Premier Bank	$	12,959,229	Operating accounts
Investments and monies held by GCHP	**$**	**606,206,903**	

- Cash and short-term investments balance sits at $606.2M.
- The investment portfolio includes:
  - LAIF CA State $42.5M
  - Ventura County Investment Pool $19.5M
  - Cal Trust $38.3M

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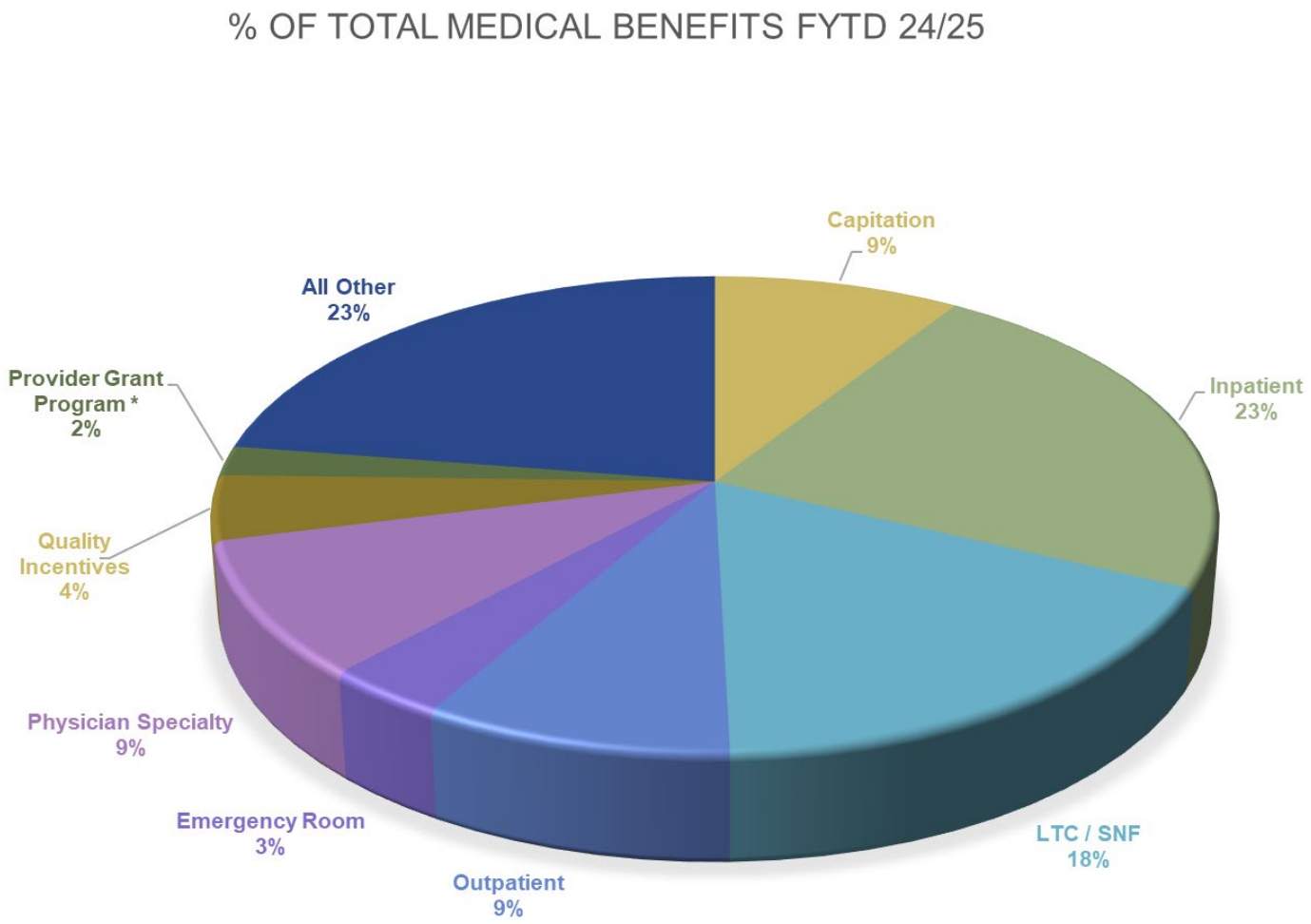
September Medical Benefits by Category of Service



