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

Regular Meeting
Monday February 27, 2023 2:00 p.m.
Due to the public health emergency, the Community Room at Gold Coast Health Plan is currently closed to the public.
The meeting is being held virtually pursuant to AB 361.
Members of the public can participate using the Conference Call Number below.

Conference Call Number: 1-805-324-7279
Conference ID Number: 816 129 468#

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

Due to the declared state of emergency wherein social distancing measures have been imposed or recommended, this meeting is being held pursuant to AB 361.

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 Country Medi-Cal Managed Care Commission > Scroll down to Commission Meeting Agenda Packets and Minutes***

CALL TO ORDER

OATH OF OFFICE **Supervisor Vianey Lopez**

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 January 23, 2023, and Special Commission meeting minutes of February 6, 2023.

Staff: Maddie Gutierrez, MMC Clerk to the Commission

RECOMMENDATION: Approve the Regular Meeting Minutes of January 23, 2023, and Special Commission meeting of February 6, 2023.

PRESENTATIONS

2. Leading Into the Future: Transportation Progress

Staff: Erik Cho, Chief Programs & Policy Officer

RECOMMENDATION: Receive and file the presentation.

FORMAL ACTION

3. In-Person and Teleconferencing Meeting Options under the Ralph M. Brown Act and Assembly Bills 361 and 2449.

Staff: Scott Campbell, General Counsel

RECOMMENDATION: That the Commission provide staff with direction as to how the Commission wishes to proceed with Commission meetings going forward.

4. Contract Approval – Claims Processing Software

Staff: Alan Torres, Chief Information Officer

RECOMMENDATION: It is the Plan's recommendation that the Commission waive any irregularities in HealthEdge's proposal and authorize the CEO to execute a contract with HealthEdge Software Inc., subject to non-material terms to be agreed upon and acceptable to the CEO and General Counsel. The term of the contract will be 16 months of implementation and 6 years of production commencing March 1, 2023, and expiring on June 30, 2030, for an amount not to exceed $19.5M.

5. January 2023 Financials

Staff: Jamie Louwerens, Sr. Director of Finance

RECOMMENDATION: Staff requests that the Commission approve the January 2023 financial package.

REPORTS

6. Chief Executive Officer (CEO) Report

Staff: Nick Liguori, Chief Executive Officer

RECOMMENDATION: Receive and file the report.

7. Chief Medical Officer (CMO) Report

Staff: Felix Nunez, M.D., Chief Medical Officer

RECOMMENDATION: Receive and file the report.

8. Chief Diversity Officer (CDO) Report

Staff: Ted Bagley, Chief Diversity Officer

RECOMMENDATION: Receive and file the report.

CLOSED SESSION

9. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: One case.

ADJOURNMENT

Date and location of the next meeting to be determined at the March 20, 2023, Special Commission Meeting

b

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: February 27, 2023

SUBJECT: Regular Commission Meeting Minutes of January 23, 2023, and Special Meeting Minutes of February 6, 2023.

RECOMMENDATION:

Approve the minutes.

ATTACHMENT:

Copy of Minutes for the January 23, 2023, Regular Commission Meeting, and Special Commission Meeting minutes of February 6, 2023.

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

January 23, 2023

CALL TO ORDER

Committee Chair Dee Pupa called the meeting to order at 2:03 pm via teleconference. The Clerk of the Board was in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Camarillo, California.

INTERPRETER ANNOUNCEMENT

Lourdes Campbell, interpreter, gave her announcement for non-English speakers.

ROLL CALL

Present: Commissioners Anwar Abbas, Shawn Atin, James Corwin, Laura Espinosa, Supervisor Vianey Lopez, Anna Monroy, Dee Pupa, and Sara Sanchez,

Absent: Commissioners Allison Blaze, M.D., Jennifer Swenson, and Scott Underwood, D.O.

Attending the meeting for GCHP were Nick Liguori, Chief Executive Officer, Ted Bagley, Chief Diversity Officer, Alan Torres, Chief Information Officer, CPPO Erik Cho, Marlen Torres, Executive Director, Strategy and External Affairs, Michael Murguia, Executive Director, Human Resources, Nancy Wharfield, Chief Medical Officer, Robert Franco, Chief Compliance Officer, Felix Nunez, M.D., Associate Chief Medical Officer, Susana Enriquez-Euyoque, Leeann Habte, and Scott Campbell, General Counsel.

Also in attendance were the following GCHP Staff: Anna Sproule, Nicole Kanter, Bob Bushey, Jamie Louwerens, Rachel Lambert, Chelsey Leisure-Gomez, Adriana Sandoval, Lisbet Hernandez, Lucy Marrero, Lupe Gonzalez, Mayra Hernandez, Victoria Warner, David Tovar, Cecilia Reyes, Lily Yip, Vicki Wrighster, Marco Robles, Michael Mitchell, and Sandi Walker.

Ventura County guest: Tracy Gallagher

Commission Chair Dee Pupa welcomed Supervisor Vianey Lopez to the Commission.

PUBLIC COMMENT

None.

Commissioner Allison Blaze, M.D. joined the meeting at 2:06 p.m.

CONSENT

1. **Approval of Ventura County Medi-Cal Managed Care Regular Meeting Minutes of November 21, 2022, Open Session of December 15, 2022, Strategic Planning Retreat and Special Commission meeting of January 9, 2023.**

   Staff: Maddie Gutierrez, MMC Clerk to the Commission

   RECOMMENDATION: Approve the Regular Meeting Minutes of November 21, 2022, Strategic Planning Retreat Minutes of December 15, 2022, and Special Commission meeting of January 9, 2023.

2. **Joint Findings of the Commission and Committee to Continue to Hold Remote Teleconference Meetings Pursuant to Assembly Bill 361.**

   Staff: Scott Campbell, General Counsel

   RECOMMENDATION: It is recommended that the Commission and Committee adopt the findings to continue to meet remotely.

3. **New CalAIM Advisory Committee Member**

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

   RECOMMENDATION: GCHP management recommends that the Commission approve the proposed member for the CalAIM Advisory Committee.

4. **Additional Funding - Pajaro Consulting – Scope of Work #01**

   Staff: Michael Murguia, Executive Director of Human Resources

   RECOMMENDATION: GCHP staff recommends the Commission approve adding $150,000 to this agreement for a total amount of $248,050. There is no impact to the current year budget as the funds will come from funds that were budgeted for implementation of the model of care program.

5. Adoption of Resolution 2023-001 Authorizing the Investment of Monies in the Local Agency Investment Fund

Staff: Jamie Louwerens, Sr. Director of Finance

RECOMMENDATION: Staff recommends the Commission adopt Resolution 2023-001 authorizing the investment of funds.

6. Adoption of Resolution 2023-002 Authorizing the Investment of Monies in the Ventura County Treasury Investment Pool

Staff: Jamie Louwerens, Sr. Director of Finance

RECOMMENDATION: Staff recommends the Commission adopt Resolution 2023-002 authorizing the investment of funds into the Ventura County Treasury Investment Pool.

Commissioner Atin motioned to approve Consent items 1, through 6. Commissioner Corwin seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Shawn Atin, Allison Blaze, M.D., James Corwin, Laura Espinosa, Anna Monroy, Dee Pupa, and Sara Sanchez,

NOES: None.

ABSTAIN: Supervisor Vianey Lopez

ABSENT: Commissioners Jennifer Swenson, and Scott Underwood, D.O.

The clerk declared the motion carried.

Commissioner Jennifer Swenson joined the meeting at 2:09 p.m.

FORMAL ACTION

7. Contract Approval – Medical Management Software

Staff: Alan Torres, Chief Information Officer

RECOMMENDATION: It is the Plan's recommendation to authorize the CEO to execute a contract with Casenet, terms agreed upon and acceptable to the CEO and General Counsel. The term of the contract will be 77-months commencing February 1, 2023, and expiring on June 30, 2029, for an amount not to exceed $3.5M.

General Counsel, Scott Campbell noted that this item had been presented to the Executive Finance Committee. A protest was filed, and materials requested by our current vendor. Materials were submitted to the vendor. The Committee voted to allow the protest to go forward.

Staff will present an abbreviated report and their recommendation. Staff is requesting a continuance of this matter until February 6, 2023.

CIO Alan Torres addressed the process for vendor selection. He gave procurement background. Mr. Torres stated that 14 ven. s were identified, and 8 responded. Vendors. Four out of 8 vendors were requested to provide demonstrations which included implementation approach and strategies. Scoring was reviewed. Casenet was at the top of the scoring. Mr. Torres noted that Casenet is NCQA accredited.

Bob Bushey, Procurement Officer, noted that Casenet was very responsive, and negotiations went smoothly.

CMO Nancy Wharfield, M.D. stated the Medical Management System (MMS) will enable the health plan to effectively manage members health care needs, improve outcomes and lower costs.

CMO Wharfield stated the platform selected can connect to other systems. This new MMS supports insights and processes impacting member outcomes through the Model of Care and Integrated Care Teams. The user defined fields allow us to organize our member populations for rapid interventions and will improve health outcomes.

This system will allow for increased visibility into the members care across teams managing care, it will allow for real time communication of authorization status to providers and will improve quality and satisfaction while controlling costs.

Chris Mellon from Casenet thanked all for the opportunity to work with GCHP and looks forward to the partnership.

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

Roll Call Vote as follows:

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

NOES: None.

ABSENT: Commissioner Scott Underwood, D.O.

The clerk declared the motion carried.

Commissioner Scott Underwood, D.O., joined the meeting at 2:40 p.m.

8. November and December 2022 Financials

Staff: Jamie Louwerens, Sr. Director of Finance

RECOMMENDATION: Staff requests that the Commission approve the November and December 2022 financial package.

Jamie Louwerens, Sr. Director of Finance reviewed the November & December 2022 fiscal year to date financials.

Ms. Louwerens stated November 2022 net gain was $11.7 million and December 2022 net gain was $16.6 million. FYTD net gain equals $69.4 million. TNE is 750 % of the minimum required. Medical loss ratio is 79.0% and administrative ratio is 7.1%.

Ms. Louwerens reviewed membership trends which have increased by 25%. Eligibility redetermination will begin in April of 2023.

FYTD net premium revenue is $478.3 million unfavorable to budget due to $4.6 million vaccine incentives and CalAIM incentive receipts versus budget. $3.8M member mix and lower supplemental revenue than budget and $1.6M MCO Tax unfavorable to budget.

FYTD health care costs are $378.0million and $45.9 million and is 11% under budget. Medical loss ratio is 79.0%. Continuation of PHE through 2022 and pause on redeterminations has led to a significant increase in membership with a less acute total population as compared to our medical expense experience pre-pandemic.

Ms. Louwerens noted the average monthly claims file has increased only 9% since 2019, despite 25% increase in membership. Administrative costs were $34.0 million and $1.4 million under budget.

Ms. Louwerens gave a final financial summary for November & December of 2022.

Commissioner Atin noted that comparisons to other plans have been on the low end. 400-500 level was set years ago. Ms. Louwerens stated 750% is still on the lower end, compared to other health plans. Commissioner Espinosa noted TNE had dropped very low but is now up after 4 to 5 years. There needs to be a discussion on investments and incentives in the community.

CEO Liguori noted GCHP will look at community investments and other anticipated costs. Commissioner Pupa stated she has had a concern with rates. Our costs are not in step with premiums.

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

Roll Call Vote as follows:

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

NOES: None.

ABSENT: None.

The clerk declared the motion carried.

REPORTS

9. Chief Executive Officer Report

Staff: Nick Liguori, Chief Executive Officer

RECOMMENDATION: Receive and file the report.

CEO Liguori stated staff from various areas in the organization will present updates.

Marlen Torres, Executive Director of Strategy & External Affairs gave a high-level summary of the proposed State budget. She noted that she is tracking language on tax brackets. She gave waiver updates and noted she continues to track legislative bills.

Ms. Torres noted that her team is out in the community and GCHP is still awarding scholarships.

Vicki Wrighster, Sr. Director of Provider Network Operations stated the 1st CalAIM webinar was held on January 20, 2023, for ECM Community support.

Chief Compliance Officer, Robert Franco reviewed the delegation oversight. He noted an audit is being done on transportation and there are operational CAPS. Grievance and appeals are currently below average.

10. Chief Medical Officer Report

Staff: Nancy Wharfield, M.D., Chief Medical Officer

RECOMMENDATION: Receive and file the report.

CMO Wharfield noted DHCS will sanction low performance tiers. Currently GCHP fell in the orange tier. 22 Plans have received sanctions and we are working to improve MCAS measures to avoid sanctions. We need to position resources.

CMO Wharfield also gave a Medi-Cal Rx update. She noted the State has taken over the pharmacy benefit. The roll-out was a bit rocky with lots of barriers. CMO Wharfield stated DHCS has released some detailed information regarding the plan for reinstatement of prior authorizations. She reviewed elements of the plan. CMO Wharfield also reviewed some key dates: 1/20/2023 will be Phase II, Wave 1 for new starts for 39 drug classes. 2/24/2023 Phase II Wave 2 begins for new starts for the remaining 32 drug classes and 3/24/2023 through June 23, 2023, is the Series of Transition lifts as part of the retirement of the transition policy.

11. Chief Diversity Officer Report

Staff: Ted Bagley, Chief Diversity Officer

RECOMMENDATION: Receive and file the report.

CDO Ted Bagley reviewed his report. He reviewed Community Relations, noting his participation in various community events in the County. He was glad to announce that there are no current diversity related case investigations.

CDO Bagley also noted that he had volunteered as a Career/Personal counsellor for state's ACAP.

Commissioner Atin noted that GCHP was very fortunate to have CDO Bagley on their team.
Commissioner Espinosa requested additional statistics on diversity activities. CDO Bagley will send the information to Commissioner Espinosa.

Commissioner Atin motioned to approve Agenda Items 9 through 11. Commissioner Abbas seconded the motion.

Roll Call Vote as follows:

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

Roll Call Vote as follows:

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

NOES: None.

ABSENT: None.

The clerk declared the motion carried.

The Commission moved to Closed Session at 3:15 p.m.

CLOSED SESSION

12. REPORT INVOLVING TRADE SECRET:
Discussion will concern: Proposed New Service and Program
Estimated Date of Public Disclosure: February 27, 2023.

13. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: Chief Executive Officer

14. CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Gold Coast Health Plan Commission
Unrepresented employee: Chief Executive Officer

General Counsel Scott Campbell stated there was no reportable action.

ADJOURNMENT

The meeting was adjourned at 4:14 p.m.

Approved:

_____
Maddie Gutierrez, MMC
Clerk to the Commission

Ventura County Medi-Cal Managed Care Commission (VCMMCC)
Commission Meeting
Special Meeting via Teleconference

February 6, 2023

CALL TO ORDER

Committee Chair Dee Pupa called the meeting to order at 2:04 pm via teleconference. The Clerk of the Board was in the Community Room located at Gold Coast Health Plan, 711 East Daily Drive, Camarillo, California.

ROLL CALL

Present: Commissioners Anwar Abbas, Shawn Atin, James Corwin, Supervisor Vianey Lopez, Dee Pupa, and Sara Sanchez

Absent: Commissioners Allison Blaze, M.D., Laura Espinosa, Anna Monroy, Jennifer Swenson, and Scott Underwood, D.O.

Attending the meeting for GCHP were Nick Liguori, Chief Executive Officer, Alan Torres, Chief Information Officer, CPPO Erik Cho, Marlen Torres, Executive Director, Strategy and External Affairs, Michael Murguia, Executive Director, Human Resources, Nancy Wharfield, Chief Medical Officer, Robert Franco, Chief Compliance Officer, Felix Nunez, M.D., Chief Medical Officer, Michael Murguia, Executive Director of Human Resources, Bob Bushey, Veronica Estrada, Susana Enriquez-Euyoque, and Scott Campbell, General Counsel.

PUBLIC COMMENT

None.

CONSENT

1. Joint Findings of the Commission and Committee to Continue to Hold Remote Teleconference Meetings Pursuant to Assembly Bill 361.

Staff: Scott Campbell, General Counsel

RECOMMENDATION: It is recommended that the Commission and Committee adopt the findings to continue to meet remotely.

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

Discussion:

Commissioner Atin asked how much longer virtual meetings will continue. General Counsel, Scott Campbell stated stated that by law AB361 sunsets at the end of 2023. If we continue to hold remote meetings each Commissioner who is not attending in person will need to post at the location where they are attending the meeting and must allow the public to enter into the location.

Commissioner Atin stated he would like to discuss this topic at the next regular meeting and is requesting it be added to the agenda. He noted that most entities have gone back to at least a hybrid meeting.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Shawn Atin, James Corwin, Supervisor Vianey Lopez, Dee Pupa, and Sara Sanchez

NOES: None.

ABSENT: Commissioners Allison Blaze, M.D., Laura Espinosa, Anna Monroy, Jennifer Swenson, and Scott Underwood, D.O.

The clerk declared the motion carried.

FORMAL ACTION

2. Contract Approval – Medical Management Software

Staff: Alan Torres, Chief Information Officer

RECOMMENDATION: It is the Plan's recommendation that the Commission waive all irregularities in Casenet's proposal and authorize the CEO to execute a contract with Casenet. The term of the contract will be 76-months commencing March 1, 2023, and expiring on June 30, 2029, for an amount not to exceed $3.5M.

