

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

DATE: Monday, April 25, 2011

TIME: 3:00-5:00 pm

PLACE: 2240 E. Gonzales Road, Suite 200, Oxnard CA 93036

AMENDED AGENDA

Call to Order, Welcome and Roll Call

Public Comment / Correspondence

1. **Approve Minutes – March 28, 2011 Meeting** *Action Required*
2. **Accept and File CEO Update** *For Information*
 - a. Workplan Efforts / Go Live Date, etc.
3. **Accept and File Financial Report** *For Information*
 - a. Updated Cash Flow *For Information*
 - b. Pre-Operating Budget – Actual vs. Budget *For Information*
 - c. Year 1 Operating Budget *For Information*
4. **Management Recommendations** *Action Required*
 - a. Provider Marketing Policy *Action Required*
 - b. Auto-Assignment Study Group Recommendations *Action Required*
 - c. Provider Advisory Committee *Action Required*
5. **Annual Review of Commission Bylaws** *Action Required*
6. **Election of Vice-Chair** *Action Required*

Comments from Commissioners

Meeting agenda available at <http://www.goldcoasthealthplan.org>

IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT TRACI AT 805/981-5320. REASONABLE ADVANCE NOTIFICATION OF THE NEED FOR ACCOMMODATION PRIOR TO THE MEETING (48 HOURS ADVANCE NOTICE IS PREFERABLE) WILL ENABLE US TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING

**Ventura County Medi-Cal Managed Care Commission
(VCOMMCC) dba Gold Coast Health Plan (GCHP)
Commission Meeting Minutes
March 28, 2011
(Not official until approved)**

CALL TO ORDER

Chair Dial called the meeting to order at 3:04 p.m. in Suite 200 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

1. ROLL CALL

COMMISSION MEMBERS IN ATTENDANCE

Maylee Berry, Medi-Cal Beneficiary Advocate
Anil Chawla, MD, Clinicas del Camino Real, Inc.
Lanyard Dial, MD, Ventura County Medical Association
John Fankhauser, MD, Ventura County Medical Center Executive Committee
Rick Jarvis, Private Hospitals / Healthcare System
Roberto S. Juarez, Clinicas del Camino Real, Inc.
Michael Powers, Ventura County Health Care Agency (arrived 3:06 p.m.)
Catherine Rodriguez, Ventura County Medical Health System

EXCUSED / ABSENT COMMISSIONERS

David Araujo, MD, Ventura County Medical Center Family Medicine Residency Program
Kathy Long, Ventura County Board of Supervisors
Vacant Position, Private Hospitals / Healthcare System

STAFF IN ATTENDANCE

Earl Greenia, CEO
Tin Kin Lee, Legal Counsel
Traci R. McGinley, Clerk of the Board
Charlie Cho, M.D., Interim Chief Medical Officer
Sonia Demarta, Manager Accounting & Finance
Melanie Frampton, Manager Care Coordination
Guillermo Gonzalez, Government Affairs Director
Darlane Johnsen, Chief Financial Officer
Pamela Kapustay, RN, Health Services Director
Candice Limousin, Human Resources Director
Audra Lucas, Administrative Assistant
Lezli Stroh, Administrative Assistant

Language Interpreting and Translating services provided by GCHP from Lourdes González Campbell of Lourdes González Campbell and Associates.

The Pledge of Allegiance was recited.

PUBLIC COMMENT / CORRESPONDENCE

Bob Rossi requested copies of provider contracts, as well as Script Care. He requested the ability to enroll in Kaiser, as other plans allow. CEO Greenia agreed to look into an agreement with Kaiser.

Cyndie Cole, VCMC Chief Nurse Executive briefly highlighted translation services at VCMC and stressed that they offer the service regardless of insurance coverage. She then introduced Debbie Hill who speaks English, Spanish and Mixteco.

Tony Alatorre, Clinicas COO, asked when the study group working on the Auto-Assignment policy would meet. CEO Greenia responded that it will meet before the end of April.

Sandra Young, Mixteco / Indigena Community Organizing Project, explained that they are not affiliated with any health care system and commended GCHP for recent outreach efforts to beneficiaries.

2. APPROVAL OF MINUTES – FEBRUARY 28, 2011

Commissioner Berry moved to approve the February 28, 2011 minutes, Commissioner Powers seconded. The motion carried. **Approved 8-0.**

3. CEO UPDATE

a. Workplan Efforts / Go Live Date, etc.