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AGENDA ITEM NO. 7

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Sara Dersch, Chief Financial Officer

DATE: November 18, 2024

SUBJECT: Conversion of Fiscal Year

PowerPoint with Verbal Presentation

ATTACHMENTS:

Fiscal Year Change Recommendation

Gold Coast Health Plan℠
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Fiscal Year Change Recommendation

Ventura County Medi-Cal Managed Care Commission
November 18, 2024

Sara Dersch, Chief Financial Officer

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Overview

Current Practice

Gold Coast Health Plan (GCHP) has a fiscal year beginning July 1 and ending June 30.

Issue with Current Practice

This is not aligned with Medi-Cal or Medicare rate cycles (which run on a calendar-year basis), making fiscal year budgeting and regulatory reporting challenging as we have to contemplate 2 sets of rates and 2 sets of audited statements for each line of business.

Best Practice

For a health insurance entity, the plan year is a calendar year, so we should be aligned with that.

Recommendation

Align our funding and business cycles under a calendar-year basis effective January 1, 2026.

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Implications

- No risks identified with this change. About half of the other Local Plans have already made this conversion, and Moss Adams has recently led another COHS through this change.

- July 1, 2025 – December 31, 2025 will be considered a “stub period,” in essence, a mini-fiscal year; we will undergo an external audit and issue audited financial statements for this stub period.

- Annual budgeting will shift to Fall; note: we will complete the annual budget for submission to the Commission each November. We will develop a 6-month budget for the stub period (will be presented to the Commission in June 2025).

- Strategic Planning with the Commission will shift to June of each year, beginning in June 2025.

- Realignment of individual goals to coincide with new fiscal year.

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AGENDA ITEM NO. 8

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Eve Gelb, Chief Innovation Officer
Sara Dersch, Chief Financial Officer
Robert Franco, Chief Compliance Officer

DATE: November 18, 2024

SUBJECT: FY 2024-25 Duals Special Needs Plan (D-SNP) Revised Operational Readiness Costs

Executive Summary

GCHP staff is seeking the recommendation of the Executive Finance Committee that the Ventura County Medi-Cal Managed Care Commission approve additional budget for the operational implementation of the Duals Special Needs Plan (D-SNP). The original D-SNP budget for 2024/25 Fiscal Year was $2.3M. Revised budget will range from $7.1M to $7.6M depending on the need for a Third Party Administrator (TPA) for core operations.

BACKGROUND/DISCUSSION:

GCHP is required to implement at D-SNP by January 1, 2026.

The team has reviewed the requirements for D-SNP in the context of current state of Operations of the Future (OOTF) system conversion, the resource constraints and capabilities amidst OOTF stabilization and other key regulatory and quality projects, and after lessons learned from OOTF. After this review and after enaging with other plans in the process of D-SNP implementation, GCHP has revised the projected costs for the remainder of the 2024/2025 Fiscal Year for D-SNP.

Current Project Status

The D-SNP implementation has two core components:

1. The regulatory filings required by the California Department of Health Care Services (DHCS), the California Department of Managed Health Care (DMHC) and the federal Centers for Medicare and Medicaid Services (CMS).
2. The operational design, build, test and go-live of systems and processes to serve Medicare members and meet regulatory requirements.

All regulatory filing work is on track. While some operational work is on track, certain elements are delayed.

Sales and Marketing, Pharmacy, Network, Pharmacy and Finance related work is currently on schedule.

Work related to the D-SNP Model of Care and benefit design is slightly delayed but will be on track by the end of 2024 with additional support requested herein. The core system design and build for processes such as eligibility and enrollment, claims and encounters and utilization and care management are significantly delayed due to the current state of OOTF.

OOTF stabilization is making significant progress, but the systems and resources are not ready for the design and build required for Medicare. The original timeline and resource plan for D-SNP was built on the assumption that resources working on OOTF would be able to turn attention to D-SNP is September and that systems would be stabilized from initial go-live and have Day 2 items in process in October 2024. To be able to be prepared for D-SNP, additional resources for D-SNP are needed, as telegraphed in October Commission meeting.