Commissioner Pupa reminded all that even though GCHP has the authority to move forward with such items, she appreciates that these items are presented to Commission. General Counsel Scott Campbell stated there was a presentation two weeks ago. There was a protest by a vendor, and an explanation was given to said vendor. The vendor withdrew their protest. Mr. Campbell stated GCHP is requesting the Commission go with the recommendation noted. GCHP is requesting the Commission award the contract to CaseNet.

Commissioner Corwin stated staff went into depth at the last meeting and there fore he recommends GCHP go with CaseNet as the vendor of choice. Commissioner Corwin asked if this was a 76 month agreement. Mr. Campbell stated that was correct. Commissioner Corwin stated it was a long term, but he did recommend we move forward.

Commissioner Corwin motioned to approve Agenda Item 2 Contract Approval – Medical Management Software. Commissioner Abbas seconded the motion.

Roll Call Vote as follows:

AYES: Commissioners Anwar Abbas, Shawn Atin, James Corwin, Supervisor Vianey Lopez, Dee Pupa, and Sara Sanchez

NOES: None.

ABSENT: Commissioners Allison Blaze, M.D., Laura Espinosa, Anna Monroy, Jennifer Swenson, and Scott Underwood, D.O.

The clerk declared the motion carried.

ADJOURNMENT

Commission Chair, Dee Pupa, announced the meeting was adjourned at 2:10 p.m.

Approved:

_____
Maddie Gutierrez, MMC
Clerk to the Commission

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AGENDA ITEM NO. 2

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Erik Cho, Chief Programs & Policy Officer

DATE: February 27, 2023

SUBJECT: Leading Into the Future: Transportation Progress

PowerPoint with Verbal Presentation

ATTACHMENTS:

Leading into the Future: Transportation Progress

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Gold Coast Health Plan

Integrity

Accountability

Collaboration

Trust

Respect

Leading into the Future: Transportation Progress

Monday, February 27, 2023
Erik Cho, Chief Policy and Program Officer

Topics

- Brief Review of the Need to Improve Transportation
- Steering Committee
- Transportation Oversight
- Provider Engagement
- Connection to Care Management
- Internal Process Alignment
- Transportation Consultant

Return to Agenda

GCHP Transportation Stats

Non-Medical Transportation to Covered and Non-covered Services

201,595 One-way Trips

Grievances

14% of our total grievances

The Importance of Transportation for GCHP

- Criticality for care coordination and management
- Significant member utilization and need
- Future transportation services for the D-SNP population
- Increased DHCS focus

Steering Committee

The **GCHP Transportation Steering Committee** was formed in January and meets weekly.

Goals:

- Work urgently to address current transportation issues in order to improve member experience
- Create an ongoing action plan for becoming best-in-class in transportation

Return to Agenda

Gold Coast Health Plan℠

Transportation Oversight

Daily operational oversight meetings with transportation vendor

Direct partnership to improve vendor processes

Identification of additional training opportunities to be implemented immediately

Escalation process implemented to include all levels of vendor leadership to respond to issues

Immediate 360-degree feedback loop

Return to Agenda

Gold Coast Health Plan℠

Provider Engagement

PNO and Operations meetings with facilities caring for critical needs members, including:

Dialysis Centers

Long Term Care Facility

GCHP and VTS holding regular meetings with several providers to improve transportation program and measure progress

GCHP and VTS meet twice per month to discuss opportunities for improvement and progress toward goals

Focus on transportation during all Provider Relations Site Visits

Offered direct contact for issues to Exec. Director of Operations and Sr. Director of Provider Network Operations

Gold Coast Health Plan℠

Connection to Care Management

G&A refers members with transportation concerns to CM for support

CM opens those members to care management

CM engages member and VTS to make sure members are getting the rides they need

CM follows up with VTS to make sure rides are scheduled and that they are on time

Return to Agenda

Gold Coast Health Plan℠

Internal Process Alignment

Transportation Liaison	We have a Transportation Liaison with a dedicated phone line to respond to transportation related issues from providers and/or members
Internal Collaboration	Departmental collaboration with Operations and CM to connect members with CM services
Communication	Internal communication to ensure any member and provider concerns company-wide are brought to the attention of Operations for follow-up (G&A and/or Oversight)

Transportation Consultant

GCHP seeks to work quickly with an **expert consultant to develop next steps and a roadmap** for high-performing non-emergency medical transportation.

Our Business Units have partnered with Procurement to devise an appropriate process for consultancy selection.

- Procurement and BU identified and interviewed 6 vendors to confirm qualifications; list was narrowed to three who have considerable and recent NEMT consulting experience
- Procurement and BU will draft requesting written response with proposal and pricing
- Selection will be made based on quality of plan, quality of team, clearly defined objectives and price.
- Engagement is expected to be approximately 5 weeks with relatively low spend

Return to Agenda

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Questions

Integrity
Accountability
Collaboration
Trust
Respect

AGENDA ITEM NO. 3

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Scott Campbell, General Counsel

DATE: February 27, 2023

SUBJECT: In-Person and Teleconferencing Meeting Options under the Ralph M. Brown Act and Assembly Bills 361 and 2449.

SUMMARY/RECOMMENDATION:

Receive a report regarding the following in-person and teleconference meeting options available to the Ventura County Medi-Cal Managed Care Commission ("Commission") dba as Gold Coast Health Plan ("Plan") pursuant to the Brown Act and Assembly Bills 361 and 2449:

1. Continue to make the requisite findings under Assembly Bill 361 to hold meetings remotely in the absence of a declared statewide emergency in response to the COVID-19 pandemic. If this option is followed, the Commission would only be able to continue using AB 361 for teleconference meetings if the Commission makes the findings below by majority vote during today's meeting, and going forward continues to meet at least every 30 days to make such findings. The Commission must make the following findings:

    a. The Commission has reconsidered the circumstances of the state of emergency; and
    b. State or local officials continue to impose or recommend measures to promote social distancing, such rules being the Non-Emergency Rules issued by Cal/OSHA.

    As explained below, the Commission may rely on the recent non-emergency rules issued by Cal/OSHA to make the second requisite finding, and if it chooses do so, it must reference such rules as a continuing basis to meet remotely. Additionally, the Commission may request that meetings held under AB 361 be hybrid meetings, with Commission members who want to attend in person attending such AB 361 meetings.

2. If the Commission decides to not make the findings under Assembly Bill 361, Commission meetings going forward will be conducted pursuant to the traditional Brown Act rules unless the exceptions under Assembly Bill 2449 are invoked.

BACKGROUND/DISCUSSION:

The purpose of this staff report is to provide the Commission with an update regarding the Commission's teleconferencing options under recent amendments to the Ralph M. Brown Act via Assembly Bills 361 and 2449, and to request that the Commission provide staff with direction as to how the Commission wishes to proceed with meetings going forward.

I. Teleconferencing under the Traditional Pre-Pandemic Rules

Traditionally, the Brown Act has allowed for teleconference or virtual meetings, provided that:

- The agenda must be posted at all teleconferenced locations.
- Each teleconference location must be accessible to the public.
- At least a quorum of the legislative body members must participate from within the boundaries of the jurisdiction, except as otherwise allowed by the Brown Act.
- All votes taken must be by roll call.
- Teleconferenced meeting must be conducted in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body.
- Notice of the meeting must be given, and agendas must be posted as otherwise required by the Brown Act.
- Each teleconferenced location must be identified in the notice and agenda.
- Members of the public must be provided an opportunity to address the legislative body directly at each teleconferenced location.

II. Teleconferencing under Assembly Bill 361

The traditional teleconferencing rules under the Brown Act were relaxed in response to the COVID-19 pandemic. Since March of 2020 and the issuance of Governor Newsom's Executive Order N-29-20, which suspended portions of the Brown Act relating to teleconferencing, the Commission and most public entities have had virtual meetings without having to post the location of the public officials attending virtually, making all locations accessible to the public and requiring a quorum of the body to be within the jurisdiction. In June of 2021, Governor Newsom issued Executive Order N-08-21, which provided that the exceptions contained in EO N-29-20 would sunset on September 30, 2021.

On September 10, 2021, the Legislature adopted AB 361, which allows public agencies to hold fully virtual meetings dispensing with the traditional teleconferencing procedures under the Brown Act of having to post the location of the legislative body members attending virtually, making all locations accessible to the public and requiring a quorum of the body to be within the jurisdiction, if the public agency makes the determination that there is a

Governor-proclaimed state of emergency which they will consider in their determination, and one of two secondary criteria listed below exists:

- State or local officials have imposed or recommended measures to promote social distancing in connection with COVID-19; or
- The Commission and its Committees determine that requiring a meeting in person would present an imminent risk to the health or safety of attendees.

The Commission has been making the findings under AB 361 since the onset of the COVID-19 pandemic.

III. Teleconferencing under Assembly Bill 2449

As local agencies saw the effects of the COVID-19 pandemic waning, some local agencies sought the Legislature's assistance in extending the use of the more flexible teleconferencing provisions. What resulted was AB 2449, discussed below.

AB 2449 provides a new teleconferencing option that can be used when a member of the Commission has to attend a meeting remotely due to an emergency or other reasons supported by "just cause." Under these new rules, the Commission may hold a hybrid (partial teleconference, partial in-person) meeting without having to comply with the traditional Brown Act teleconference rules under certain circumstances. These circumstances are:

- Just Cause. One or more Commissioners (but less than a quorum) have *notified* the Commission at the earliest opportunity of their need to participate remotely for just cause. Just cause is restricted to:
    1. childcare or caregiving need for a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires remote participation;
    2. contagious illness that prevents in-person attendance;
    3. physical or mental disability need not otherwise accommodated by the Commission; or
    4. travel while on official business of the Commission or another state or local agency.

  The Commissioner must notify the Commission at the earliest opportunity possible, including at the start of a regular meeting, of their need to participate remotely for just cause, including a general description of the circumstances relating to their need to appear remotely at the meeting.

- Emergency Circumstance. One or more Commissioners (but less than a quorum) experience an emergency circumstance, which is defined as a physical or family

medical emergency that prevents in-person attendance, and *requests* to participate remotely. As part of their request, the Commissioner must provide a general description of the circumstances relating to their need to appear remotely; however, they are not required to disclose a medical diagnosis, disability or other confidential medical information. The Commission must then take action on each Commissioner's request. The Commissioner must make their request to participate remotely as soon as possible, and must make a separate request for each meeting in which they seek to participate remotely. If the request does not allow sufficient time to be placed on the posted agenda for the meeting for which the request is made, the Commission may take action on it at the beginning of the meeting.

There are limitations on the number of times a Commissioner may use AB 2449 to participate remotely. Specifically, a Commissioner may not participate remotely for "just cause" for more than two meetings in a calendar year and, in general, may not use AB 2449 to participate remotely for more than three consecutive months or 20 percent of the regular meetings for the Commission within a calendar year (or more than two meetings if the Commission regularly meets fewer than 10 times per calendar year). This means that staff would need to keep track of which meetings were attended remotely by which members throughout the year.

In addition to the limitation listed above, in order for the Commission to use teleconferencing under AB 2449, the meeting format and agendas must comply with the following:

- A quorum of the Commission must meet in-person at a single, physical location within the Commission's boundaries
- The Commission must use either a two-way audio-visual system or a two-way phone service with live webcasting.
- The agenda must identify a call-in or internet-based access option for the public, along with the in-person meeting location.
- If a disruption to the online meeting occurs, the Commission may take no further action on agenda items until public access is restored.
- The public must be able to provide comments in real-time. Public comments may not be required to be submitted in advance.
- All votes must be taken by roll call.

In addition, Commissioners participating remotely under AB 2449 must comply with the following requirements during the meeting:

- Before any action is taken, the Commissioner(s) must disclose whether any other individuals 18 years of age or older are present in the room at the remote location with the Commissioner, and the general nature of the Commissioner's relationship with any such individuals.
- The Commissioner(s) must participate through both audio and visual technology.

Finally, the teleconferencing rules discussed above apply only to situations where one or more Commissioners are teleconferencing in to a meeting, they do not apply to GCHP staff's attendance.

In-Person and Teleconference Options in Light of the Foregoing

In light of the above, the following in-person and teleconference meeting options are available to the Commission pursuant to the Brown Act and Assembly Bills 361 and 2449:

1. **Continue to make the requisite findings under Assembly Bill 361 to hold meetings remotely in the absence of a declared statewide emergency in response to the COVID-19 pandemic. If this option is followed, the Commission may only be able to continue using AB 361 for teleconference meetings if the Commission makes the findings below by majority vote during today's meeting, and going forward continues to meet at least every 30 days to make such findings.**

Although AB 361 remains a law through January 1, 2024, Governor Newsom has announced that the declared statewide COVID-19 State of Emergency will end on February 28, 2023. The County of Ventura has announced that the County-wide COVID-19 local emergency will also end on February 28, 2023. If the State of Emergency ends on February 28, 2023, the Commission may only be able to continue using AB 361 for teleconference meetings if the Commission continues to meet at least every 30 days, and by majority vote, makes both of the following findings:

- The Commission has reconsidered the circumstances of the state of emergency; and
- State or local officials continue to impose or recommend measures to promote social distancing.

The Commission may rely on recent regulations issued by Cal/OSHA described below, to satisfy the second requisite finding listed above. If this option is followed, the Commission must make the above findings during today's meeting and reference the non-emergency Cal/OSHA regulations as a continuing basis to meet remotely.

Recently Issued Cal/OSHA Regulations

On February 3, 2023, a new set of non-emergency COVID-19 prevention regulations issued by Cal/OSHA took effect statewide. The regulations carried over some of the same requirements from the earlier Cal/OSHA COVID-19 Emergency Temporary Standards, and include new employer-facing provisions for worker protection measures. Among other things, these updated COVID-19 reduction measures require employers to develop, implement, and maintain effective policies to prevent transmission of COVID-19 by persons who had close

contacts (based on being within six feet of a person confirmed to have COVID-19), and require face coverings in specified instances.

Additionally, under the first option, and upon making the required findings under AB 361, the Commission may also consider adding an "in-person" component such as a hybrid meeting system. This option grants the Commissioners who want to attend in person the option and such location would be listed on the agenda. The Commission could decide to allow members of the public to attend such hybrid meetings as well.

2. **If the Commission decides to not make the findings under Assembly Bill 361, Commission meetings going forward will be conducted pursuant to the traditional Brown Act rules unless the exceptions under Assembly Bill 2449 are invoked.**

Alternatively, the Commission may choose to cease making the requisite findings under AB 361 and either return to fully in person meetings or some Commissioners could attend remotely pursuant to the traditional Brown Act Rules discussed in Section (I) of this report. Additionally, there is always the option of individual Commissioners attending remotely by invoking the reasons for attending remotely set forth in AB 2449 discussed in Section (III) of this report.

CONSEQUENCES OF NOT FOLLOWING RECOMMENDED ACTION:

If the Commission decides to not make the requisite findings under Assembly Bill 361 to continue to meet remotely, the Commission will have to follow the traditional Brown Act rules pertaining to in-person and teleconference Commission meetings that existed prior to the COVID-19 pandemic, or individual Commissioners could attend remotely pursuant to the requirements of AB 2449.

FOLLOW UP ACTION:

That the Commission provide staff with direction as to how the Commission wishes to proceed with Commission meetings going forward.

ATTACHMENT:

None.

AGENDA ITEM NO. 4

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Alan Torres, Chief Information Officer

DATE: February 27, 2023

SUBJECT: Contract Approval – Claims Processing Software

BACKGROUND/DISCUSSION:

Project Background

By this request, GCHP staff is asking that the Commission award a competitively bid contract for Claims Processing Software that will deliver claims processing efficiencies with an enhanced provider and member experience. Following the health plan industry's standard practice of regularly evaluating capabilities and performance against the nationwide market of system and service providers, GCHP began a comprehensive procurement of technologies and services, (reference the initiative list below in table 1). GCHP intends to implement these solutions by July 1, 2024. The Commission has authorized GCHP staff to undertake improvements throughout the Plan to improve medical care and outcomes and become a leader in the delivery of health care services to members. This specific initiative relative to this request was to survey the marketplace through a competitive bidding process (RFP 2) for a new modernized Claims Processing system which will help transform GCHP. The solution will be expected to facilitate the modernized capabilities of the Core Administration system which is the software utilized to support set up and maintenance of Product/Benefits, Provider information and Member Enrollment information as well Claims Processing and the generation of Claims Payments for the vendors.

GCHP staff is recommending that Health Edge be awarded the contract. GCHP staff has meet with the current Claims Processing Software vendor, Conduent, and has explained the reasons why GCHP is upgrading to a significantly better Claims Processing Software.

Table 1

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

Procurement Background

Lead by GCHP's Executive team on September 6, 2022, staff issued a Request For Proposal, (RFP) for Claims Processing Software directly to the fourteen, (14) vendors listed:

Cognizant	Evolent Health
HealthEdge	Accenture
Oracle	Deloitte
Conduent	Gainwell Technologies
Virtual Benefits Administrator	OptumInsight
Epic	UST
PLEXIS Healthcare Systems	First Choice

Set forth below is the schedule utilized for the RFP.