CEO Greenia highlighted that staff had submitted 100% of the deliverables to the State. Team members have been added (*it should be noted that the Grievance and Appeals Coordinator is Lisa Johnson*) and efforts to hire a CMO continue. In March, staff participated in 14 out-reach events. The Consumer Advisory Committee has been assembled and is on the Agenda for approval. Dr. Cho and the health services team have been working on the formulary.

No Commission action was required.

5. FINANCIAL REPORT

a. Updated Cash Flow

CFO Johnsen reviewed the report and noted that additional funds have been allocated to education and out-reach activities. Efforts to update the financial plan as requested by the State continue and management is pursuing a number of avenues for additional funding. The Commission asked if some of the staffing could be delayed since the State has extended the go-live date, to which CEO Greenia responded, yes.

No Commission action was required.

b. Year 1 Operating Budget

CFO Johnsen explained that management submitted a three year plan to the State. As a start-up, the State allows a 36 month phase-in to address Total Net Equity (TNE),

reserve requirements. The budget presented assumes GCHP receives a \$3.5 million subordinated loan. At the end of year one, the Plan shows a TNE of \$7.8 million versus the phased-in requirement of \$5.8 million.

The Commission inquired whether projected health care costs and gross excess revenues were reasonable. Management responded that margins were consistent with other Medi-Cal managed care plans. A question was raised regarding the impact of Ventura County Medical Center being designated as a Trauma Center, to which management responded that the trauma costs were included in the claims data received from the State.

Commissioner Fankhauser moved to authorize management to secure debt financing of up to \$1 million for pre-operational expenses and up to \$3.5 million to address TNE requirements. Commissioner Jarvis seconded. The motion carried. **Approved 8-0.**

There was Commission consensus for more detail of the General and Administrative costs and that the budget be presented to the Executive / Finance Committee at its next meeting. Commissioner Fankhauser moved to authorize the Executive / Finance Committee to review and approve the Year 1 budget. Commissioner Rodriguez seconded. The motion carried. **Approved 8-0.**

4. MANAGEMENT RECOMMENDATIONS

a. Consumer Advisory Group

Commissioner Juarez moved to approve the members of the Consumer Advisory Group, Commissioner Powers seconded. The motion carried. **Approved 8-0.**

b. Quality / Credentialing Committee

Commissioner Fankhauser moved to approve the members of the Quality / Credentialing Committee, Commissioner Powers seconded. The motion carried. **Approved 8-0.**

c. Pharmacy & Therapeutics Committee

A question was raised with regard to how many individuals from the County were on the committee. CMO Cho explained that it is reflective of its status as a teaching facility. Dr. Reisman of Community Memorial Health System expressed interest to have his staff on the committee. Commissioner Chawla added that she would submit names of individuals for consideration as well. CMO Cho explained that additional members could be added.

Commissioner Juarez moved to approve the Pharmacy & Therapeutics Committee as presented, and to remain open to adding additional members in the future. Commissioner Powers seconded. The motion carried. **Approved 8-0.**

ADJOURN TO CLOSED SESSION - CMO APPOINTMENT

The Commission adjourned to Closed Session at 4:30 p.m.

RETURN TO OPEN SESSION

The Regular Meeting reconvened at 5:05 p.m. Chair Dial reported that the Commission authorized the CEO to select a candidate from the panel and make an offer of employment.

COMMENTS FROM COMMISSIONERS

Chair Dial acknowledged Commissioner Powers as this was his last meeting as a Commissioner, he will be starting his new position as the County CEO. Commissioner Powers was recognized and thanked for his efforts.

Commissioner Powers expressed his gratitude for serving on the Commission and excitement in seeing all of the work come together.

ADJOURNMENT

The meeting adjourned at 5:10 p.m.



**Chief Executive's Monthly Report to Commission
April 25, 2011**

67 Days until Go-Live!

PEOPLE (Organizational Structure)

- Dr. Charles Cho accepted our offer to serve as the Chief Medical Officer.
- Recruitment continues for: Member Services Director, Quality Manager, Quality Coordinator, Claims Auditor, a Staff Accountant and 4 temporary member services representatives.
- Job descriptions have been developed for Utilization and Case Management staff, and the positions have been posted. Hiring will be phased-in 30-60 days after go-live.
- We have identified on-line resources to address Regulatory, Employment and Compliance education requirements for staff.
- This month we formally welcome two new Commissioners: Dr. Robert Gonzalez and Ms. Laurie Eberst, who were recently appointed by the County Board of Supervisors.