Risk Mitigation Plan

Given that the required D-SNP go-live date is January 1, 2026 and GCHP must be able to enroll members October 15, 2025, GCHP is requesting support to put in place three key risk mitigation measures:

1. Contingency plan for core systems. GCHP's goal is to go live with D-SNP on the systems implemented during OOTF. The currently in place stabilization activities for OOTF, require that GCHP consider and plan for possible outsourcing of some D-SNP systems and functions to a third-party administrator (TPA) as a contingency.
2. Bring on additional resources. GCHP lacks internal subject matter expertise on some element of D-SNP such as Sales and Marketing, Medicare Enrollment, and Risk Adjustment. Some of this expertise can be learned through the use of short-term consultant support and some will require hiring staff with the needed expertise.
3. Strong Project Governance and Implementation Support. The use of an external implementation partner for complex large cross functional projects supports project success by providing oversight, governance and transparency. GCHP is proposing the use of an implementation partner for this critical project. One of the lessons learned from the OOTF implementation is that an implementation partner would greatly help.

Proposal:

GCHP is proposing additional staffing and outside services.

The original budget requested three new D-SNP staff, one for pharmacy, one for compliance and one for marketing. Two of these staff are hired and the third is in the interview stage.

In review of key subject matter expertise gaps in areas of high risk for future success, GCHP identified 11 additional staff (listed in Table 1) that were originally planned for hire in the second half of 2025. If hired sooner, they would immediately support on-time delivery of high quality

business requirements, system build and testing. Hiring resources will be more cost effective than use of consultants for these roles as the positions will transition to operational positions after go-live. Consulting costs for this expertise will be between $200 and $300 per hour, while hourly rate for hired staff, fully loaded with benefits, will range from $40 to $94 per hour.

Table 1—Proposed Additional Staffing and Timing of Hire

Proposed Additional Resources	Start Date
Utilization Management Nurse (Medical Policy)	Jan 2025
IT Staff (2)	Jan 2025
Quality Improvement Sr. Analyst (5 Star)	Jan 2025
Coding Analyst (Risk Adjustment)	Jan 2025
Grievance and Appeals Coordinator	Feb 2025
Sales Agent	Feb 2025
Enrollment Specialist/Oversight	Feb 2025
Compliance Special Investigator	Mar 2025
Claims Analyst/Oversight	Mar 2025
Medicare Reporting Analyst	Mar 2025

As presented above, GCHP has a contingency plan should existing systems not be ready for Medicare system build. The cost for additional resources (presented in Table 2) was analyzed for both the current plan (using existing systems) and the contingency plan (engaging a TPA).

Some expenses differ depending on the approach.

- Additional IT related support from our PBM implementation partner (PSG) is needed with either option, but IT Contingent labor to bolster IT resources that are strained with OOTF will be higher with the use existing systems, than the TPA scenario. In both scenarios there is significant support needed.
- Additional D-SNP staff discussed above is required for both scenarios, but the functions performed will by the staff will be focused more on oversight if GCHP engages a TPA.
- The full scope implementation partner cost is higher in the TPA scenario due to the support the partner will provide in the procurement and implementation of the TPA.
- Lastly, the cost for the TPA is only in the second scenario and reflect only implementation costs. The actual cost for operations would only begin in 2026.

GCHP will solicit the full scope implementation partner via the standard procurement process and do the same for a TPA for D-SNP implementation, should GCHP decide to pursue this option.

*Note that certain system build and implementation expenses will be amortized and realized only at the time of go-live.

Table 2—Proposed Additional Costs With and Without TPA

Item	Original Budget	Additional w/o TPA	Additional w/ TPA
Project Managers	$240,000	$0	$0
PBM Implementation Partner	$775,000	$200,000	$200,000
Business Requirements and Configuration Support	$500,000	$0	$0
Compliance/Procurement Consultant	$400,000	$0	$0
Non-Actuary Bid Consultant	$150,000	$0	$0
Actuary Consultant	$150,000	$0	$0
IT Contingent Labor*	$0	$3,000,000	$1,500,000
DSNP Staff	$353,000	$485,000	$485,000
Full scope program implementation partner	$0	$1,100,000	$1,600,000
Third Party Administrator (TPA) Implementation*	$0	$0	$1,440,000
Total	**$2,328,000**	**$4,785,000**	**$5,225,000**

FINANCIAL IMPACT:

The original D-SNP budget for 2024/25 Fiscal Year was $2.3M. Revised budget will range from $7.1M to $7.6M depending on the need for a Third Party Administrator (TPA) for core operations.