	Date	**Time (If applicable)**
RFP Released	9/6/2022	
Questions Due	9/20/2022	5:00pm. PT
Questions Answered via Bidders Conference	9/30/2022	TBD
Intent to Propose Notification Due By	10/7/2022	5:00pm. PT
Proposal Due Date	**10/17/2022***	**5:00pm. PT**
Short List Established and Contractual Discussions Begin	11/7/2022	
Short List – Product Demo	11/18/2022	Scheduled for the week of the 11/14

GCHP received six (6) responsive proposals. A cross functional evaluation team was formed with representation from IT, (5 team members), Operations, (4 team members) and Procurement, (1 team member) to evaluate the proposals. Using predetermined evaluation criteria and weights, the team scored each proposal from the RFP's qualitative and quantitative requirements.

The scoring results from the evaluation team are as follows:

Overall Scores (High to Low):

Vendor	Qualitative Score	Quantitative Score	Overall Score
Virtual Benefits Administrator	41.31	17.86	59.17
Oracle	44.94	13.89	58.84
HealthEdge	44.17	11.65	55.82
Cognizant	44.93	10.65	55.58
Trillian*	36.45	14.40	50.85
Conduent	35.84	14.44	50.28

*Response received from the public posting of the RFP.

The GCHP team then conducted scripted demonstrations with the top scoring four vendors and the incumbent, Conduent. The demonstration script was scored as follows:

Overall Scores (High to Low, Scale 1-10):

Consolidated Scores	Average Weighted Score
HealthEdge	8.04
Cognizant	7.33
Virtual Benefits Administrator	7.29
Oracle	6.60
Conduent	6.34

Key takeaways from the demonstration:

- HealthEdge was the clear leader. Their team followed the script, they were responsive, and the product capabilities and their implementation approach aligned with the RFP expectations.
- Cognizant was also responsive, and their product and implementation approach was aligned with the RFP expectations.
- Oracle's product seems difficult to follow from a "life of claim" process and was considerably more expensive.
- During the implementation discussion Virtual Benefits Administrator confirmed that their low implementation cost reflected minimal effort on their part and that the majority of the effort was expected to be completed by GCHP or another third party of GCHP's choice. Based upon this information, GCHP decided not to pursue negotiations with Virtual Benefits Administrator.

- Conduent as the incumbent, presented functionality that GCHP was familiar with but the product did not constitute an upgrade in services and functionality

Contracting Discussions

The GCHP team determined that HealthEdge, Cognizant and Oracle offered substantial upgrades in services and as such commenced further due diligence and contracting discussions.

Key takeaways during the contracting discussions:

- HealthEdge committed the time and resources to engage in meaningful discussions. These included
  on-site meetings, implementation discussion, contract discussions
- Cognizant was non-responsive to discussions, refused to review GCHP contract language and did not appear interested in the business
- GCHP requested Oracle return and provide a "life of a claim" demo and start contracting discussions, but due to the holidays and their end of year they could not align resources and meet our scheduling timeframe

HealthEdge's Qualitative Value

HealthEdge's Core Administration software will provide advantages for GCHP in delivering improved operational efficiencies across multiple departments. The tools and features of the system will help us improve member and provider experience as well as user experience. It will help to eliminate technical debt and less intervention from IT staff for support of the system. HealthEdge is continually investing in the software and adding functionality to help health plans achieve their goals and increase productivity.

- **Audit tracking and traceability**
  - Deep audit tracking capabilities to ensure GCHP can trace back to specific root causes for any issues (system, performance, manual processes, notes, etc.)
- **Real-Time claim status**
  - Potential for real time communication of claim status to the provider
- **Workflows**
  - The system lets GCHP set the activities for automated routing and workflows which eliminates the guess work of a manual process
- **Highly Configurable**
  - Highly configurable system that allows GCHP more control and less dependency on a vendor
  - Robust controlled environment that allows for greater oversight and financial accuracy

- **Flexible technical architecture**
  - The system is flexible enough to be incorporated into GCHP's thoughtful strategic technical architecture and allows for easier traceability of all the Core Administration transactions

- **Integrated Modules – Visibility**
  - Productivity will be increased within the Core Administration system because the visibility across all modules will allow staff to manage our members with more insight and collaboration.
  - Improved end user experience through thoughtful screen design and ease of navigation.

- **Portal Integration Capabilities**
  - Superior functionality for portal integrations will improve accuracy and efficiency of processing Claims and communicating with our members and providers.
  - Improve the member and provider experience with GCHP with self-service capabilities.
  - The Plug In will also improve productivity for IT and the business by eliminating maintenance and production issues between the Core Administration system and the Provider Portal.
- **NCQA Accredited**
  - HealthEdge is already NCQA accredited and will provide best practices for us to achieve our NCQA accreditation goals.

Contract Negotiations

GCHP prioritized contract negotiations with HealthEdge. They agreed to GCHP's contracting timeline, structure and templates. Concurrently GCHP conducted several positive HealthEdge reference checks. GCHP concluded negotiations on a contract that is acceptable to GCHP, and the proposers were notified of the recommendation to award the contract to HealthEdge.

FISCAL IMPACT:

Award of the contract to HealthEdge will deliver an estimated $900k reduction in annual recurring costs once implemented. The total cost over the projected useful life of the 16-month implementation period and 6-year agreement (3/1/2023- 6/30/2030) is projected to not exceed $19.5M. This is substantially less than would have been spent had GCHP not gone to the market. The annual license fee is fixed through 6/30/2030 and thereafter may not exceed 5% per year. The projected costs from HealthEdge, Cognizant and the current incumbent vendor over the contracted period are set forth below.

HealthEdge $19.5
Cognizant $26.1M
Current incumbent vendor*$21.7M

**includes an estimated $6.3M cost associated with the current service agreement from 3/1/2023 until 6/30/2024*

RECOMMENDATION:

It is the Plan's recommendation that the Commission waive any irregularities in HealthEdge's proposal and authorize the CEO to execute a contract with HealthEdge Software Inc., subject to non-material terms to be agreed upon and acceptable to the CEO and General Counsel. The term of the contract will be 16 months of implementation and 6 years of production commencing March 1, 2023, and expiring on June 30, 2030, for an amount not to exceed $19.5M.

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

AGENDA ITEM NO. 5

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Jamie Louwerens, Sr. Director, Finance

DATE: February 27, 2023

SUBJECT: January 2023 Fiscal Year to Date Financials

SUMMARY:

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

BACKGROUND/DISCUSSION:

The staff has prepared the January 2023 unaudited FYTD financial packages, including statements of financial position, statement of revenues and expenses, changes in net assets, statement of cash flows and schedule of investments and cash balances.

Financial Overview:

GCHP experienced gains of $18.7 million for January 2023. As of January 31st, GCHP is favorable to the budget estimates by $50.3 million. The favorability is due to medical expense estimates that are currently less than budget by $49.5 million, administrative and project expenses by $0.5 million and Non-Operating Gains (Interest Income) by $4.0 million offset by revenue unfavorable to budget by ($3.8) million.

Financial Report:

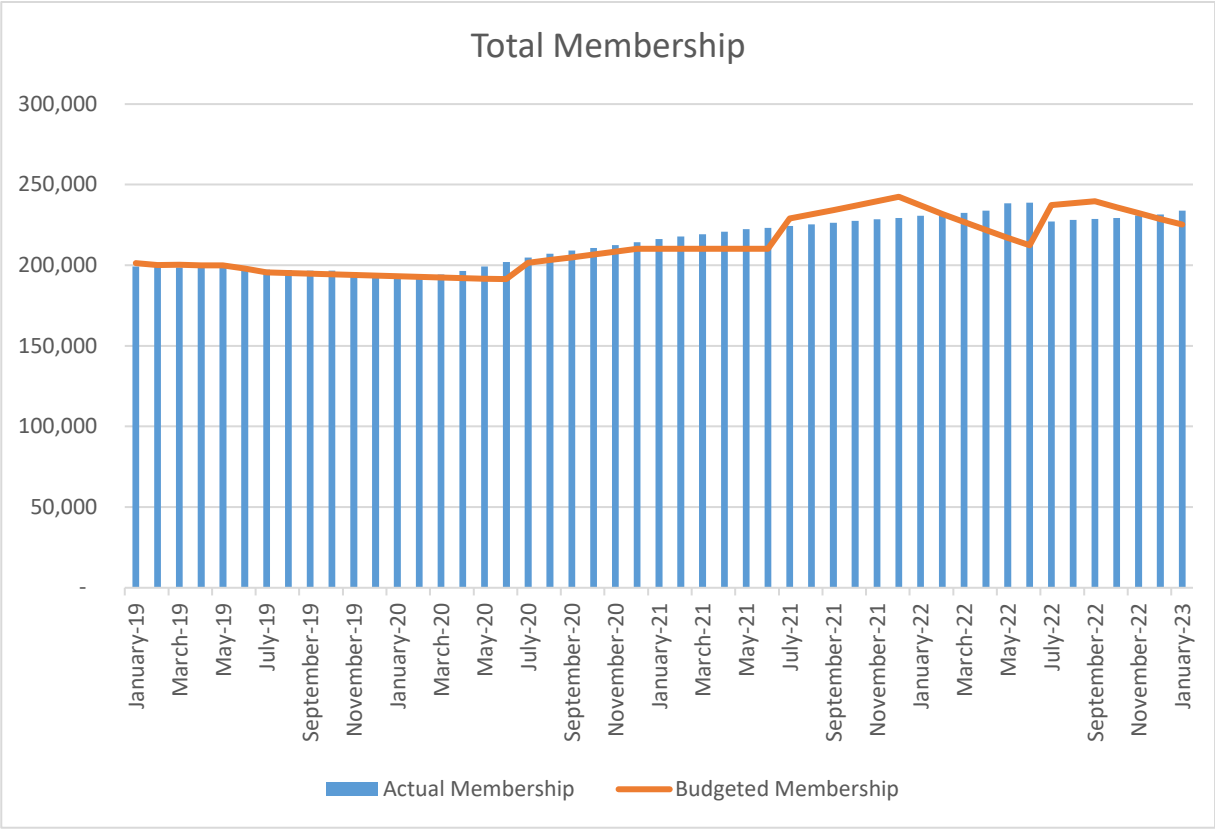
GCHP is reporting net gains of $18.7 million for the month of January 2023.

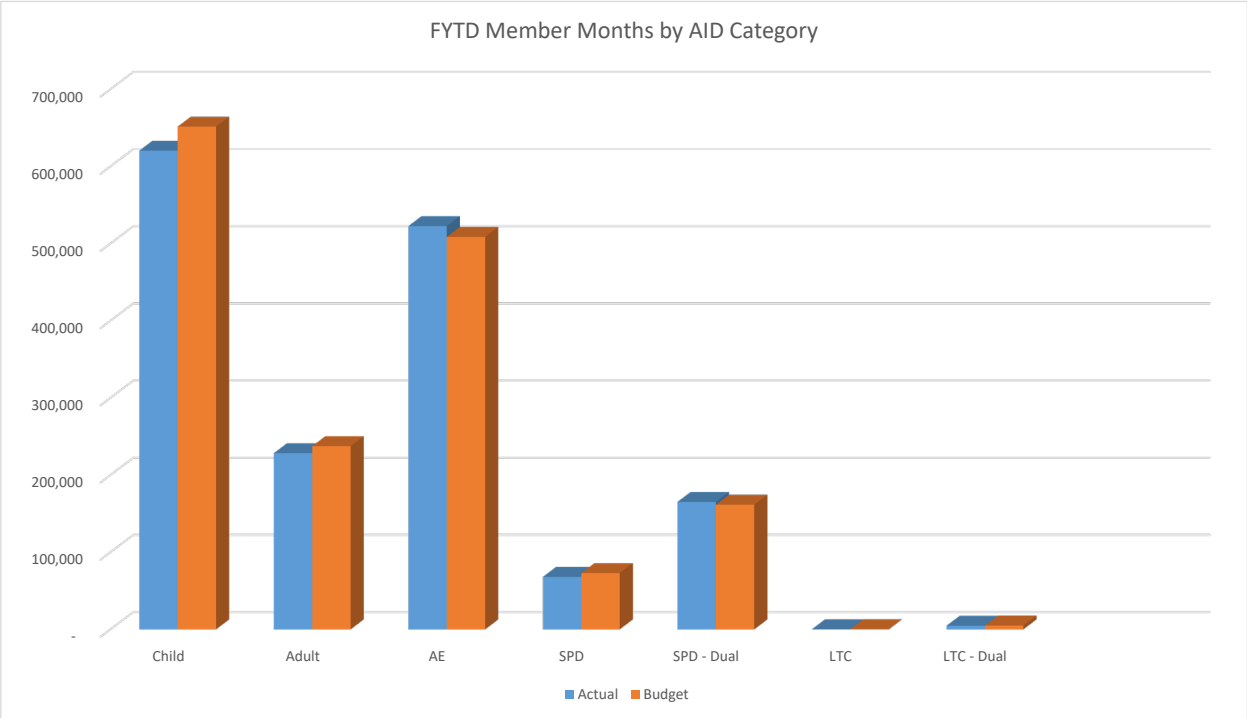
January 2023 FYTD Highlights:

1. Net gain of $88.0 million, a $50.3 million favorable budget variance.
2. FYTD net revenue is $564.7 million, ($3.8) million under budget.
3. FYTD Cost of health care is $439.6 million, $49.5 million under budget.
4. The medical loss ratio is 77.5% of revenue, 7.7% less than the budget.
5. FYTD administrative expenses are $41.2 million, $0.5 million under budget.
6. The administrative cost ratio is 7.3%, on budget.
7. Current membership for January 2023 is 247,034.

8. Tangible Net Equity is $264.6 million which represents approximately 118 days of operating expenses in reserve and 818% of the required amount by the State.

Note: To improve comparative analysis, GCHP is reporting the budget on a flexible basis which allows for updated revenue and medical expense budget figures consistent with membership trends.





Revenue

FYTD Net Premium revenue is $564.7 million; a ($3.8) million and (1.0%) unfavorable budget variance. Variance is primarily due to ECM risk corridor adjustment of ~($2.2) million not in budget, timing of incentive revenue budgeted of ~($2.5) million, MCO tax revenue net of tax unfavorable to budget ~($1.6) million offset by favorable new CY2023 base rates ~$1.6 million and maternity revenue ~$0.9 million

Health Care Costs

FYTD Health care costs are $439.6 million; a $49.5 million and 10.0% favorable budget variance. The primary driver is lower inpatient medical expenses. The moratorium on redeterminations due to the Public Health Emergency (PHE) has resulted in increased membership with a significant mix of members being low/non-utilizers of services which has led to less healthcare costs than what was anticipated when the budget was established a year ago.

Due to the unknown impacts of the pandemic, the budget was established for CY2023 Medical Expenses projected based on FY20-21 (July 2020 – June 2021) RDT base data and CY21 experience respectively + estimated trend/prospective adjustment factors.

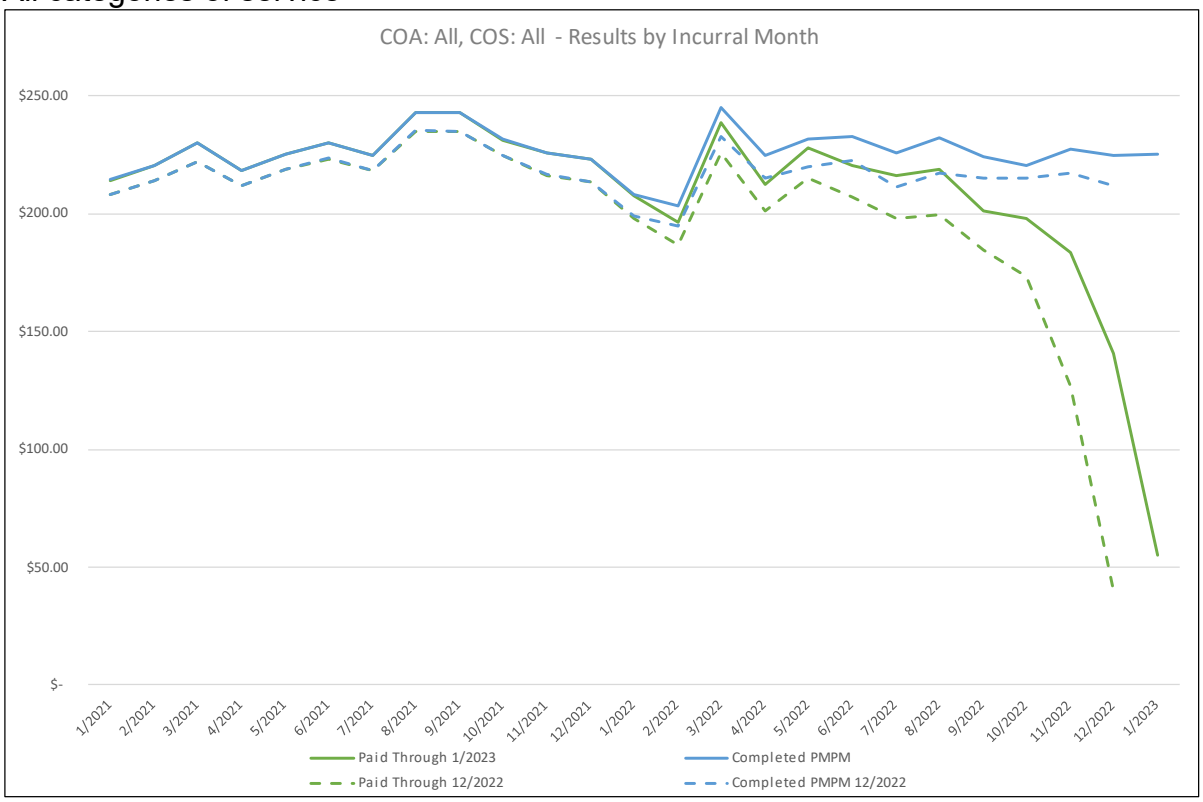
Trend factors consistent with RDT (2-4%) and projections based on COA/COS combinations getting back to CY2019 level where appropriate with the exception of mental health expenses (maintaining COVID levels in budget).