SERVICE (Member & Provider Satisfaction, Government Relations)

- Community outreach and education continued in the month of April. We placed print ads in Vida (April 7), Ventura County Star (April 22) and held 14 information sessions (Spanish translation services were provided at all presentations):
 - April 5: presentation to 40 plus healthcare and community organizations hosted by St. John's Regional Medical Center.
 - April 6: presentation to People Creating Success, Inc., an organization that serves people with developmental disabilities, at their Ventura headquarters.
 - April 6: presentation at the Fillmore Center for Family Health.
 - April 13: presentation at the Tri-Counties Regional Center's Oxnard location.
 - April 14: presentation at the Vineyard Center for Family Health (Oxnard).
 - April 18: presentation to the Visiting Nurse Association, at Livingston Memorial's Faith Community Nurse Health Ministry Network.
 - April 19: information session with the Ventura County Health Care Agency, at their Santa Paula Community Center location.
 - April 20: information session with the Ventura County Health Care Agency, at their Moorpark Family Medical Clinic location.
 - April 20: information session with Parents of Haycox Elementary School, Port Hueneme.

- April 21: information session with the Ventura County Behavioral Health Department, at their Oxnard location.
 - April 21: information session with the Ventura County Health Care Agency, Conejo Valley Family Medical Group, at their Thousand Oaks location.
 - April 25: information session with Sage Supported Living Services, an agency that provides supported living and independent living services to people with developmental disabilities, at their Ventura location.
 - April 27: we will hold an information session with the Ventura County Health Care Agency, at their Fillmore Family Medical Clinic location.
 - April 28: we will hold an information session with the Ventura County Human Services Agency, at their Oxnard location.
- The recently hired Health Educator has initiated additional outreach efforts to community organizations, schools, and County Health Departments to establish collaborative relationships and assess the educational needs of our Members.
 - Initiated planning efforts for the first meeting of Consumer Advisory Committee - expected in early June.
 - Provider web portal specifications have been provided to ACS to develop the application that will support user inquiries for eligibility, authorization requests, approval status, claims payment, etc.
 - We met with various elected officials, agency executives and community stakeholders to provide an orientation or update; for example:
 - Dr. Miguel Cervantes, CEO of Las Islas Clinics,
 - Hank Lacayo, CEO, California Congress of Seniors
 - Sharon Siegel-District Director for Congresswoman Lois Capps,
 - Assemblyman Das Williams,
 - Ventura County Supervisors Kathy Long, Linda Parks, and John Zaragoza.
 - Attended Healthcare Reform seminar led by Herb K. Schultz, Region IX CMS Director.
 - Attended Medicare/Medicaid update event hosted by Rep. Lois Capps at St. John's Regional Medical Center.
 - Participated in meeting with Diana Dooley, Secretary, California Health & Human Services, along with executives from all other COHS plans.
 - The Executive/Finance Committee approved the Provider Marketing policy; it is included in this packet for Commission consideration and approval.
 - The Auto-Assignment study group met on April 20; their recommendations are included in this packet for Commission consideration and approval.

QUALITY (Comprehensive Medical Management)

- The first meeting of our Credentials Committee was held April 14.

- To date, 15 facility site reviews (FSR) have been completed. The DHCS Readiness Review is scheduled for May 24- 26. A team from the State will conduct a validation readiness review at those contracted PCP offices that have completed a FSR.
- Management continues to work closely with ScriptCare executives and clinicians to finalize a cost-effective, yet robust formulary. We anticipate completion by mid-May; with review of the formulary at the inaugural meeting of the Pharmacy and Therapeutics in late-May. ScriptCare will establish a local presence; start-up staffing of approximately 20 individuals will be hired for customer service, pre-authorization, and account management services.
- The team continues to make solid progress in developing our Prior Authorization/TAR/Referral process. Currently, we are entering procedural codes into the system and will soon be ready for claims/payment testing.
- Medical Management system configuration has been initiated; integration requirements have been provided to ACS for programming. Utilization Management workflows, processes and member/provider letters have been developed for the integration into the system.