RECOMMENDATION:

It is GCHP's recommendation that the Executive Finance Committee recommend the Ventura County Medi-Cal Managed Care Commission to approve up to $5.3M additional budget for D-SNP operational readiness for the remainder of the 2024/2025 Fiscal Year.

Gold Coast Health Plan℠
A Public Entity

Duals Special Needs Plan (D-SNP) Operational Readiness Cost Revision for Fiscal Year 24/25

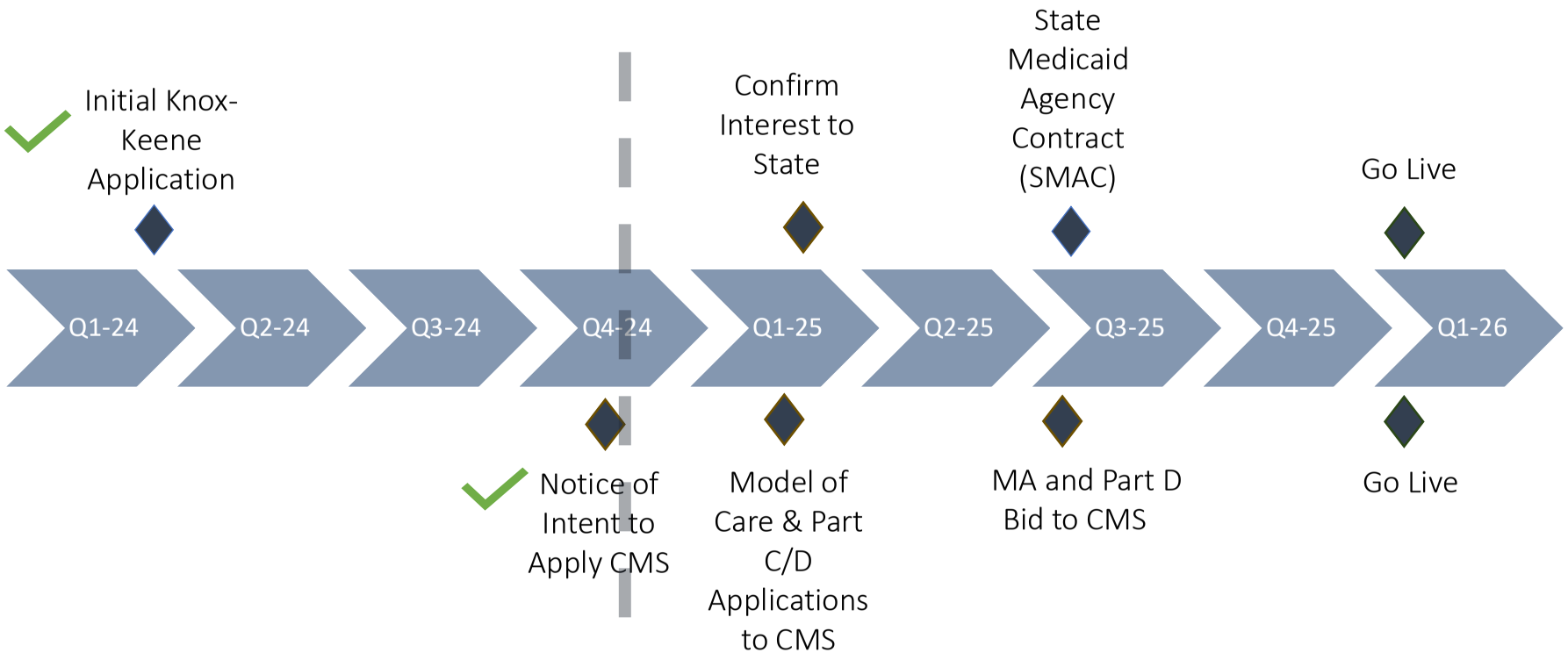
November 18, 2024

Eve Gelb, Chief Innovation Officer
Sara Dersch, Chief Financial Officer
Robert Franco, Chief Compliance Officer