Medical expenses are calculated through a predictive model which examines the timing of claims receipt and claims payments. It is referred to as “Incurred but Not Paid” (IBNP)

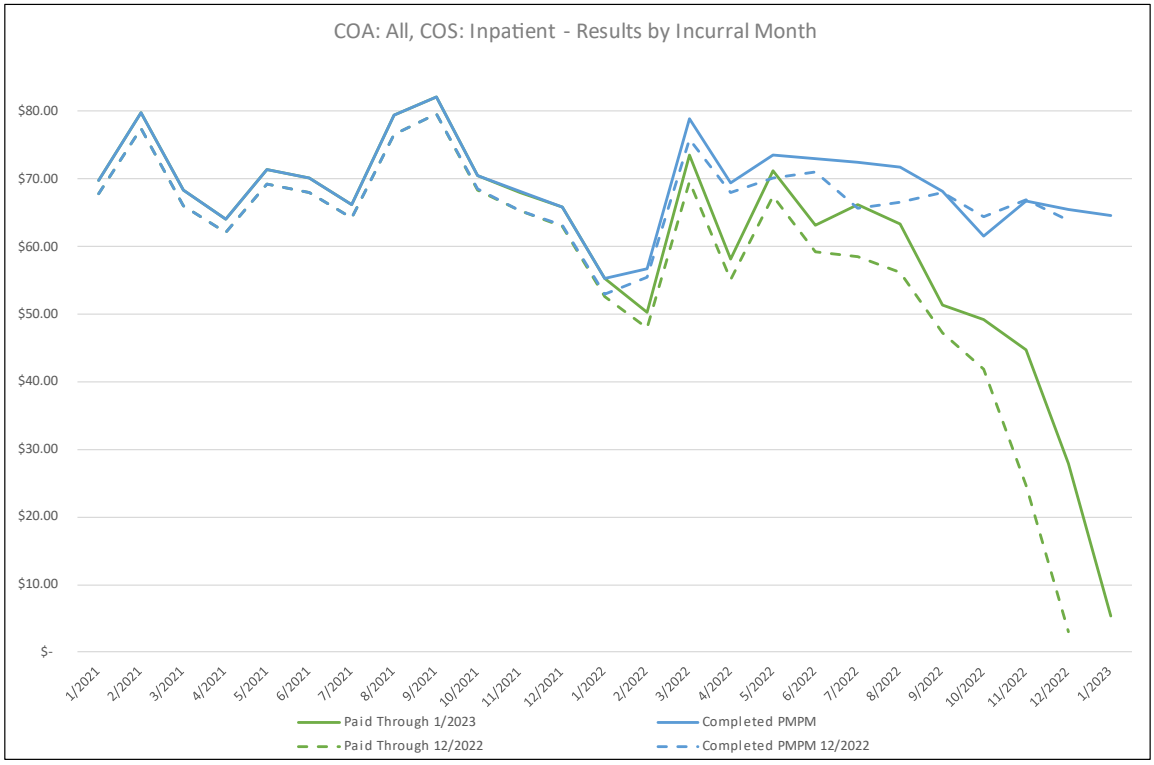
and is a liability on the balance sheet. On the balance sheet, this calculation is a combination of the Incurred but Not Reported and Claims Payable.

High level trends on a per member per month (PMPM) basis for the major categories of service are as follows:

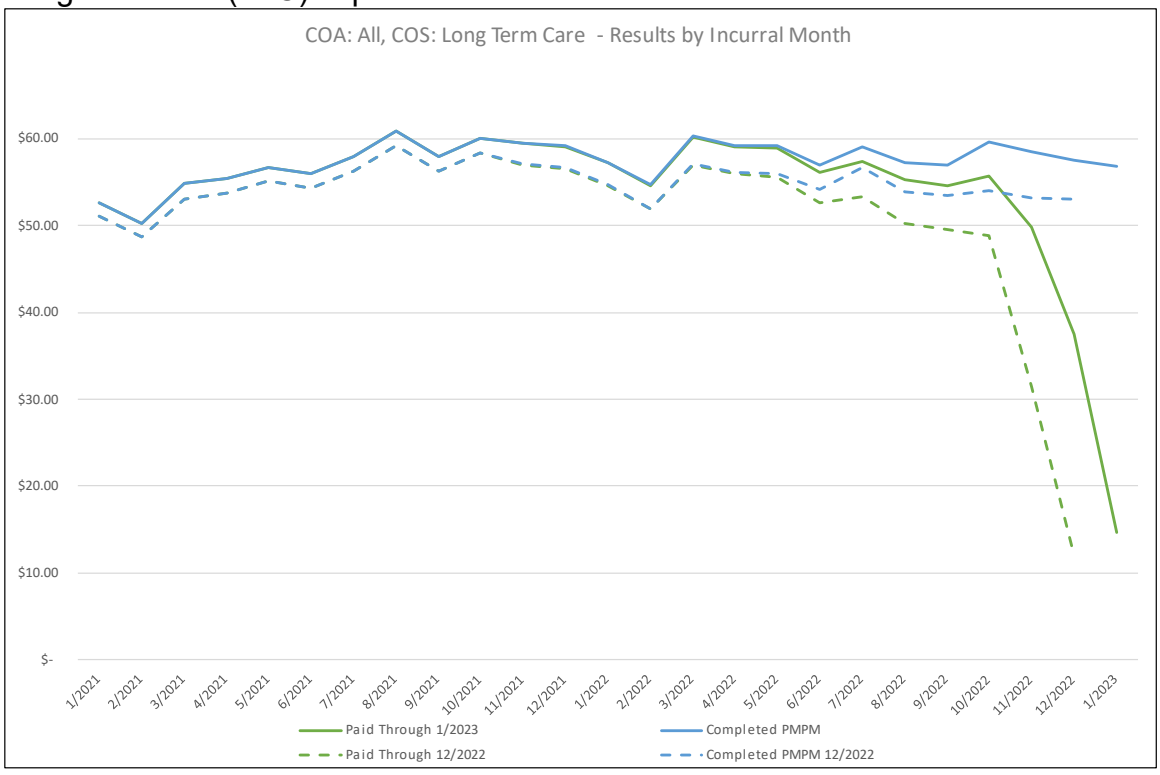
1. All categories of service



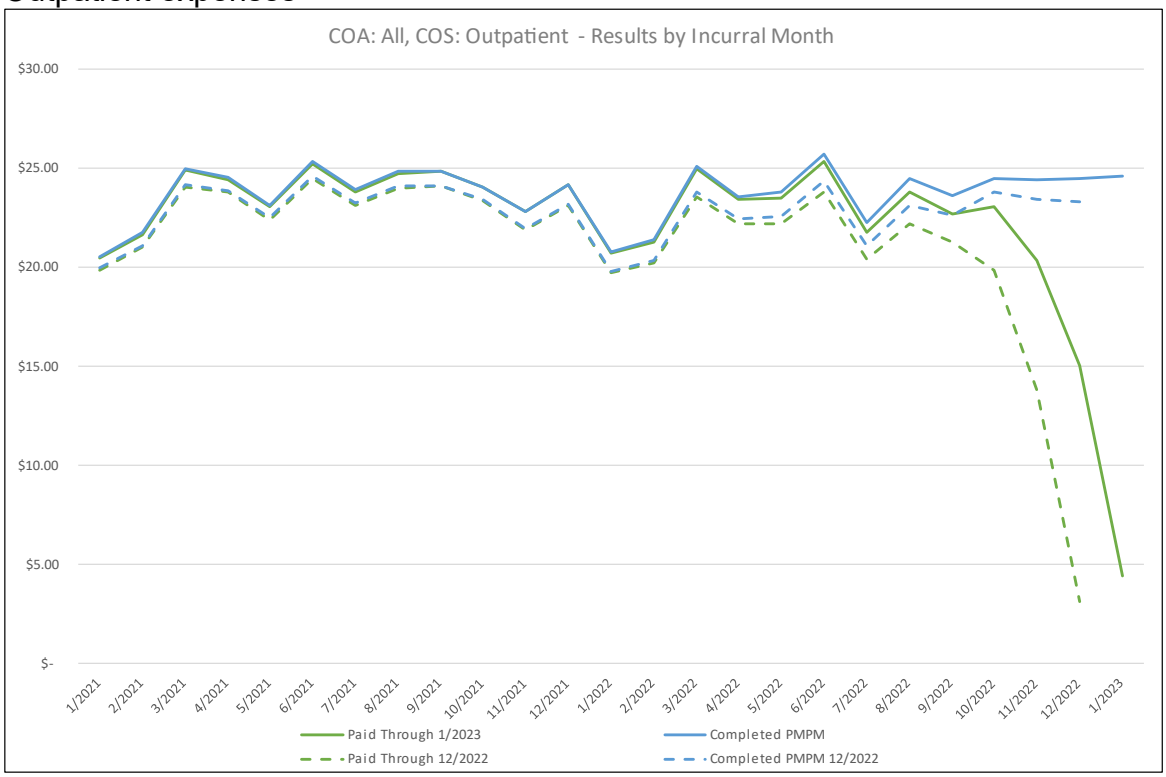
2. Inpatient hospital costs



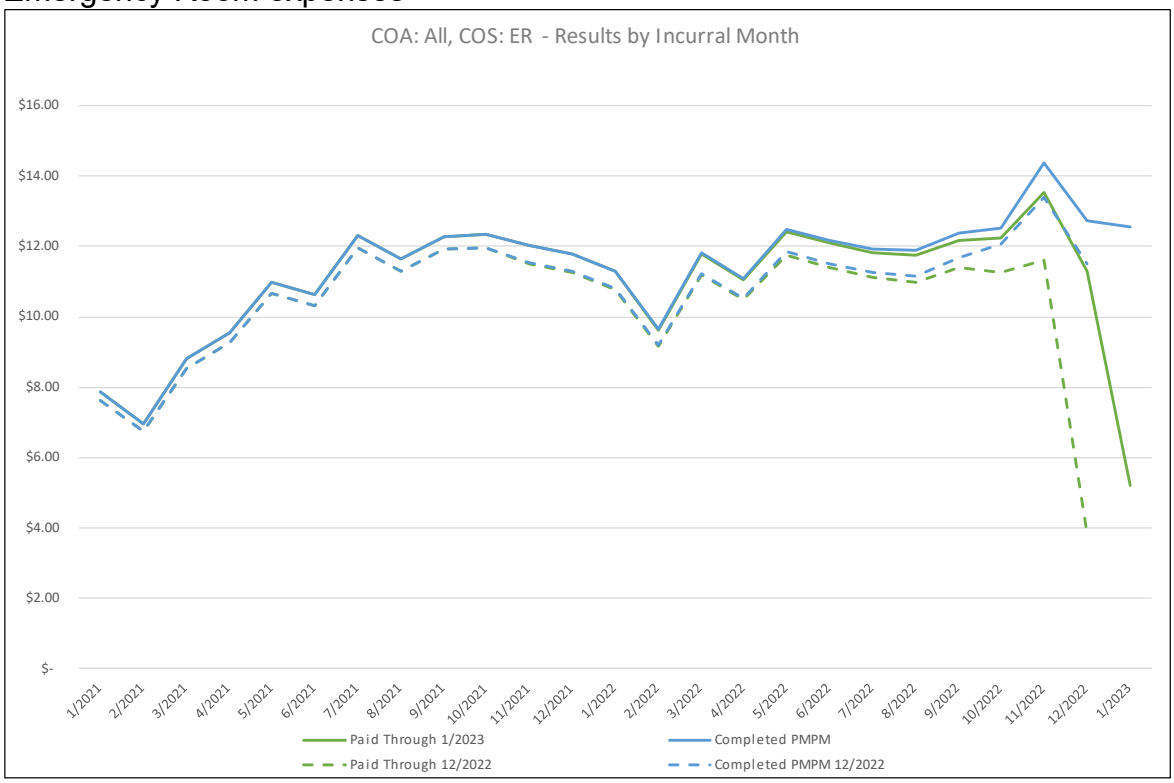
3. Long term care (LTC) expenses



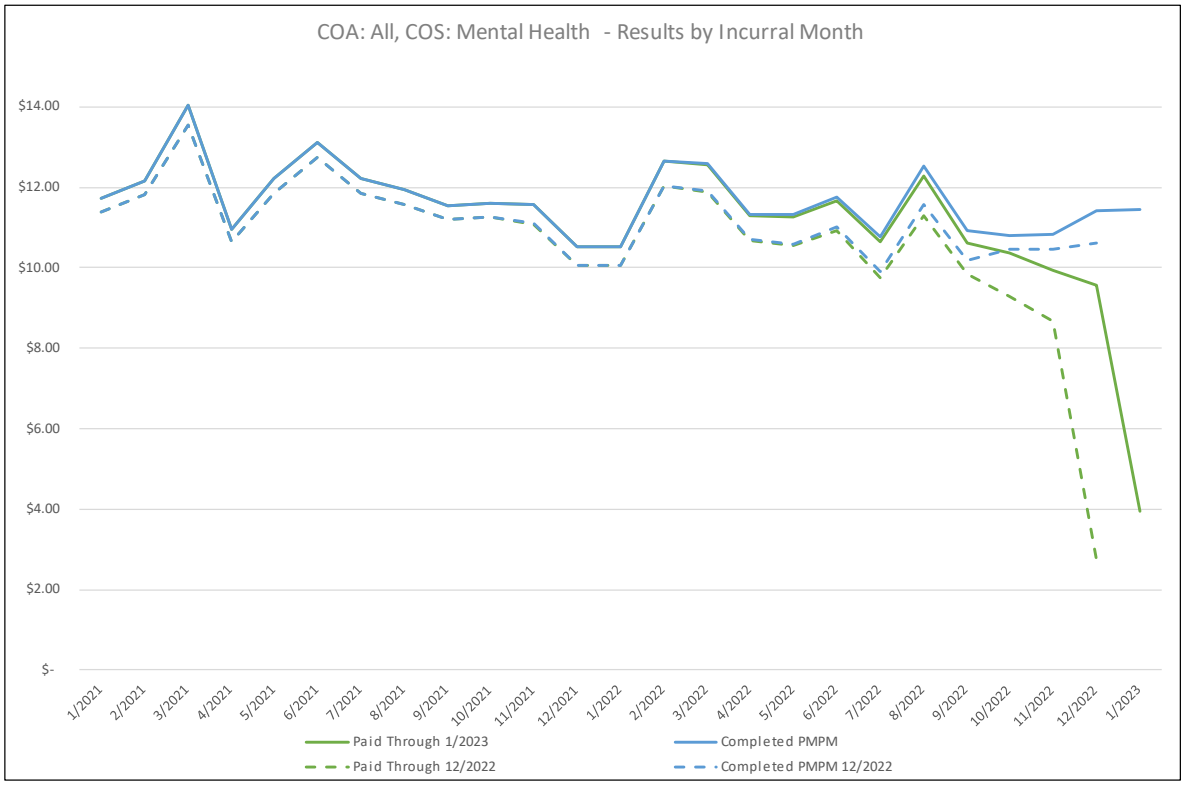
4. Outpatient expenses



5. Emergency Room expenses



6. Mental and behavioral health services



Administrative Expenses

The administrative expenses are currently running within amounts allocated to administration in the capitation revenue from the State. In addition, the ratio is comparable to other public health plans in California.

For the fiscal year to date through January 2023, administrative costs were $41.2 million, $0.5 million under budget. As a percentage of revenue, the administrative cost ratio (or ACR) was 7.3% versus 7.3% for budget.

Cash and Short-Term Investment Portfolio

At January 31st the Plan had $361.8 million in cash and short-term investments. The investment portfolio included Ventura County Investment Pool $18.5 million; LAIF CA State $40.7 million; Cal Trust $35.3 million.

SCHEDULE OF INVESTMENTS AND CASH BALANCES

	Market Value* January 31, 2023	Account Type
Local Agency Investment Fund (LAIF)[1]	$ 40,693,939	investment
Ventura County Investment Pool[2]	$ 18,475,155	investment
CalTrust	$ 35,332,402	short-term investment
Bank of West	$ 266,886,963	money market account
Pacific Premier	$ 412,313	operating accounts
Mechanics Bank[3]	$ -	operating accounts
Petty Cash	$ 500	cash
Investments and monies held by GCHP	***$ 361,801,272***	

	Jan-23	FYTD 22-23
Local Agency Investment Fund (LAIF)		
Beginning Balance	$ 40,482,460	$ 40,269,787
Transfer of Funds from Ventura County Investment Pool	-	-
Quarterly Interest Received	211,479	424,152
Quarterly Interest Adjustment	-	-
Current Market Value	**$ 40,693,939**	**$ 40,693,939**
	-	-
Ventura County Investment Pool		
Beginning Balance	$ 18,475,155	$ 18,377,308
Transfer of funds to LAIF	-	-
Interest Received	-	97,847
Current Market Value	**$ 18,475,155**	**$ 18,475,155**

Medi-Cal Receivable

At January 31st the Plan had $94.9 million in Medi-Cal Receivables due from the DHCS.

