

**Ventura County Medi-Cal Managed Care Commission
(VCMGCC) dba Gold Coast Health Plan (GCHP)
Executive / Finance Committee Meeting Minutes
August 1, 2013**

CALL TO ORDER

Chair Gonzalez called the meeting to order at 3:08 p.m. in Suite 230 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

COMMITTEE MEMBERS PRESENT

Anil Chawla, MD, Clinicas del Camino Real, Inc.
David Glycer, Private Hospitals / Healthcare System
Robert Gonzalez, MD, Ventura County Medical Health System

ABSENT / EXCUSED

Roberto Juarez, Clinicas del Camino Real, Inc.
Vacant, Ventura County Medical Health System

STAFF IN ATTENDANCE

Michael Engelhard, CEO
Michelle Raleigh, CFO
Nancy Kierstyn Schreiner, Legal Counsel
Traci R. McGinley, Clerk of the Board
Sonia DeMarta, Controller
Guillermo Gonzalez, Government Relations Director
Melissa Scrymgeour, IT Director
Lyndon Turner, Finance Manager
Ruth Watson, COO

Introductions

Stuart Busby, Chief-Capitated Rates Development Division; and Calvin Oshiro, Financial Audit and Reviews Section of California Department Health Care Services (DHCS). Mark Abernathy and Matt Levine from Berkley Research Group (BRG).

PUBLIC COMMENTS

None.

1. APPROVE MINUTES

a. June 2, 2013 Regular Meeting Minutes

Committee Member Glycer moved to approve the May 2, 2013 Regular Meeting Minutes. Committee Member Chawla seconded. The motion carried. **Approved 3-0.**

2. APPROVAL ITEMS

a. Workers Compensation

CFO Raleigh reviewed her written report with the Committee.

Committee Member Chawla moved to accept Hartford Company for workers compensation insurance for coverage year 2013-14. Committee Member Glycer seconded. The motion carried. **Approved 3-0.**

3. ACCEPT AND FILE ITEMS

a. CEO Update

CEO Engelhard reminded the Committee that today was the first day of the Healthy Families Program transition. GCHP had a meeting with providers on July 28, 2013, and continues to work with Members to keep as many as possible from Auto-Assignment. COO Watson added that there had only been a couple of calls due to information not being readily available because the file from the State came late and did not transfer correctly. Due to the transition, GCHP now has 118,603 Members. Chair Gonzalez noted that this is an area of concern for providers and requested regular updates regarding the selection and auto-assignment numbers and issues.

CEO Engelhard reported that GCHP expects to receive notification of the items that need to be corrected based on the results of the December, 2012 Medical Review Audit and will share those items with the Commission. There will most likely be many items and will take extensive staff time to go through, correct and / or respond to once the audit results are delivered.

b. June Financials (Unaudited)

CFO Raleigh reviewed the June unaudited financials and reported that overall the Plan is ahead of budget when comparing net income. This was driven by 1) actual revenue being higher than budget (by approximately \$5 million), 2) health care costs being very close to budget and 3) administrative costs being over budget (by approximately \$2.4 million). The administrative costs being over budget is mostly due to higher than anticipated consulting and legal fees. With June's figures, a significant improvement has been made in the Plan's Tangible Net Equity (TNE), reaching \$7.7 million.

Further discussion was held regarding: 1) temporary and consulting services utilized by the Plan; 2) current TNE levels and the required levels at specific dates and how it impacts the Corrective Action Plan (CAP); and 3) claims inventory, amounts paid, etc.

After discussion was held regarding the Healthy Families program transition population, CFO Raleigh reported that GCHP is setting up separate reports so the new population can be separately analyzed.

Committee Member Glycer moved to accept the CEO Report and the June Financials. Committee Member Chawla seconded. The motion carried. **Approved 3-0.**

4. INFORMATIONAL ITEMS

a. AB 97 Update

CFO Raleigh reviewed the report. After discussion and questions regarding which services and physicians this affects, CFO Raleigh stated that more information would be shared with the Commission once further information is provided by the State and GCHP finishes the analysis. CEO Engelhard added that provider contracts would have to be reviewed before finalizing any rate reductions.

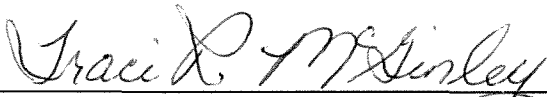
COMMENTS FROM COMMITTEE MEMBERS

Chair Gonzalez recognized the progress of the financial forecast of GCHP.

ADJOURNMENT

Meeting adjourned at 4:05 p.m.

APPROVED:



Traci R. McGinley, MMC, Clerk of the Board