Integrity
Accountability
Collaboration
Trust
Respect

Regulatory Schedule Timeline On Track

There are several regulatory requirements steps that must be completed and obtain with DMHC, CMS, and DHCS for GCHP to operate as an Exclusively Aligned Enrollment(EAE) D-SNP, Medi-Medi Plan starting on January 1, 2026.



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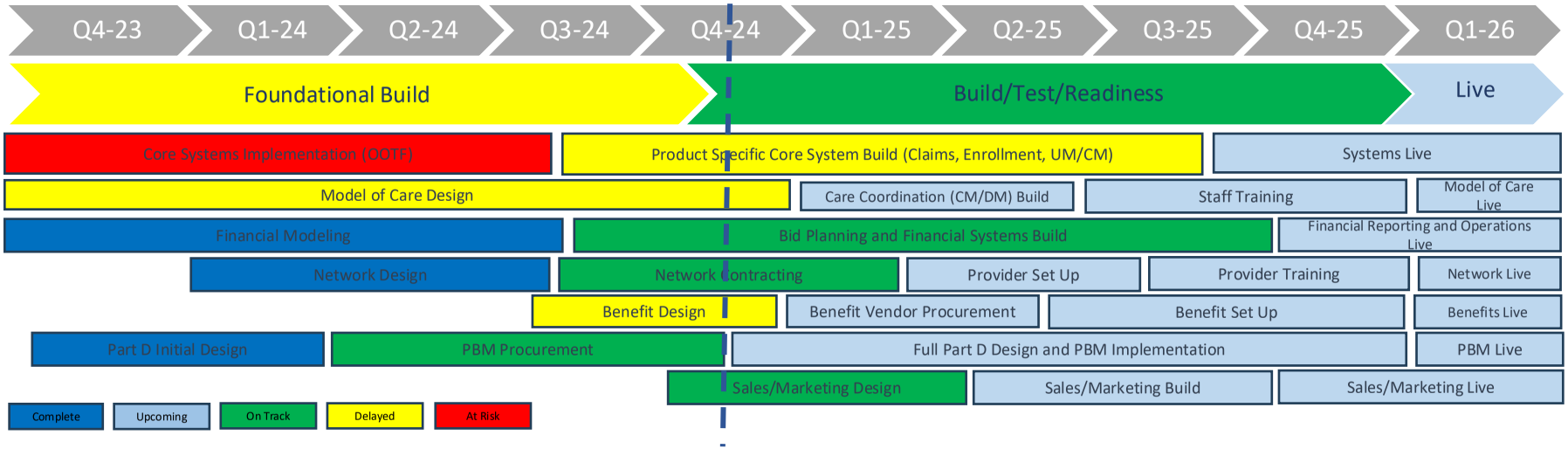
D-SNP Operations and Systems Implementation Status

Most items are on track, but there are key risks and issue to address.



Risks/Issues/Lessons Learned:

- Risk: Building Medicare on Operations of the Future (OOTF) systems while stabilizing
- Risk: Resource and Knowledge Gaps
- Issue: Delays in benefit design and Model of Care work.
- Lessons Learned from OOTF: Strong Project Governance and Implementation Support is vital for success

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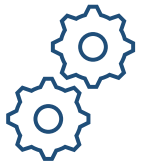
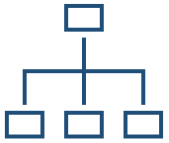
Mitigation Plan



Building Medicare on Operations of the Future (OOTF) systems while stabilizing

Develop contingency plan for core operations platforms (Third Party Administrator)



Lesson Learned: Strong Project Governance and Implementation Support

Establish Program Office and Bring on Implementation Partner

Risk: Resource & Knowledge Gaps
Issue: Delays

Bring on subject matter expertise and bandwidth by hiring D-SNP staff sooner than original plan and supplementing with consultant support

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D-SNP Staffing Proposal

Original budget included 3 new D-SNP staff. Proposed budget hire 11 key D-SNP staff earlier (between January and March of 2025) for a total of 12 D-SNP hires in the 2024/2025 Fiscal Year.