RECOMMENDATION:

Staff requests that the Commission approve the January 2023 financial package.

CONCURRENCE:

N/A

ATTACHMENT:

January 2023 Financial Package

Gold Coast Health Plan℠
A Public Entity

FINANCIAL PACKAGE
For the month ended January 31, 2023

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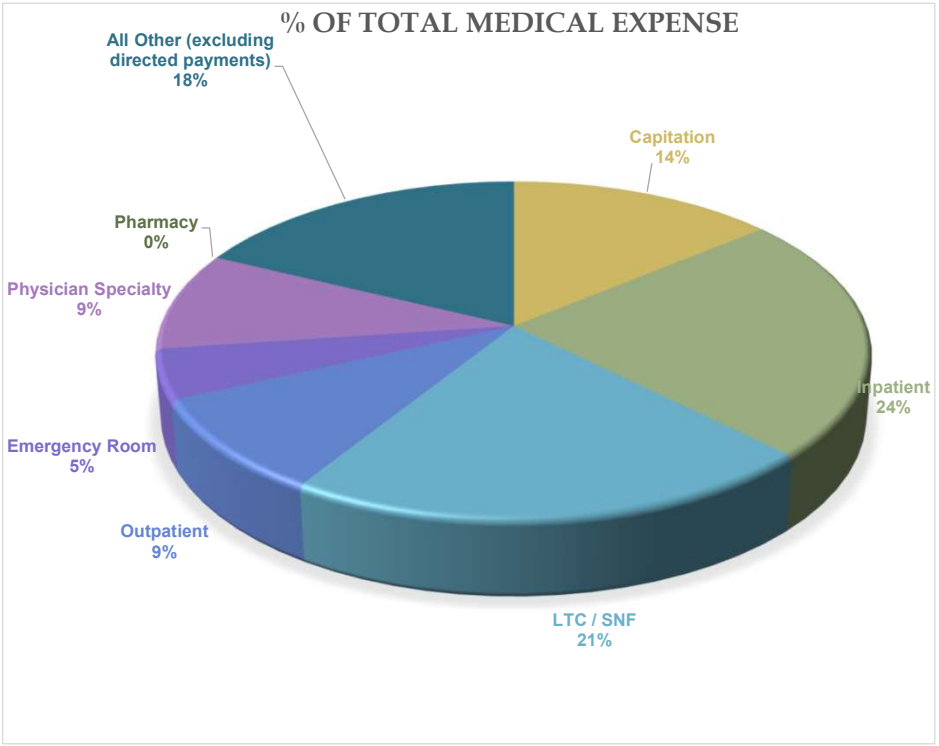
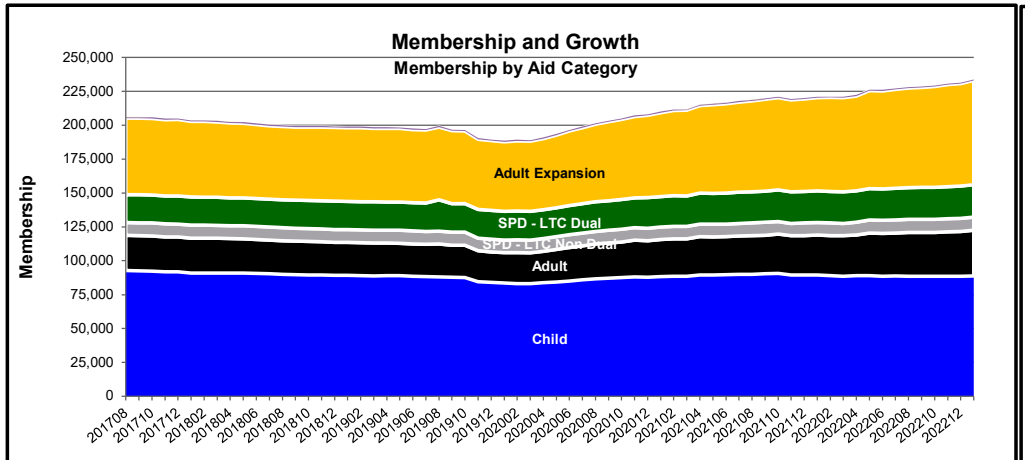
Gold Coast Health Plan

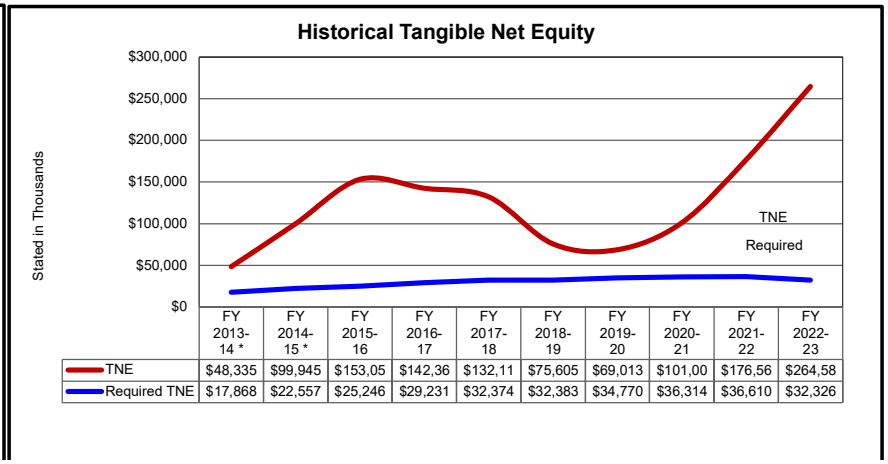
Executive Dashboard as of January 31, 2023

	FYTD 22/23 Budget*	FYTD 22/23 Actual	FYTD 21/22 Actual	FY 20/21 Actual
Average Enrollment	233,915	243,765	229,367	213,547
PMPM Revenue	$ 366.85	$ 330.97	$ 347.72	$ 358.22
Medical Expenses				
Capitation	$ 32.57	$ 34.50	$ 32.44	$ 34.03
Inpatient	$ 77.67	$ 58.24	$ 68.62	$ 66.52
LTC / SNF	$ 49.33	$ 52.93	$ 59.92	$ 55.42
Outpatient	$ 26.47	$ 22.63	$ 22.59	$ 23.16
Emergency Room	$ 12.31	$ 11.79	$ 10.80	$ 9.25
Physician Specialty	$ 26.79	$ 23.27	$ 22.49	$ 25.71
Provider incentives	$ 3.37	$ (0.00)	$ -	$ -
Pharmacy	$ -	$ -	$ 29.71	$ 62.07
All Other (*excluding directed payments*)	$ 41.74	$ 43.89	$ 45.41	$ 43.20
Total Per Member Per Month	$ 270.25	$ 247.24	$ 291.97	$ 319.36
Medical Loss Ratio	85.2%	77.5%	86.9%	92.1%
Total Administrative Expenses	$ 41,706,389	$ 41,243,627	$ 53,680,738	$ 49,637,603
% of Revenue	7.3%	7.3%	5.6%	5.4%
TNE	$ 214,893,409	$ 264,581,262	$ 180,480,257	$ 100,999,994
Required TNE	$ 33,441,330	$ 32,326,457	$ 36,609,789	$ 36,313,908
% of Required	643%	818%	493%	278%

** Flexible Budget (uses actual membership & member mix against budgeted rates)*







	FY 2013-14 *	FY 2014-15 *	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
TNE	$48,335	$99,945	$153,05	$142,36	$132,11	$75,605	$69,013	$101,00	$176,56	$264,58
Required TNE	$17,868	$22,557	$25,246	$29,231	$32,374	$32,383	$34,770	$36,314	$36,610	$32,326

STATEMENT OF FINANCIAL POSITION

	01/31/23	12/31/22	11/30/22
ASSETS			
Current Assets:			
Total Cash and Cash Equivalents	**267,299,777**	**261,624,041**	**242,617,041**
Total Short-Term Investments	**94,501,497**	**94,110,715**	**93,954,204**
Medi-Cal Receivable	94,949,569	99,326,147	108,345,594
Interest Receivable	171,045	201,640	134,399
Provider Receivable	476,350	487,204	545,133
Other Receivables	123,457	181,210	1,206,813
Total Accounts Receivable	**95,720,420**	**100,196,201**	**110,231,939**
Total Prepaid Accounts	3,017,126	2,427,827	2,954,000
Total Other Current Assets	135,560	135,560	135,560
Total Current Assets	**460,674,380**	**458,494,345**	**449,892,744**
Total Fixed Assets	**6,286,699**	**6,429,132**	**6,569,349**
Total Assets	**$ 466,961,078**	**$ 464,923,477**	**$ 456,462,093**
LIABILITIES & NET ASSETS			
Current Liabilities:			
Incurred But Not Reported	$ 94,500,885	$ 109,115,411	$ 109,180,559
Claims Payable	19,487,088	4,215,397	17,577,830
Capitation Payable	8,296,351	8,991,013	8,834,456
Physician Payable	25,147,677	22,905,233	23,694,043
DHCS - Reserve for Capitation Recoup	27,182,036	26,607,341	26,311,668
Lease Payable- ROU	1,270,810	1,263,590	1,258,153
Accounts Payable	2,526,340	384,006	2,858,638
Accrued ACS	2,113,969	3,809,304	3,643,697
Accrued Provider Incentives/Reserve	8,415,969	6,182,508	7,140,991
Accrued Pharmacy	-	-	-
Accrued Expenses	4,316,921	3,137,513	2,694,718
Accrued Premium Tax	-	23,722,380	15,814,920
Accrued Payroll Expense	3,923,670	3,363,514	2,686,355
Total Current Liabilities	**197,181,716**	**213,697,212**	**221,696,030**
Long-Term Liabilities:			
Other Long-term Liability-Deferred Rent	-	-	-
Lease Payable - NonCurrent - ROU	5,198,100	5,306,370	5,414,169
Total Long-Term Liabilities	**5,198,100**	**5,306,370**	**5,414,169**
Total Liabilities	**202,379,816**	**219,003,582**	**227,110,199**
Net Assets:			
Beginning Net Assets	176,562,922	176,562,922	176,562,922
Total Increase / (Decrease in Unrestricted Net Assets)	88,018,340	69,356,973	52,788,972
Total Net Assets	**264,581,262**	**245,919,895**	**229,351,895**
Total Liabilities & Net Assets	**$ 466,961,078**	**$ 464,923,477**	**$ 456,462,093**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR MONTH ENDED January 31, 2023

	January 2023	January 2023 Year-To-Date		Variance	Variance	January 2023 Year-To-Date		Variance
	Actual	Actual	Budget	Fav / (Unfav)	%	Actual	Budget	Fav / (Unfav)
Membership (includes retro members)	247,034	1,706,354	1,637,404	68,950	4%	PMPM - FYTD		
Revenue								
Premium	$ 84,191,003	$ 610,945,410	$ 619,026,008	$ (8,080,598)	-1%	$ 358.04	$ 378.05	$ (20.01)
Reserve for Cap Requirements	-	-	-	-	0%	-	-	-
Incentive Revenue	2,220,280	4,405,886	6,953,827	(2,547,941)	-37%	2.58	4.25	(1.66)
MCO Premium Tax	-	(50,605,116)	(57,481,135)	6,876,019	-12%	(29.66)	(35.11)	5.45
Total Net Premium	**86,411,282**	**564,746,180**	**568,498,700**	**(3,752,520)**	**-0.7%**	**330.97**	**347.20**	**(16.23)**
Other Revenue:								
Miscellaneous Income	90	480	-	480	0%	0.00	-	0.00
Total Other Revenue	90	480	-	480	0%	0.00	-	0.00
Total Revenue	**86,411,372**	**564,746,660**	**568,498,700**	**(3,752,040)**	**-1%**	**330.97**	**347.20**	**(16.23)**
Medical Expenses:								
Capitation								
PCP, Specialty, Kaiser, NEMT & Vision	8,278,940	56,903,590	55,579,048	(1,324,542)	-2%	33.35	33.94	0.60
ECM	290,024	1,963,318	4,710,909	2,747,592	58%	1.15	2.88	1.73
Total Capitation	8,568,964	58,866,908	60,289,957	1,423,050	2%	34.50	35.33	0.83
FFS Claims Expenses:								
Inpatient	9,238,068	99,382,303	132,529,189	33,146,886	25%	58.24	80.94	22.70
LTC / SNF	13,867,530	90,315,778	84,174,092	(6,141,686)	-7%	52.93	51.41	(1.52)
Outpatient	4,973,076	38,620,989	45,172,504	6,551,515	15%	22.63	27.59	4.95
Laboratory and Radiology	443,682	5,473,585	5,525,496	51,911	1%	3.21	3.37	0.17
Directed Payments - Provider	2,242,398	17,683,794	14,086,435	(3,597,360)	-26%	10.36	8.60	(1.76)
Emergency Room	2,876,615	20,113,293	20,998,578	885,286	4%	11.79	12.82	1.04
Physician Specialty	5,860,521	39,698,952	45,709,584	6,010,632	13%	23.27	27.92	4.65
Primary Care Physician	2,736,491	15,263,768	17,216,641	1,952,873	11%	8.95	10.51	1.57
Home & Community Based Services	2,380,940	13,734,092	16,921,386	3,187,295	19%	8.05	10.33	2.29
Applied Behavioral Analysis/Mental Health Se	3,204,869	18,509,767	20,495,301	1,985,534	10%	10.85	12.52	1.67
Pharmacy	-	(1,653)	-	1,653	0%	(0.00)	-	0.00
Provider Reserve / Provider Incentives	2,300,021	1,637,554	5,753,467	4,115,912	72%	0.96	3.51	2.55
Other Medical Professional	374,840	2,152,607	2,580,423	427,816	17%	1.26	1.58	0.31
Other Fee For Service	723,248	6,115,444	7,195,531	1,080,087	15%	3.58	4.39	0.81
Transportation	251,114	1,379,477	1,296,070	(83,408)	-6%	0.81	0.79	(0.02)
Total Claims	51,473,412	370,079,750	419,654,697	49,574,947	12%	216.88	256.29	39.41
Medical & Care Management Expense	1,830,910	11,533,305	10,953,842	(579,464)	-5%	6.76	6.69	(0.07)
Reinsurance	358,728	1,361,424	631,612	(729,812)	-116%	0.80	0.39	(0.41)
Claims Recoveries	(659,651)	(2,271,023)	(2,411,760)	(140,737)	6%	(1.33)	(1.47)	(0.14)
Sub-total	1,529,986	10,623,706	9,173,694	(1,450,013)	-16%	6.23	5.60	(0.62)
Total Cost of Health Care	**61,572,363**	**439,570,364**	**489,118,347**	**49,547,984**	**10%**	**256.46**	**295.84**	**39.38**
Contribution Margin	**24,839,009**	**125,176,296**	**79,380,353**	**45,795,943**	**58%**	**74.51**	**51.36**	**23.15**
General & Administrative Expenses:								
Salaries, Wages & Employee Benefits	4,270,839	24,664,884	21,352,791	(3,312,093)	-16%	14.45	13.04	(1.41)
Training, Conference & Travel	487	102,468	378,843	276,375	73%	0.06	0.23	0.17
Outside Services	2,687,600	16,933,307	16,516,461	(416,846)	-3%	9.92	10.09	0.16
Professional Services	788,392	3,127,579	2,952,074	(175,505)	-6%	1.83	1.80	(0.03)
Occupancy, Supplies, Insurance & Others	813,047	5,551,744	6,870,595	1,318,851	19%	3.25	4.20	0.94
Care Management Reclass to Medical	(1,822,076)	(11,453,115)	(10,953,842)	499,273	-5%	(6.71)	(6.69)	0.02
G&A Expenses	6,738,289	38,926,867	37,116,922	(1,809,944)	-5%	22.81	22.67	(0.14)
Project Portfolio	466,437	2,316,760	4,589,466	2,272,707	50%	1.36	2.80	1.45
Total G&A Expenses	**7,204,727**	**41,243,627**	**41,706,389**	**462,762**	**1%**	**24.17**	**25.47**	**1.30**
Total Operating Gain / (Loss)	**17,634,283**	**83,932,670**	**37,673,964**	**46,258,705**	**123%**	**50.34**	**25.89**	**24.45**
Non Operating								
Revenues - Interest	1,027,085	4,085,670	94,033	3,991,637	4245%	2.39	0.06	2.34
Gain/(Loss) on Sale of Asset	-	-	-	-	0%	-	-	-
Total Non-Operating	**1,027,085**	**4,085,670**	**94,033**	**3,991,637**	**4245%**	**2.39**	**0.06**	**2.34**
Total Increase / (Decrease) in Unrestricted Net Assets	**$ 18,661,367**	**$ 88,018,340**	**$ 37,767,997**	**$ 50,250,343**	**133%**	**$ 52.73**	**$ 25.94**	**$ 26.79**