ACCESS (Robust Provider Network)

- We continue to recruit providers for our network and negotiate contracts with doctors and hospitals both in and out of our service area.
- Provider Manual is nearly complete and will be distributed to all providers by mid-May.
- We are finalizing materials for the provider-office education sessions.

FINANCE (Optimize Rates, Ensure Long-Term Viability)

Recent accomplishments for the finance function include:

- We submitted a revised three year financial plan to DHCS. The revised plan meets tangible net equity (TNE) requirements contingent upon securing a \$2.2 million subordinated loan. Management recently met with Ventura County executives to discuss terms and conditions of a loan, subject to approval by the Board of Supervisors.
- Management is reviewing quotes for Errors and Omissions and Reinsurance policies. We are preparing for renewal of Directors and Officers insurance that expires June 29.
- The accounting system has been installed and we are loading historical financial information.
- The testing of electronic claims submission has been scheduled for June.
- Our Claims Director recently completed an on-site visit of the ACS Claims Operations center to facilitate development of workflows, policies and procedures, and systems.

- We met with ACS staff to develop claims payment and check disbursement policies and procedures. We also met with Scriptcare staff to fine-tune claims processing and disbursement policies and procedures to ensure adequate controls are in place.

GO-LIVE STATUS

- As of April 22, 78% of our “deliverables” have been approved by the State.
- Attached is an updated “Go-Live Milestones” report.

Respectfully submitted,

Earl G. Greenia
Chief Executive Officer

GOLD COAST HEALTH PLAN		Go-Live Milestones	Updated: 22 April 2011		
	Action Steps	Due Date	Status	%	
1	Establish COHS	---	Completed	100%	
2	Establish Governance	---	Completed	100%	
3	Establish Management Structure				
	3.1 Secure planning/development funding	---	Completed	100%	
	3.2 Execute Staffing Plan	6/1/2011	In process	75%	
	3.3 Develop Facilities Plan; Negotiate Lease	---	Completed	100%	
	3.4 Acquire/Install furniture & equipment	---	Completed	100%	
	3.5 Tenant Improvements	---	Completed	100%	
4	Key DHCS Deliverables				
	4.1 Review Medi-Cal volume and payment data	---	Completed	100%	
	4.2 Submit Required Policies/Documentation	---	Completed	100%	
	4.3 DHCS Contract: rate negotiation, contract execution	6/1/2011	In process	75%	
5	Financial Resources Management				
	5.1 Review/Negotiate Vendor Contracts	---	Completed	100%	
	5.2 Develop Investment and Risk Management Policies/Strategies	4/15/2011	In process	80%	
	5.3 Establish Banking Relationship	---	Completed	100%	
	5.4 Review/Select Accounting System	---	Completed	100%	
	5.5 Develop/Implement Financial Systems	4/30/2011	In process	75%	
	5.6 Develop Provider Compensation Arrangements	4/30/2011	In process	98%	
6	Member Services				
	6.1 Assess Language/Cultural Needs & Capabilities	4/15/2011	In process	80%	
	6.2 Establish relationships with community and social service agencies	4/30/2011	In process	90%	
	6.3 Medi-Cal Field Office Transition Planning	4/15/2011	In process	80%	
	6.4 Establish Consumer Advisory Committee	---	Completed	100%	
	6.5 Develop/Implement Community / Member Outreach Plan	4/30/2011	In process	60%	
	6.6 Create Member Enrollment / Provider Directory / Welcome Package	---	Completed	100%	
7	Provider Network Development				
	7.1 Develop Provider Network Strategy	---	Completed	100%	
	7.2 Develop Standard Provider Contract & Reimbursement Templates	---	Completed	100%	
	7.3 Develop Credentialing Process and Tools	---	Completed	100%	
	7.4 Execute Provider Contracts	5/1/2011	In process	98%	
	7.5 Create Provider Manual; Obtain DHCS Approval	5/1/2011	In process	95%	
	7.6 Develop Materials and Conduct Provider Workshops	6/1/2011	In process	35%	
	7.7 Establish Provider Advisory Committee	---	Completed	100%	
8	Medical Management Operations				
	8.1 Develop Quality Management & Assurance Programs	---	Completed	100%	
	8.2 Evaluate/Select Medical Management System	---	Completed	100%	
	8.3 Establish Provider Advisory Committee and Peer Review Structure	---	Completed	100%	
	8.4 Develop Process/Tools for Facility Site Reviews	---	Completed	100%	
	8.5 Establish MOUs with Public Health and Service agencies	---	Completed	100%	
	8.6 Establish Drug Formulary & Protocols	6/1/2011	In process	75%	
	8.7 Conduct Primary Care Facility Site Reviews	4/15/2011	In process	90%	
	8.8 Develop Health Education Programs	6/1/2011	In process	90%	
	8.9 Develop Case Management / Utilization Management Programs	---	Completed	100%	
	8.10 Develop systems to manage Carved-Out Services	---	Completed	100%	
	8.11 Implement Medical Management System	6/1/2011	In process	75%	
9	Claims Management & IT Operations				
	9.1 IT System Development, Testing & Implementation	5/15/2011	In process	65%	
	9.1.1 - Eligibility Verification system	5/15/2011	In process	50%	
	9.1.2 - Member Benefits System Configuration	5/15/2011	In process	50%	
	9.1.3 - Provider Database / Payment System Configuration	5/15/2011	In process	50%	
	9.1.4 - Data Loads	5/15/2011	In process	50%	
	9.2 Data Warehouse Implementation	5/15/2011	In process	35%	
	9.3 ACS Staff Selection, Hiring & Training	5/15/2011	In process	40%	
	9.4 Call Center Implementation	6/1/2011	In process	75%	
	9.5 Develop/Implement Vendor Oversight Program	4/15/2011	In process	70%	