Hiring staff, rather than using consultants is a more cost-effective approach to bringing on subject matter expertise and expanding bandwidth.

Budgeted Resource	Start Date
Medicare Compliance Manager	Nov 2024 (hired)
PBM Operations Manager	Nov 2024 (hired)
Medicare Marketing Manager	Dec 2024

Proposed Additional Resources	Start Date
Utilization Management Nurse (Medical Policy)	Jan 2025
IT Resources (2)	Jan 2025
Quality Improvement Sr. Analyst (5 Star)	Jan 2025
Coding Analyst (Risk Adjustment)	Jan 2025
Grievance and Appeals Coordinator	Feb 2025
Sales Agent	Feb 2025
Enrollment Specialist/Oversight	Feb 2025
Compliance Special Investigator	Mar 2025
Claims Analyst/Oversight	Mar 2025
Medicare Reporting Analyst	Mar 2025

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Proposed Fiscal Year 24/25 Additional Budget Request for Operational Readiness Success

Original D-SNP budget for 2024/25 Fiscal Year was $2.3M. Revised budget will range from $7.1M to $7.6M depending on the need for a Third Party Administrator(TPA) for core operations. Implementation partner and TPA will be procured through Request for Proposal process.

Item	Original Budget	Additional w/o TPA	Additional w/ TPA
Project Managers	$240,000	$0	$0
PBM Implementation Partner	$775,000	$200,000	$200,000
Business Requirements and Configuration Support	$500,000	$0	$0
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Third Party Administrator (TPA) Implementation*	$0	$0	$1,440,000
Total	**$2,328,000**	**$4,785,000**	**$5,225,000**

*These cost will likely be amortized and hit financials once systems go live.

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AGENDA ITEM NO. 9

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Erik Cho, Chief Policy & Program Officer

DATE: November 18, 2024

SUBJECT: Ventura County Community Information Exchange

Executive Summary

- GCHP management proposes investing $3 million of CalAIM Incentive Payment Program (IPP) dollars to continue to develop the Ventura County Community Information Exchange (VCCIE).
- The VCCIE is developing a closed loop referral platform to address social determinants of health and improved coordination of services for our members.
- Funds will go to support the onboarding of social service organizations that will send/receive/manage service referrals as well as a portion of technology and operational costs to maintain the system.
- IPP aims to address social determinants of health and health disparities, make investments and progress toward addressing homelessness, and keep people housed. The support for the VCCIE directly aligns to the IPP funding objectives.

BACKGROUND/DISCUSSION:

Project Summary

The Public Health Institute (PHI) is serving as the program implementation team and fiscal sponsor for the Ventura County Community Information Exchange (VCCIE). The VCCIE will provide an integrated technology to facilitate social service referrals across sectors for the most vulnerable members of our community. The VCCIE is supported by a 15-member governance board including non-profit hospitals, federally qualified healthcare centers, county government agencies, non-profits, and Gold Coast Health Plan (GCHP). In September 2023, the GCHP Executive Team approved a $200K planning grant, utilizing Incentive Payment Program funds, to support the initial implementation of the VCCIE as the first step toward a $3 million investment in this important infrastructure for our community.

As part of the $200K planning grant, GCHP and the VCCIE identified a use case involving coordination of referrals for medically supportive foods for our members. The medically supported food use case will be the first pilot for the VCCIE. Replacing a series of texts, phone calls and delayed information, the VCCIE pilot will enable Gold Coast care managers to search

a database of eligible members, review their medical food needs, and match the member with the appropriate contracted food vendor. The referral is made electronically through the system, and then the vendor receives, takes action, and documents that the service has been provided. The ability to track the eligibility, services provided, the reauthorization process, and follow up all on a single platform is estimated to save approximately two hours a day for our care coordinators.