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STATEMENT OF CASH FLOWS	January 2023	FYTD 22-23
Cash Flows Provided By Operating Activities		
Net Income (Loss)	$ 18,661,367	$ 88,018,340
Adjustments to reconciled net income to net cash provided by operating activities		
Depreciation on fixed assets	142,433	1,013,268
Disposal of fixed assets	-	-
Amortization of discounts and premium	-	-
Changes in Operating Assets and Liabilites		
Accounts Receivable	4,475,781	5,679,736
Prepaid Expenses	(589,299)	(869,585)
Accrued Expense and Accounts Payable	5,001,939	5,910,139
Claims Payable	16,819,471	(6,175,263)
MCO Tax liablity	(23,722,380)	(21,565,800)
IBNR	(14,614,526)	(9,958,296)
Net Cash Provided by (Used in) Operating Activities	6,174,787	62,052,538
Cash Flow Provided By Investing Activities		
Proceeds from Restricted Cash & Other Assets		
Proceeds from Investments	(390,781)	(1,074,294)
Purchase of Property and Equipment	-	(210,265)
Net Cash (Used In) Provided by Investing Activities	(390,781)	(1,284,560)
Cash Flow Provided By Financing Activities		
Lease Payable - ROU	(108,270)	(748,057)
Net Cash Used In Financing Activities	(108,270)	(748,057)
Increase/(Decrease) in Cash and Cash Equivalents	5,675,736	60,019,921
Cash and Cash Equivalents, Beginning of Period	261,624,041	207,279,855
Cash and Cash Equivalents, End of Period	267,299,776	267,299,776

SCHEDULE OF INVESTMENTS AND CASH BALANCES

	Market Value* January 31, 2023	Account Type
Local Agency Investment Fund (LAIF)[1]	$ 40,693,939	investment
Ventura County Investment Pool[2]	$ 18,475,155	investment
CalTrust	$ 35,332,402	short-term investment
Bank of West	$ 266,886,963	money market account
Bank	$ 412,313	operating accounts
Mechanics Bank[3]	$ -	operating accounts
Petty Cash	$ 500	cash
Investments and monies held by GCHP	***$ 361,801,272***	

	Jan-23	FYTD 22-23
Local Agency Investment Fund (LAIF)		
Beginning Balance	$ 40,482,460	$ 40,269,787
Transfer of Funds from Ventura County Investment Pool	-	-
Quarterly Interest Received	211,479	424,152
Quarterly Interest Adjustment	-	-
Current Market Value	**$ 40,693,939**	**$ 40,693,939**
	-	-
Ventura County Investment Pool		
Beginning Balance	$ 18,475,155	$ 18,377,308
Transfer of funds to LAIF	-	-
Interest Received	-	97,847
Current Market Value	**$ 18,475,155**	**$ 18,475,155**
	-	-

**Source of valuation is monthly statements*

Notes:

[1] This program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff at no additional cost to the taxpayer. The LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1955 and oversight is provided by the Pooled Money Investment Board (PMIB) and an in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and State Controller. All securities are purchased under the authority of Government Code Section 16430 and 16480.4. The State Treasurer's Office takes delivery of all securities purchased on a delivery versus payment basis using a third party custodian. All investments are purchased at market and a market valuation is conducted monthly.

[2] The Ventura County Treasury Portfolio is for local public governments, agencies, and school districts within Ventura County. Steven Hintz, Ventura County Treasurer-Tax Collector, actively manages the pool by performing ongoing analysis of investment opportunities, and by planning, coordinating, and controlling the investment activities in accordance with the California Government Code and with the county's internal investment guidelines. This is done in order to meet cash flow needs and to ensure the safety and liquidity of all investments. Wells Fargo Bank N.A. serves as custodian for the pool's investments.

The Ventura County Treasury Portfolio provides safety of principal, liquidity and a competitive rate of return. Investments are comprised of securities that are very creditworthy, low risk and liquid. The pool's investment strategy is to maintain a very creditworthy, laddered portfolio that is sufficiently liquid in order to meet participants' cash flow needs. The portfolio is typically comprised of U.S. agency securities and high-quality short-term instruments, resulting in a relatively short-weighted average maturity. The pool's liquidity is further enhanced by its high percentage (60% to 70% or more) of holdings in securities that mature in 180 days or less.

[3] These accounts are currently in the process of being closed and balances will be transferred to Pacific Premier Bank

Gold Coast Health Plan℠
A Public Entity

Integrity
Accountability
Collaboration
Trust
Respect

Financial Statements

January 2023

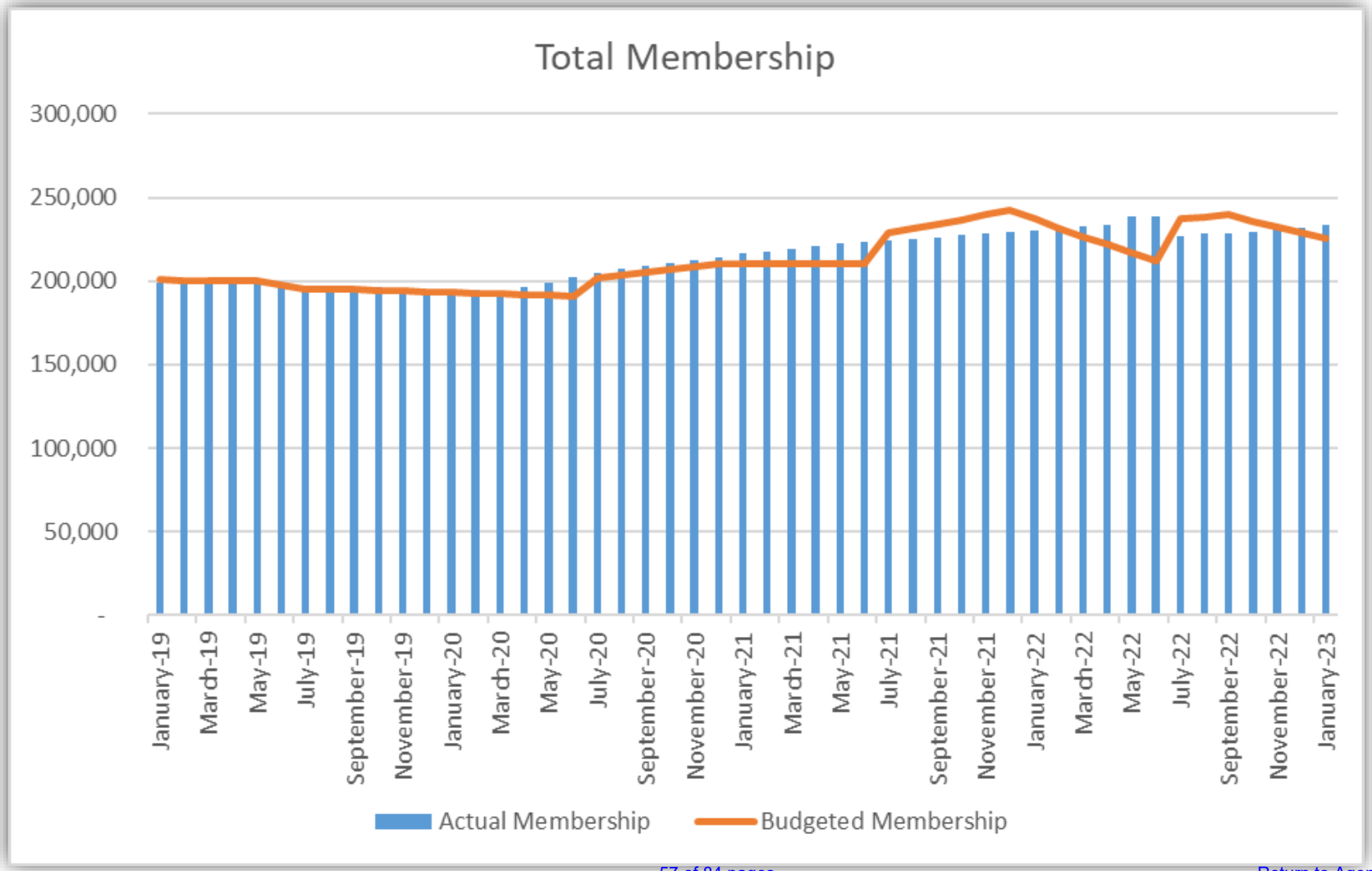
Jamie Louwerens
Senior Director, Finance

February 27, 2023

Financial Overview

Jan-2023 NET GAIN	$ 18.7 M
2022-23 FYTD NET GAIN	$88.0 M
TNE is $264.6 M and 818% of the minimum required	
MEDICAL LOSS RATIO	77.5%
ADMINISTRATIVE RATIO	7.3%

Membership Trends



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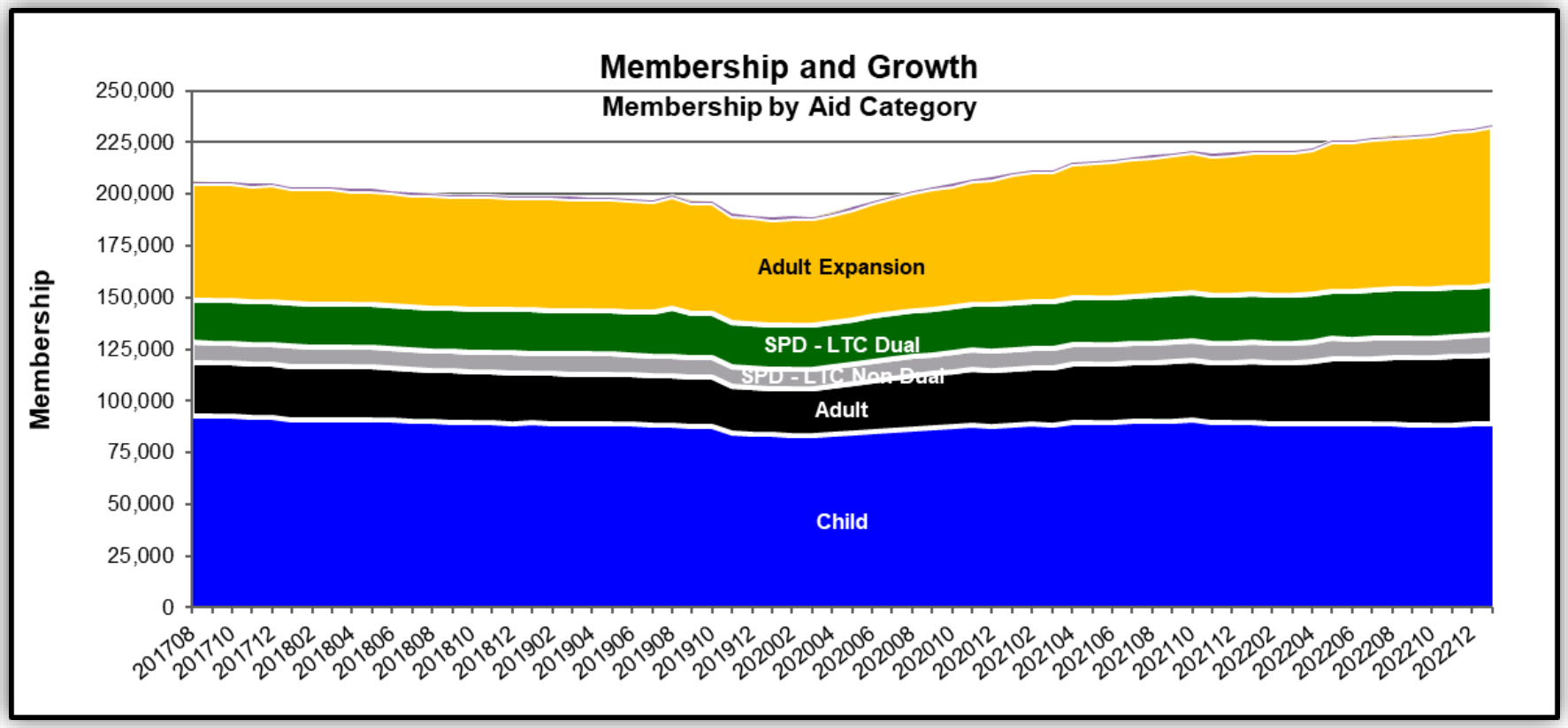
Membership Trends



Revenue

FYTD net premium revenue is $564.7 million unfavorable to budget by $3.8 million primarily due to:

1. $2.5M- timing of vaccine incentives and CalAIM incentive receipts versus budget.
2. $2.2M- ECM Risk Corridor adjustments not in budget
3. $1.6M- MCO Tax unfavorable to budget

Offset by:

4. $2.5M CY2023 rates more favorable than budgeted

Medical Expenses

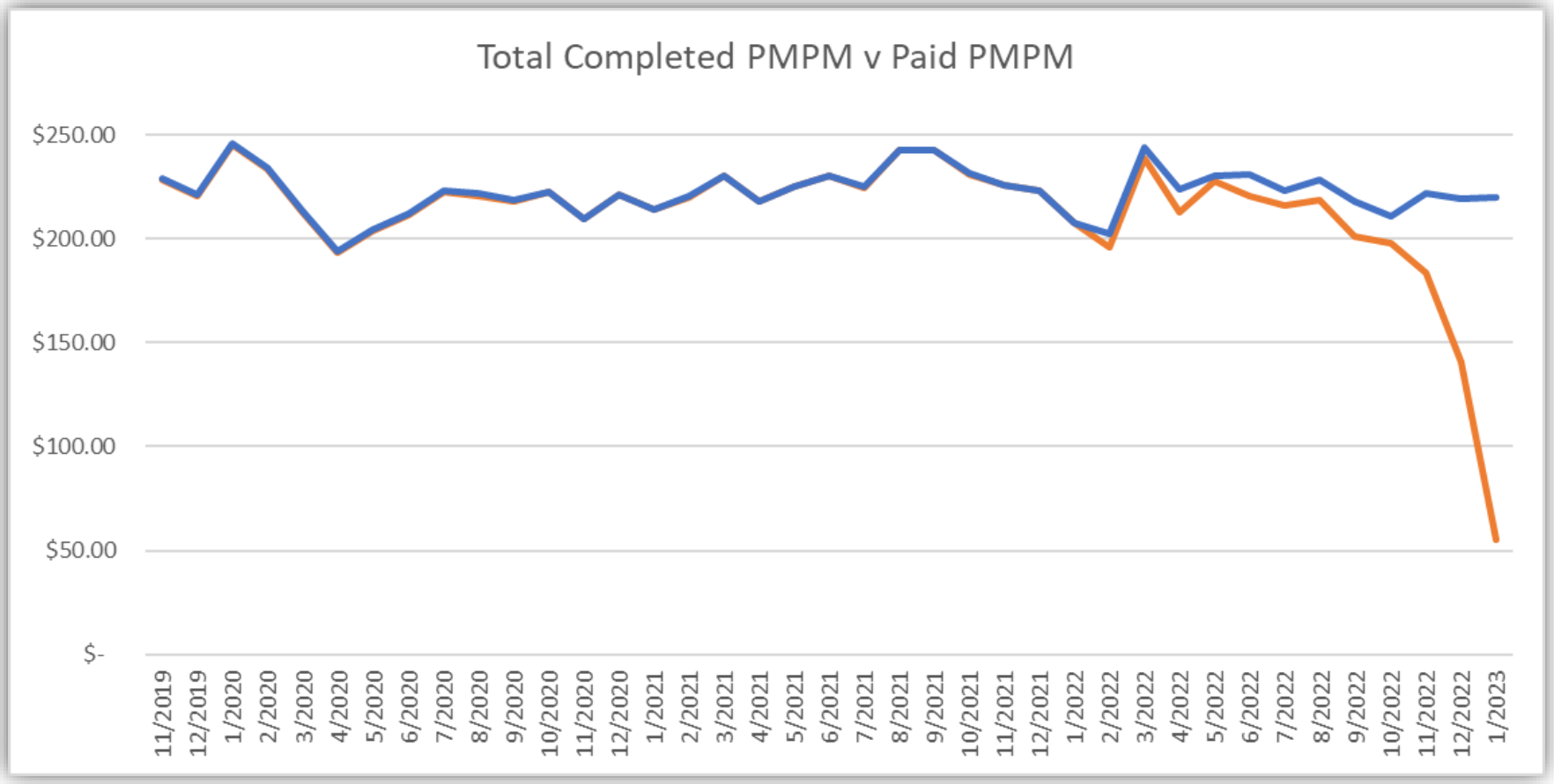
FYTD Health care costs are $439.6 million and $49.5 million and 10% under budget.

Medical loss ratio is 77.5%, a 7.7% budget variance.

Continuation of PHE through 2022 and pause on redeterminations has led to a significant increase in membership with a less acute total population as compared to how we budgeted our medical expenses for FY22-23.