Overall Target is 100% by June 1

**Gold Coast Health Plan
Cash Flow Projection- Pre-operational Period
November 2010 through June 2011**

Updated 4/22/2011

	November	December	January	February	March	April	May	June
Cumulative Enrollment	0	0	0	0	0	0	0	0
Total Staff	8	9	14	19	24	27	32	33
Incremental Staff Increase	6	1	5	5	5	3	5	1
Beginning Cash Balance	257,293	573,235	443,102	327,432	339,823	89,254	258,436	90,526
Cash In-Flow								
Revenue from State								
Other Funding							250,000	250,000
Short Term Loan								
Subordinated Debt								
ACS - LOC*	330,000			265,000	278	525,000	200,000	650,000
Total Receipts	330,000	-	-	265,000	278	525,000	450,000	900,000
Total Cash	587,293	573,235	443,102	592,432	340,101	614,254	708,436	990,526

Cash Out-Flows

Health Care Payments								
Premium Tax								
Total Health Care	-	-	-	-	-	-	-	-
Salaries & Benefits	23,910	23,910	33,192	114,520	149,272	204,060	205,227	234,315
Other Benefits					1,070	5,000	5,000	5,000
Consultants & Temp Labor			6,450	2,525	10,339	10,339	10,339	10,339
RGS Fees*					3,234	4,676	6,688	7,269
Occupancy Office Lease					-	29,280	14,640	14,640
Furniture & Equipment	14,058	55,000	13,385	30,372	7,740	1,000	1,000	1,000
Computers & Equipment (Capitalized)						21,890		
Computers, Monitors, Printers (Non-Capitalized)	10,281	10,281	595	50,638	-	4,911	3,600	6,000
Telecommunications Equipment					6,914	7,165	2,125	2,125
Info Systems - License Fees & Maintenance			38,700	5,965		14,486	5,100	5,100
Info Systems - Software								
Travel & Entertainment					3,607	7,545	3,334	1,000
Supplies			4,461	8,604	2,940	2,940	2,940	2,940
Dues & Publications					6,421	7,200	8,100	9,600
Phone/Internet				104	16,576	500	500	500
Outreach & Education					406	250	250	250
Insurance						5,500	319,500	365,500
Legal fees	15,272	15,272	2,996	11,200	6,814	7,000	10,000	3,000
Actuary fees	17,402	17,402	14,600	27,527	26,828	12,000	10,000	5,000
Other fees						6,417	6,417	6,417
Miscellaneous Operating Expenses	8,268	8,268	1,291	1,154	8,686	659	1,000	1,000
Sub Total Administrative Expense	14,058	130,133	115,670	252,609	250,847	355,818	617,910	680,995
ENDING CASH BALANCE	573,235	443,102	327,432	339,823	89,254	258,436	90,526	309,531

LOC Draws are based on the following assumptions:

April - assumes 100% deliverables to the state (phase 1 @ 200K); code, build and configuration will be completed (phase 2 @ 10%), and Provider Network is approved phase 2 @ 15%
 May - Assumes contract has been signed (Phase 1 @ 200K).
 June - Assumes testing is completed (phase 2 @ 20%; Assumes ACS final payment for "go live approval" (phase 2 @ 30%.