There are three primary objectives for support of the VCCIE:

1) Improve Care Coordination for our members through streamlined assessment tools, a comprehensive service directory, and transparent communication all with an eye on quality and efficiency of care.
2) Meet the DHCS requirements through an electronic closed loop referral platform that can track referral data, member data, and Enhanced Care Management (ECM) specific data all through supportive documentation.
3) Support ECM and Community Support (CS) providers in their efforts to document and secure reimbursement for the services provided.

The following outlines the high-level components and activities of the $3 million VCCIE SOW:

VCCIE Operations Services:

1) Support the overall operations of the program including a portion of staff and technical infrastructure costs.
2) Financial support to incentivize social service organizations to onboard and leverage the VCCIE in their referral management workflows.
3) Enable a reporting function within the VCCIE to support ECM and CS reporting requirements for service reimbursement.
4) Bolster the VCCIE's ability to address gaps in care coordination services throughout the county.

VCCIE System Development:

1) Support VCCIE's efforts to integrate with participants' technical systems to streamline workflow and improve adoption.
2) Build out additional capabilities within the system such as automations, additional reporting requirements, etc.

Provider Outreach and Onboarding:

1) VCCIE will continue to participate in community outreach and networking events to build awareness, trust, and support for improved collaboration among the service providers.
2) Work closely with the GCHP contracting resources to understand and support as needed the providers' ability to leverage the VCCIE in contracted services.

VCCIE Pilot and System Optimization:

1) Once the system is live, VCCIE will work to monitor system performance and user experience with an eye on enhancements and optimization. These enhancements may include new functionality and/or increased automation on the platform.
2) VCCIE will be working continuously to expand the system understanding of the growing needs of the community and users and seeking to identify new capabilities for system enhancement.

Summary of Funding Sources

CalAIM is a multi-year Department of Health Care Services' (DHCS) initiative to improve the quality of life and health outcomes of the Medi-Cal managed care population through the implementation of broad delivery system, program, and payment reform across the Medi-Cal program.

The CalAIM Incentive Payment Program is intended to support the implementation and expansion of CalAIM, including ECM and Community Supports, by incentivizing managed care plans (MCPs), in accordance with 42 CFR Section 438.6(b), to build appropriate and sustainable capacity; drive MCP delivery system investment in necessary delivery system infrastructure; bridge current silos across physical and behavioral health care service delivery; reduce health disparities and promote health equity; achieve improvements in quality performance; and encourage take-up of Community Supports.

FINANCIAL IMPACT:

The total anticipated cost of the project will not exceed $3 million. Funds will be allocated by GCHP from the funds received through the IPP. GCHP will provide the Public Health Institute with a one-time payment of $3 million payment within 30 days of contract signing. The Public Health Institute is required to use the funds solely as intended.

RECOMMENDATION:

The Plan recommends that the Ventura County Medi-Cal Managed Care Commission authorize the CEO to execute the grant funding agreement with the Public Health Institute to assist with the development of the Ventura County Community Information Exchange.

VCCIE Update

November 18, 2024

Katherine Johnson, MPA
VCCIE Director
Erin Slack, MPH
Senior Manager PHM

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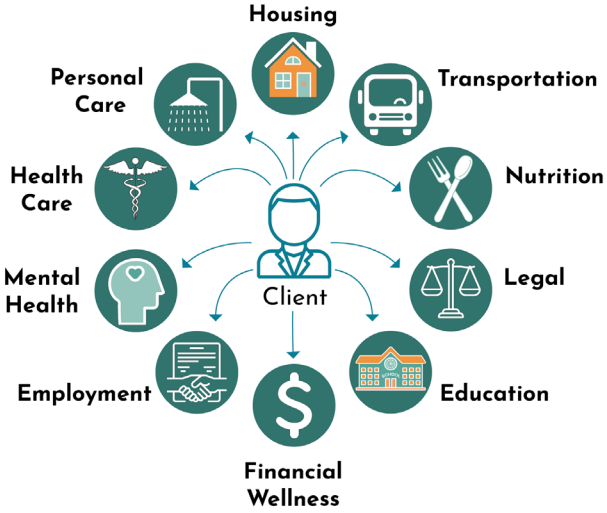
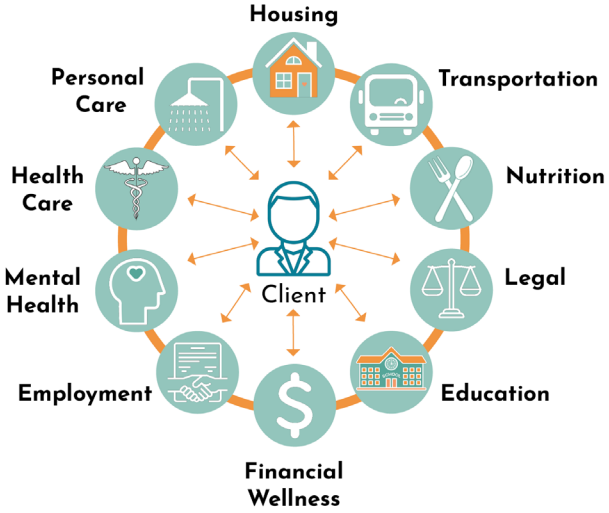
BEFORE VCCIE