Medical Expense Reserve

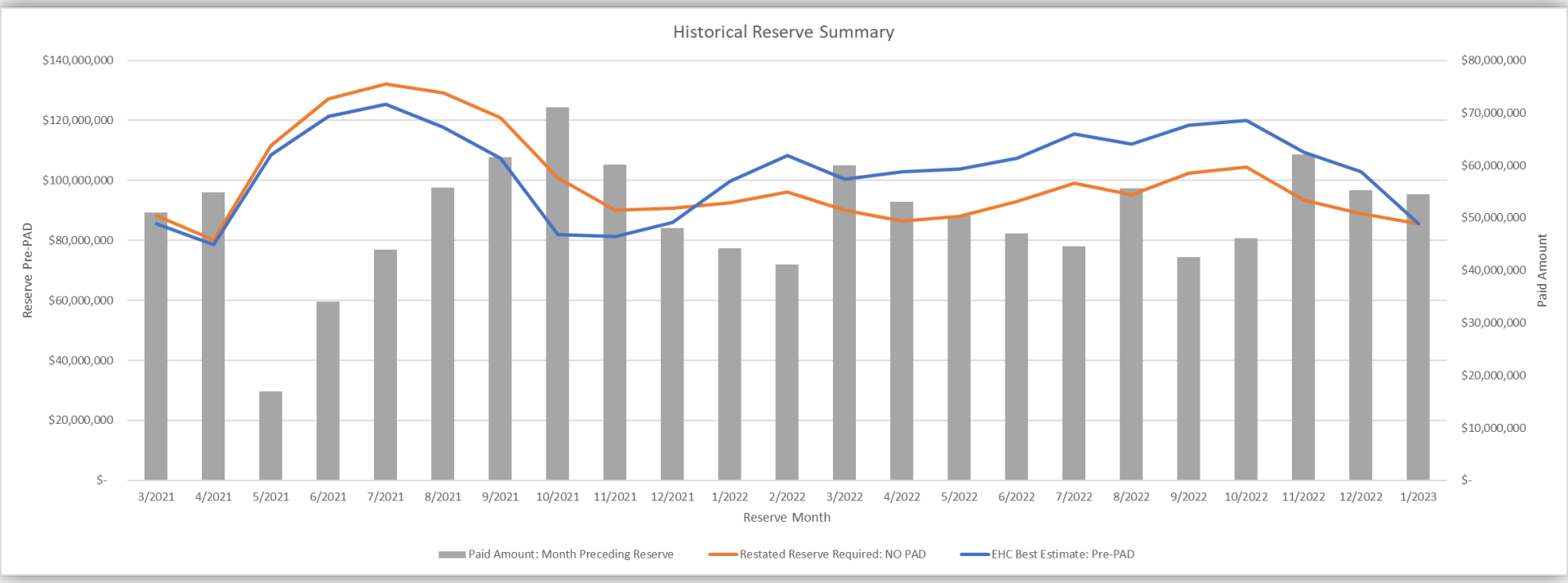
Incurred But Not Paid (IBNP)



Comparison of Complete Estimates and Paid Data

Medical Expense Reserve

Incurred But Not Paid (IBNP)



Overview of Historical Reserve and Reasonableness of IBNP Estimates

Administrative Expenses

For the fiscal year-to-date period through January 2023, administrative costs were $41.2 million and $.5 million under budget.

As a percentage of revenue, the administrative cost ratio (or ACR) was 7.3% versus 7.4% for budget.

Financial Statement Summary

	January 2023	FYTD Actual	FYTD Budget	Budget Variance
Net Capitation Revenue	$ 86,411,282	$ 564,746,180	$ 568,498,700	$ (3,752,520)
Health Care Costs	61,572,363	439,570,364	489,118,347	(49,547,984)
Medical Loss Ratio		**77.8%**	**86.0%**	
Administrative Expenses	7,204,727	41,243,627	41,706,389	(462,762)
Administrative Ratio		**7.3%**	**7.3%**	
Non-Operating Revenue/(Expense)	1,027,175	4,086,150	94,033	3,992,118
Total Increase/(Decrease) in Net Assets	$ 18,661,367	$ 88,018,340	$ 37,767,997	$ 50,250,344
Cash and Investments	$ 361,801,273			
GCHP TNE	$ 264,581,262			
Required TNE	$ 32,326,457			
% of Required	**818%**			

Questions?

Staff requests the Commission approve the unaudited financial statements for January 2023.

AGENDA ITEM NO. 6

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Nick Liguori, Chief Executive Officer

DATE: February 27, 2023

SUBJECT: Chief Executive Officer (CEO) Report

I. EXTERNAL AFFAIRS:

As indicated at last month's meeting, below you will find a comprehensive analysis of Gov. Gavin Newsom's proposed budget, which was released on Jan. 10, 2023. Despite the $22.5B deficit California will experience in the upcoming fiscal year, the budget continues prioritizing its commitment to care for the most vulnerable Californians. This is done by making investments in health care affordability, furthering the plan for aging, expanding access to care and benefits, addressing homelessness, and strengthening the behavioral health continuum. As well as making later investments in the health and human services workforce and public health infrastructure.

The Governor's budget includes $230.5B ($71.5B General Fund) for all health and human services (HHS) programs in 2023-24. The Medi-Cal budget includes $138.9B ($38.7B GF) in 2023-24. Medi-Cal is projected to cover approximately 14.4M Californians in 2023-24, a more than 5 percent decrease in membership from the current fiscal year.

Highlights of the state's proposed health care investments include the following:

- The budget assumes a two-quarter extension of the federal Public Health Emergency (PHE) through mid-April 2023 and enhanced federal funding through the end of the 2022-23 fiscal year. The budget does not reflect the impact of the recently signed federal Consolidated Appropriations Act. The budget's May Revision will reflect the impact of required changes related to HHS programs, such as the timing of Medi-Cal eligibility redeterminations and phasing out of enhanced federal funding at the end of the federal COVID-19 PHE.
    - Over the last several months, GCHP been implementing phase I of PHE outreach requirements under APL 22-004, *Strategic Approaches for Use by Managed Care Plans to Maximize Continuity of Care Coverage as Normal Eligibility and Enrollment Operations Resumes*, in preparation for the end of the PHE. With Medi-Cal redeterminations commencing on April 1, 2023, GCHP is

awaiting updated guidance for outreach efforts. We will provide further details at an upcoming meeting.

- $844.5M to expand health care access for all Californians and provide full-scope Medi-Cal coverage to income-eligible individuals regardless of their immigration status (ages 26-49) starting Jan. 1, 2024. Currently individuals between the ages of 0-25 and those 50 and older receive full Medi-Cal benefits, if eligible. Of note, these members will also be eligible for In-Home Support Services (IHSS).

- The budget includes adjustments to the Home and Community Based Services (HCBS) spending plan based on revised claiming of the enhanced federal funding and expenditure estimates to $2.8B – a $60M reduction compared to the 2022 budget The budget assumes that all HCBS funding will be expended by March 2024, and California will not use the additional optional year to spend the enhanced federal funding.
    - It is important for GCHP to watch how Housing and Homelessness Incentive Program (HHIP) initiatives will continue to be funded after March 2024, as the current program is funded through the HCBS spending plan.

- The Health and Human Services Innovation Accelerator Initiative aims to fund research and development on tools that directly address health disparities and ensure innovations are quickly accessible to all. This initiative focuses on creating solutions to the greatest health challenges facing Californians, such as targeting diabetes-related morbidity and mortality, addressing disparities in maternal and infant mortality faced by women and their babies, and preventing and mitigating infectious disease. Funding for this initiative will be refined over the next few months and included in the May Revision.

Below you fill find a summary of key Medi-Cal focused budget items:

Medi-Cal Highlights	Funding Amount	Summary	Potential Impact to GCHP
California's Behavioral Health Community-Based Continuum (CalBH-CBC) Demonstration	$6.1B ($314M GF, $175M Mental Health Services Fund, $2.1B Medi-Cal County Behavioral Health Fund, and $3.5B federal funds) over five years.	Effective Jan. 1, 2024, a CalBH-CBC Demonstration will be implemented. A critical part of CalAIM, the demonstration includes statewide and county opt-in components to expand behavioral health services and strengthen the continuum of mental health services.	As Ventura County Behavioral Health (VCBH) begins implementation efforts for this demonstration program, it is critical for GCHP to be involved as it will also benefit GCHP members that quality for Enhanced Care Management (ECM) and/or Community Support (CS) services. In the CalBH-CBC concept paper, managed care

Medi-Cal Highlights	Funding Amount	Summary	Potential Impact to GCHP
			plans, county behavioral health departments and social services must work on coordinating services for foster youth and other populations of focus.
Managed Care Organization (MCO) Tax	Renewal of the MCO tax for a three-year period, effective Jan. 1, 2024, through Dec. 31, 2026, assumes $1.3B of revenue in 2023-24 for the partial fiscal year and $6.5B over three years.	The MCO tax will help maintain funding for the Medi-Cal expansion to all income-eligible individuals and minimize the need for reductions to the program.	The current MCO tax structure will continue in the coming years with minor modifications. Baseline enrollment assumptions will be made using CY 2021 enrollment numbers. More information will be available in the upcoming Trailer Bill Language (TBL).
Designated State Health Program and Rate Increases	$22.7M ($8.6M GF) in 2023-24 and $57.1M ($21.7M GF) This funding is expected to be available due to savings from the anticipated federal reauthorization of the Designated State Health Program funding to cover the costs of the Projects for Assistance in Transition from Homelessness (PATH) and CalAIM justice initiatives.	Primary care and obstetric care provider increases. The Administration will continue to evaluate the need for additional targeted provider rate increases in the May Revision.	Effective Jan. 1, 2024, primary care will receive a 10% increase in fee-for-service for all codes under 80% of Medicare. Obstetric and doula care will receive a 10% increase (including for the codes that don't have a Medicare equivalent) in both fee-for-service and managed care.

Medi-Cal Highlights	Funding Amount	Summary	Potential Impact to GCHP
CalAIM Transitional Rent Waiver Amendment	$17.9M ($6.3M GF) in 2025-26	There will be a new CS option that allows MCOs to pay for up to six months of rent or temporary housing to eligible individuals experiencing homelessness or at risk of homelessness and transitioning out of institutional levels of care, a correctional facility, or the foster care system and who are at risk of inpatient hospitalization or emergency department visits.	GCHP will likely implement the new CS service. The effective date is yet to be determined. It is estimated to go into effect in CY 2024.
CalAIM-Justice Involved	$109.7M ($39.1 M GF) in FY 2023-24 for the CalAIM inmate pre-release program.	Will cover a targeted set of Medi-Cal services during a 90-day period prior to release to support successful community re-entry.	GCHP needs to make sure services are coordinated under ECM and/or CS. More information to come as further guidance is released.

The Government Affairs team will continue to follow the legislative budget process and provide updates, as necessary. The team will continue its work with LHPC and GCHP lobbyists to coordinate advocacy efforts.

A. California Legislative Update:

Below is a list of bills that GCHP is currently monitoring. This list will continue to grow and be updated as bills move through the CA State Assembly and Senate.

Key Legislative Bills (as of Feb. 10, 2023)	Potential Impact(s):
AB 55: Emergency Medical Services AB 55 increases the reimbursement rate for private emergency ground transport providers to $350 per transport, mandates the local emergency medical services (EMS) agency to identify a local prevailing	Determining impact to GCHP.

Key Legislative Bills (as of Feb. 10, 2023)	Potential Impact(s):
wage or hourly rate with benefits to be paid to a majority of emergency medical technicians (EMTs), and obligates private emergency employers to pay EMTs in accordance with the prevailing wage requirement.	
AB 47: Pelvic Floor Physical Therapy Coverage AB 47 seeks to add two new sections to the state's Health and Safety Code and Insurance Code mandating how health care plans including managed care plans must provide coverage for pelvic floor physical therapy after pregnancy from Jan. 1, 2024, onward. For the Insurance Code, Section 10119.55 dictates how health insurance policies must be updated to provide pelvic therapy coverage for women post-pregnancy, also starting on Jan. 1, 2024.	Determining impact to GCHP.
AB 236: Health Care Coverage - Provider Directories AB 236 mandates health care plans to confirm provider directories are up-to-date and accurate on an annual basis. Plans will be required to delete inaccurate information and ensure the directory is 60% accurate by Jan. 1, 2024, and 95% accurate by Jan. 1, 2027. Failure to meet deadlines and inaccurate provider listings will result in monetary penalties for health plans.	Determining impact to GCHP.
AB 317: Pharmacist Service Coverage AB 317 requires health care plans and specific disability insurers that offer coverage for pharmacy services to pay for or reimburse the costs of services for a pharmacist at an in-network pharmacy as well as a pharmacist at an out-of-network pharmacy if there is an out-of-network pharmacy benefit.	Determining impact to GCHP.

Key Legislative Bills (as of Feb. 10, 2023)	Potential Impact(s):
SB 299: Medi-Cal Eligibility – Redetermination Medi-Cal redetermination happens every 12 months. Counties are responsible for the redetermination process and are required to obtain sufficient information to redetermine eligibility. Changes in an individual's circumstances may affect eligibility for Medi-Cal benefits. If sufficient information cannot be attained, the county must send a prepopulated form with the individual's information and how to renew eligibility. If there is a return of mail of the prepopulated form and the reason for redetermination is loss of contact with the enrollee, counties will automatically distribute a notice of action ending Medi-Cal eligibility. SB 299 removes the obligation of the counties to distribute a final notice to a Medi-Cal enrollee after loss of contact and return of mail.	Determining impact to GCHP.
AB 488: Medi-Cal Skilled Nursing Facilities - Vision Loss In 2022, AB 186 authorized DHCS to implement a major new program called the Workforce & Quality Incentive Program (WQIP). This program encompasses directed payment under the Medi-Cal managed care delivery system and details how a network provider delivering skilled nursing facility services to a Medi-Cal enrollee may earn performance-based payments from their contracted MCP. The rationale for the program is to incentivize quality care through financial means. DHCS is in the process of creating the parameters and metrics for the directed payments from MCPs. AB 488 builds on existing legislation and requires that the DHCS metrics for payment awards are aimed at addressing the needs of skilled nursing facility residents with vision loss.	Determining impact to GCHP.

B. Community Relations Sponsorships

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

Organization	Description	Amount
For the Troops	For the Troops supports military members and Veterans one care package at a time. The sponsorship will support the "Military Tribute Gala" that honors military members and veterans.	$1,000
Organization	Description	Amount
Turning Point Foundation	Turning Point Foundation empowers and heals those struggling with mental health issues and experiencing homelessness. The sponsorship will help fund the "7th Annual Mardi Gras Benefit" that benefits veterans and unhoused individuals in Ventura County.	$1,000
Mixteco / Indigena Community Organizing Project	Mixteco / Indigena Community Organizing Project (MICOP) supports, organizes, and empowers the Indigenous migrant communities in California's Central Coast. The sponsorship will go toward their annual "2023 Tequio Rising," which provides scholarships to college students from Ventura County who are of Indigenous-Mexican roots.	$2,500
TOTAL		$4,500

C. Community Relations – Community Meetings and Event

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

Organization	Description	Date
Ventura County Public Health Ventura County – Action on Smoking and Health (VC-ASH)	Ventura County Action on Smoking and Health (VC-ASH) promotes the health and well-being of Ventura County residents. The coalition meets bi-monthly to mobilize a broad network of community organizations and committed individuals to reduce tobacco product use and exposure in the county.	Jan. 25, 2023

City of Santa Paula Social Services Coalition	The Santa Paula Social Services Coalition connects the community to resources and focuses on networking, education, marketing, outreach, community awareness, and events.	Jan. 26, 2023
E.P. Foster Elementary Family Resource Fair	At the Family Resource Fair at E.P. Foster Elementary School in Ventura, community organizations share resources and information to participating families and faculty.	Jan. 26, 2023
Organization	Description	Date
Partnership for Safe Families Strengthening Families Collaborative Meeting	The Partnership for Safe Families & Communities of Ventura County is a collaborative non-profit organization providing inter-agency coordination, networking, advocacy, and public awareness. The collaborative meeting engages parents and community representatives in sharing resources, announcements, and community events.	Feb. 1, 2023
Circle of Care One Step A la Vez	One Step A La Vez focuses on serving communities in the Santa Clara Valley by providing a safe environment for 13- to 19-year-olds and bridging the gaps of inequality while cultivating healthy individuals and community. Circle of Care is a monthly meeting where community leaders can share resources, network, and promote community events.	Feb. 1, 2023
Total community meetings and events		5

D. Community Relations – Community Insight Coalition

The Community Insight Coalition comes together virtually to identify and address barriers members may have when accessing care and community resources. The goal of the coalition is to work with our community partners and address shared challenges to strengthen our community.

In February, the group discussed the Medi-Cal Rx reinstatement updates, requirements, and timeline. GCHP's Community Relations Team also provided an overview of the process for members to access the health plan's transportation benefit.

The next coalition meeting is scheduled for April 11, 2023.