- Limited access to health and social services
- Siloed system of care
- No centralized data tracking

AFTER VCCIE

- Unified technology
- Agreements to work across sectors (nonprofit, healthcare, government)
- Client permission-based information sharing





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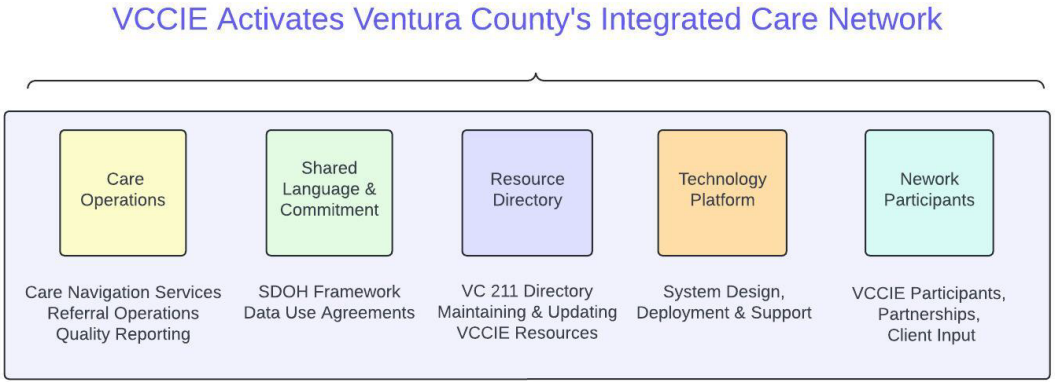
Integrated Care Network



The VCCIE provides an opportunity to leverage collective impact by developing key functionality that when combined serves to activate an Integrated Care Network for Ventura County.

The visual outlines the components of this Integrated Care Network model.*

Budget

Activity	Amount
1. Operations Development	$250,000
2. System Development	$350,000
3. Provider Outreach and Onboarding	$350,000
4. Pilot Release Go-Live	$375,000
Subcontractor pass-through fees	$1,675,000
Total	**$3,000,000**

Budget Timeline

- County $4.2M, Phase I - No Cost Extension
  - Approved through July 31, 2025
  - Balance retained in 55 or exploring another no cost extension
- Gold Coast Budget $3M from November 1, 2024 – April 30, 2027
  - Assumes $800k support to CBOs
  - Assumes 20% of all staff FTE through 2027
  - Absorbs Artesient costs (starting August 2025)
  - Absorbs Arkus, Inc. + Salesforce costs (starting 2026)
- County $3M, Phase II from August 1, 2025 – April 30, 2027
  - Assumes 80% of all staff FTE through 2027
  - PMO
  - Privacy Security Consultant

DHCS Alignment

- Goal is that VCCIE will be able to create reports meeting DHCS requirements.
  - Those reports will be available for download by service providers on the CIE to help facilitate reimbursement.
- VCCIE is building out components of the platform like assessments and the client profile, to accommodate the requirements outlined by DHCS.
- The VCCIE helps GCHP meet its DHCS requirements by tracking and facilitating reporting on the following data:
  - Referral data
  - Member data
  - ECM specific data

Thank you!

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