E. Community Relations – Letter of Support

GCHP continues to provide letters of support to community-based organizations, public agencies, and providers delivering health care-enhancing services in Ventura County. The following organizations received a letter of support in January:

Organization	Description	Date
Community Memorial Hospital Behavioral Health Integration Center	Community Memorial Hospital (CMH) provides Behavioral Health Integration services to patients in Ventura County. The letter supports the application of a grant to construct, acquire, and rehabilitate real estate assets to expand the existing range of behavioral health treatment and services in the county.	Jan. 23, 2023
Children and Families First Commission of Ventura County HealthySteps	Children and Families First Commission of Ventura County serves to improve outcomes for young children and families The letter supports the HealthySteps initiative, an evidence-based, interdisciplinary pediatric primary care program that promotes nurturing parenting and healthy development for babies and toddlers, particularly in areas where there have been persistent inequities for families of color or with low incomes.	Jan. 23, 2023

F. Provider Advisory Committee Update

Late last year, the Provider Advisory Committee (PAC) convened an Adhoc Committee to review the Charter as well as discuss a New Member Recruitment Process due to a decrease in membership. As work was being done by the Adhoc Committee the PAC lost several other members; therefore, no longer having quorum to meet.

To ensure the PAC continues to have impact, GCHP management will begin a robust new member recruitment process to ensure there's a complete membership composed of eleven (11) members. The Commission will be presented with recommendations for approval of new members, the goal is to begin presenting recommendations in April 2023.

II. PLAN OPERATIONS

A. Membership

	VCMC	CLINICAS	CMH	DIGNITY	PCP-OTHER	KAISER	AHP	ADMIN MEMBERS	NOT ASSIGNED
Jan-23	91,743	40,203	34,833	6,945	5,178	6,904	9,071	49,987	3,055
Dec-22	91,401	39,957	34,674	6,947	5,187	6,925	9,072	49,118	2,545
Nov-22	90,925	39,752	34,504	6,911	5,287	6,928	8,991	48,682	2,772

NOTE:

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

Administrative Member Details

Category	January 2023
Total Administrative Members	49,987
Share of Cost (SOC)	626
Long-Term Care (LTC)	702
Breast and Cervical Cancer Treatment Program (BCCTP)	79
Hospice (REST-SVS)	21
Out of Area (Not in Ventura County)	458
Other Health Care Coverage	
DUALS (A, AB, ABD, AD, B, BD)	26,754
Commercial OHI (Removing Medicare, Medicare Retro Billing and Null)	22,813

NOTE:

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

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

1. Share of Cost (SOC-AMT) > zeros
    a. AID Code is not 6G, 0P, 0R, 0E, 0U, H5, T1, T3, R1 or 5L
2. LTC members identified by AID codes 13, 23, and 63.
3. BCCTP members identified by AID codes 0M, 0N,0P, and 0W.

4. Hospice members identified by the flag (REST-SVS) with values of 900, 901, 910, 911, 920, 921, 930, or 931.
5. Out of Area members were identified by the following zip codes:
    a. Ventura Zip Codes include: 90265, 91304, 91307, 91311, 91319-20, 91358-62, 91377, 93000-12, 93015-16, 93020-24, 93030-36, 93040-44, 93060-66, 93094, 93099, 93225, 93252
    b. If no residential address, the mailing address is used for this determination.
6. Other commercial insurance was identified by a current record of commercial insurance for the member.

B. Provider Contracting Update

Provider Network Contracting Initiatives

PNO held a second CalAIM Technical Assistance (TA) webinar on Jan. 20, 2023, that was open to any organization that was interested in becoming a CalAIM provider. The TA webinar provided information on current and upcoming Enhanced Care Management (ECM) populations of focus and Community Supports (CS) services. The TA webinars will be a vehicle for PNO to train, onboard, and expand its CalAIM provider network. They will continue throughout the year.

The Annual Network Certification (ANC) administered by the state Department of Health Care Services (DHCS) is still in progress. DHCS divided the ANC deliverable into two deliverables, one of which was completed in Oct. 2022. The second deliverable was submitted on Feb. 13, 2023.

PNO had its quarterly internal meeting on Jan. 25, 2023, with success. The meeting allowed us to provide an overview of key PNO operations, insight into our provider network developments, provider relations efforts, and share objectives with internal stakeholders. Our team continues to support and provide deliverables for DHCS program initiatives, GCHP projects, provider contracting, updates to policies and procedures, provider onboarding, and communications.

Provider Network Developments: Jan. 1-31, 2023

Provider Network Full Terminations	Count
OB/GYN Individual Contract	1
Audiologist	1
Critical Care Specialist	1

Additional Network Developments:

- Additions: 26
- Terminations: 38

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

GCHP Provider Network Additions and Total Counts by Provider Type			
Provider Type	**Network Additions**		**Total Counts**
	Nov-22	**Dec-22**	
Hospitals	**0**	**0**	**25**
Acute Care	0	0	19
Long-Term Acute Care (LTAC)	0	0	1
Tertiary	0	0	5
Providers	**2**	**67**	**5,287**
Primary Care Providers (PCPs) & Mid-levels	2	9	457
Specialists	0	58	4,662
Hospitalists	0	0	168
Ancillary	**6**	**7**	**595**
Ambulatory Surgery Center (ASC)	0	0	7
Community-Based Adult Services (CBAS)	0	0	14
Durable Medical Equipment (DME)	0	1	94
Home Health	0	0	25
Hospice	2	0	23
Laboratory	0	0	41
Optometry	0	0	95
Occupational Therapy (OT) / Physical Therapy (PT) / Speech Therapy (ST)	0	6	142
Radiology / Imaging	0	0	62
Skilled Nursing Facility (SNF) / Long-Term Care (LTC) / Congregate Living Facility (CLF) / Intermediate Care Facility (ICF)	0	0	83
Behavioral Health	4	0	365

C. Delegation Oversight

GCHP is contractually required to perform oversight of all functions delegated through subcontracting arrangements. Oversight includes, but is not limited to:

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

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

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

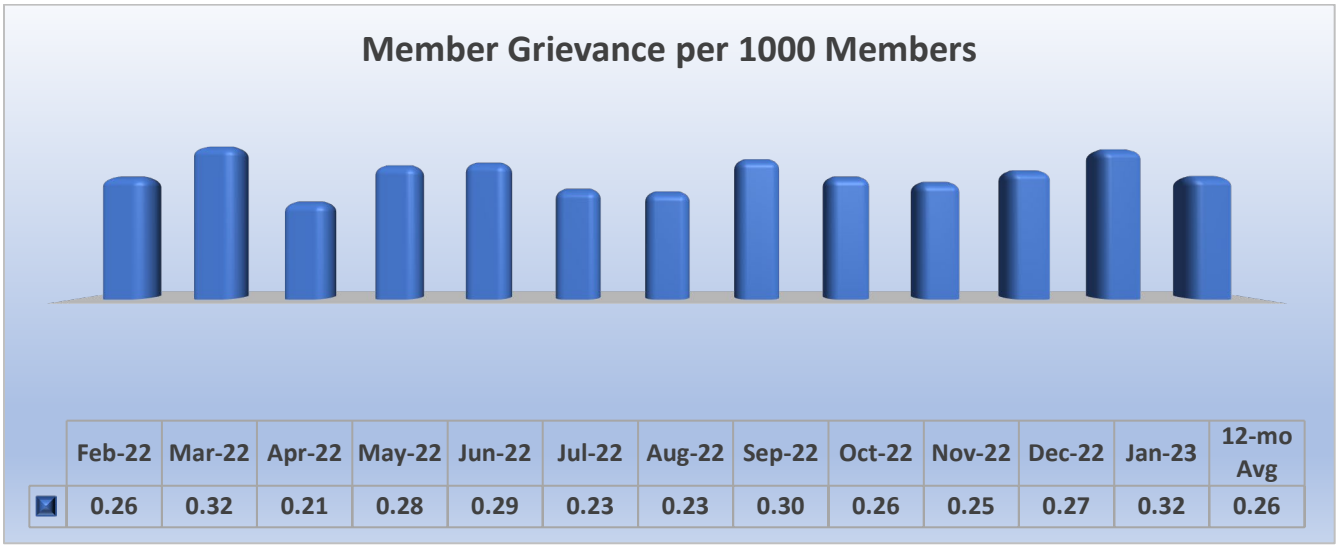
The following table includes audits and CAPs that are open and closed. Closed audits are removed after they are reported to the Commission. The table reflects changes in activity through Jan. 31, 2023.

Delegate	Audit Year / Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes
AHP	2022 Annual Claims Audit	Closed	6/10/2022	11/4/2022	
AHP	2022 Annual Credentialing and Recredentialing Audit	Closed	1/13/2023	2/6/2023	
AHP	2022 Annual PDR Claims Audit	Open	10/11/2022	Under CAP	
Beacon	2022 Annual Claims Audit	Open	6/22/2022	Under CAP	
Beacon	2022 Call Center Audit	Open	8/26/2022		
CDCR	2023 Annual Credentialing and Recredentialing Audit	In Progress			
CMHS	2023 Annual Credentialing and Recredentialing Audit	In Progress			
Conduent	2017 Annual Claims Audit	Open	12/28/2017	Under CAP	Issue will not be resolved until new claims platform conversion
Conduent	2021 Annual Claims Audit	Open	7/21/2021	Under CAP	
Conduent	2022 Annual Claims Audit	Open	8/31/2022	Under CAP	
Conduent	2020 Call Center Audit	Closed	1/20/2021	1/25/2023	
Conduent	2021 Call Center Audit	Open	2/25/2022	Under CAP	

Delegate	Audit Year / Type	Audit Status	Date CAP Issued	Date CAP Closed	Notes
Conduent	2022 Call Center Audit	Open	2/1/2023	Under CAP	
USC Care Medical Group	2023 Annual Credentialing and Recredentialing Audit	Scheduled			
VCMC	2023 Annual Credentialing and Recredentialing Audit	Scheduled			
VSP	2022 Annual Claims Audit	Open	12/7/2022	Under CAP	
VTS	2022 Annual NMT/NEMT Audit	Open	11/17/2022	Under CAP	
VTS	2021 Call Center Focused Audit	Open	2/2/2022	Under CAP	
VTS	2022 Call Center Audit	Open	5/26/2022	Under CAP	
VTS	2022 Call Center Focused Audit	Open	10/27/2022		
VTS	NMT Scheduling Grievances CAP	Open	5/6/2022	Under CAP	
VTS	Subcontracting CAP	Open	7/22/2022	Under CAP	
Privacy & Security CAPs					
Delegate	**CAP Type**	**Status**	**Date CAP Issued**	**Date CAP Closed**	**Notes**
Conduent	Call Center Recordings Website	Open	1/6/2021	N/A	
Operational CAPs					
Delegate	**CAP Type**	**Status**	**Date CAP Issued**	**Date CAP Closed**	**Notes**
Conduent	IKA Inventory, KWIK Queue, APL 21-002	Open	4/28/2021	N/A	IKA Inventory and KWIK Queue Findings Closed
Conduent	Sept. 23, 2021 CAP	Open	9/23/2021	N/A	
Conduent	Oct. 2021 CAPs	Open	11/22/2021	N/A	
Conduent	Nov. 2021 SLA	Open	1/28/2022	N/A	
Conduent	Jan. 2021 Contract Deficiencies	Open	2/4/2022	N/A	

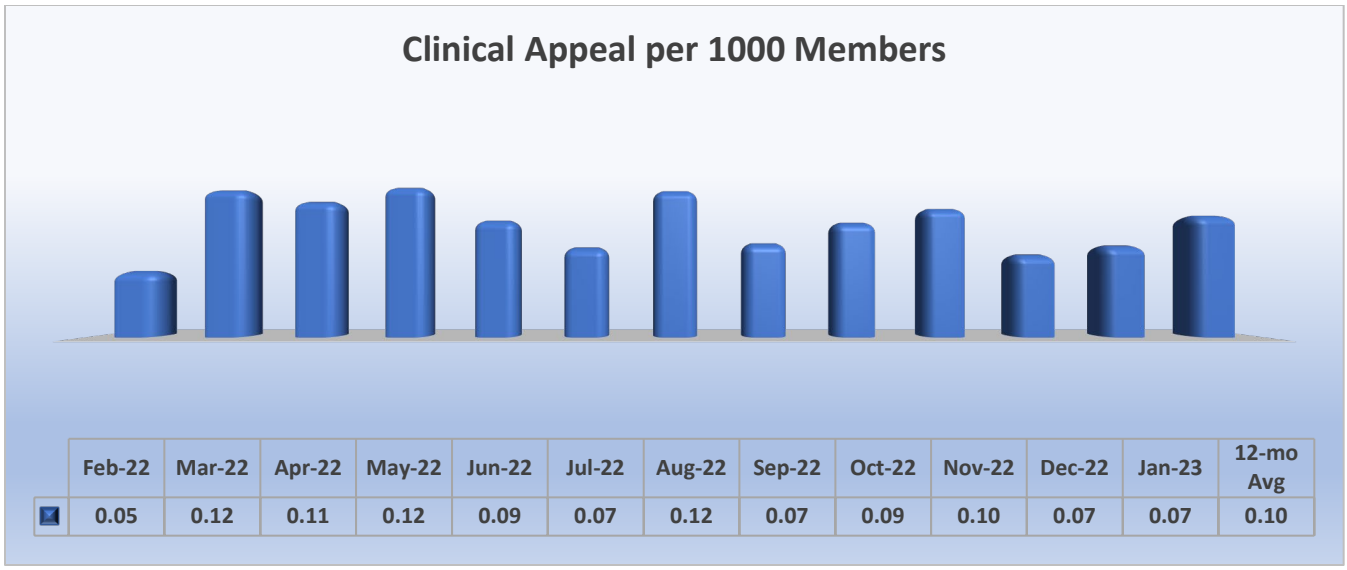
Delegate	CAP Type	Status	Date CAP Issued	Date CAP Closed	Notes
Conduent	Dec. 2021 Contract Deficiencies	Open	2/11/2022	N/A	
Conduent	March 2022 SLA Deficiencies & Findings	Open	3/11/2022	N/A	
Conduent	Jan. 2022 SLA CAP	Open	3/25/2022	N/A	
Conduent	Feb. 2022 SLA CAP	Open	4/15/2022	N/A	
Conduent	March 2022 SLA CAP	Open	6/17/2022	N/A	

D. Grievance and Appeals



Member Grievances per 1,000 Members
The data show GCHP's volume of grievances has increased. In January, GCHP received 79 member grievances. Overall, the volume is still relatively low, compared to the number of enrolled members. The 12-month average of enrolled members is 236,089, with an average annual grievance rate of .26 grievances per 1,000 members.

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



	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	12-mo Avg
☑	0.05	0.12	0.11	0.12	0.09	0.07	0.12	0.07	0.09	0.10	0.07	0.07	0.10

Clinical Appeals per 1,000 Members
The data comparison volume is based on the 12-month average of .10 appeals per 1,000 members.

In Jan. 2023, GCHP received 18 clinical appeals:

1. 10 were overturned
2. Two were upheld
3. Five were withdrawn
4. One was dismissed

RECOMMENDATION:

Receive and file

AGENDA ITEM NO. 7

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Felix Nunez, M.D., Chief Medical Officer

DATE: February 27, 2023

SUBJECT: Chief Medical Officer (CMO) Report

Chief Medical Officer Onboarding Update

Since assuming the responsibilities of CMO my focus has been on:

1. Building a culture of transparency and openness through frequent engagement with direct reports; thus, allowing me to understand the challenges they face and look for solutions to achieve our organizational goals and objectives.
2. Continuing to advance the work of establishing a Model of Care focused on our highest risk populations and how we can better serve them through an integrated care model.
3. Developing a quality driven focus on improving access and coordination of care for all our members.
4. Integrating interdepartmental synergies around our CalAIM initiatives, such as, Enhanced Care Management and Community Supports.

I am also working collaboratively with other executive leaders to understand and help address operational, regulatory, and compliance priorities and ensuring critical projects such as Operations of the Future, CalAIM, and NCQA are moving forward. Beyond my GCHP colleagues I have reached out to vital community partners such as the Ventura County Health Care Agency and Clinicas del Camino Real to explore how we can collaborate on advancing a vision of better health and healthcare for the entire community.

In the coming weeks and months, I will continue to focus on developing our Health Services operational structures with an eye towards efficiency and higher value to our members. This work will undoubtedly require greater collaboration with my GCHP colleagues and community partners to advance our mission and achieve our vision.

AGENDA ITEM NO. 8

TO: Ventura County Medi-Cal Managed Care Commission

FROM: Ted Bagley, Chief Diversity Officer

DATE: February 27, 2022

SUBJECT: Chief Diversity Officer Report

Actions:

- **Community Relations**

  a. Participate in Minority Scholars Program at California Lutheran (ongoing)
  b. Continue to participate in ACAP planning sessions with focus on mentoring
  c. Attend state meetings on Health Equity and Diversity (Preparing documents to meet State request)
  d. Met with diversity training resources in preparation for the state required NCQA training for employees, Leadership and the commission
  e. Was assigned a mentee under the state's mentorship program through ACAP Had first session during the month. We will continue to meet on a bi-monthly basis.

- **Case Investigations**

  a. No current Diversity related cases.

- **Diversity Activities**

  Received five (5) calls from employees during January with the following subject matter:

  a. Career council (2)
  b. Job opportunities (2)
  c. Community involvement (1)

- **Other GCHP Activities:**

  a. Working with several goals team on 2023 strategy
  b. Bi-weekly 1x1's with CEO Nick Liguori continuing
  c. Held several DEI meetings over the past few months
  d. Currently celebrating Black History Month
  e. Participated in interviews of several key candidates for positions at GCHP
  f. Currently mentoring three (3) GCHP employees.