Assumes payments to RGS are two month in arrears from the invoiced due date. At June 30th accrued payroll and fees will be approximately \$890,000
 Assumes \$500K additional funding is obtained. Capitalization is paid at the end of the month - estimated cash outflow for month of start up is ~\$475,000 (excluding vendor payment)

Gold Coast Health Plan
Projected Income Statement
For the 8 months ending 6/30/2011

	<u>6 Month Budget*</u>	<u>Projected Thru 6/30/2011</u>	<u>Variance (Over)/Under</u>	<u>8 Month Adjusted**</u>	<u>Variance Under/(Over)</u>
Income	0	2,300,000	2,300,000	0	2,300,000
<u>General and Administrative Expenses</u>					
Salaries & Benefits	1,542,597	1,839,927	(297,329)	2,056,797	216,870
Other Benefits	18,450	21,070	(2,620)	24,600	3,530
ACS Implementation Costs	-	1,000,000	(1,000,000)	-	(1,000,000)
Consultants & Temp Labor	72,000	66,475	5,525	96,000	29,525
RGS Fees*	104,875	29,136	75,739	139,833	110,697
Occupancy Office Lease	88,057	73,200	14,857	117,410	44,210
Furniture & Equipment	13,800	104,622	(90,822)	18,400	(86,222)
Hardware/Software (Depreciation)	10,825	-	10,825	14,433	14,433
Other Depreciation	31,218	-	31,218	41,624	41,624
Computers, Monitors, Printers (Non- Capitalized)	63,326	84,525	(21,199)	84,435	(90)
Telecommunications Equipment	14,766	25,569	(10,803)	19,687	(5,882)
Info Systems - License Fees & Maintenance	11,042	31,086	(20,045)	14,722	(16,364)
Info Systems - Software	-	16,486	(16,486)	-	(16,486)
Travel & Entertainment	3,000	14,760	(11,760)	4,000	(10,760)
Supplies	82,800	53,986	28,814	110,400	56,414
Dues & Publications	-	7,525	(7,525)	-	(7,525)
Phone/Internet	-	1,660	(1,660)	-	(1,660)
Outreach & Education	534,500	715,500	(181,000)	534,500	(181,000)
Insurance	30,033	9,494	20,539	40,044	30,550
Other Professional Services	60,000	198,193	(138,193)	80,000	(118,193)
Other fees	-	25,668	(25,668)	-	(25,668)
Miscellaneous Operating Expenses	30,000	23,058	6,942	40,000	16,942
Total General and Administrative Expense	2,711,289	4,341,940	(1,630,651)	3,436,886	(905,054)
Net Income (Loss)	(2,711,289)	(2,041,940)		(3,436,886)	

Ventura County Organized Health System

Pro Forma Statement of Revenue and Expenses

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Totals
Members Revenues													
Premium	24,709,834	24,751,840	24,793,919	24,836,068	24,878,290	24,920,583	24,962,948	25,005,385	25,047,894	25,090,475	25,133,129	25,175,855	299,306,219
Investment Income	10,035	27,518	40,431	46,289	49,443	55,465	59,311	60,300	62,850	64,001	63,389	65,537	604,569
Total Revenues	24,719,869	24,779,358	24,834,350	24,882,357	24,927,733	24,976,048	25,022,259	25,065,685	25,110,744	25,154,476	25,196,518	25,241,392	299,910,788
Cost of Health Care Claims													
Inpatient	10,234,631	10,252,030	10,269,458	10,286,917	10,304,404	10,321,921	10,339,469	10,357,046	10,374,653	10,392,289	10,409,956	10,427,654	123,970,428
Outpatient	2,526,290	2,530,585	2,534,886	2,539,196	2,543,513	2,547,837	2,552,168	2,556,507	2,560,852	2,565,206	2,569,566	2,573,935	30,600,541
Professional	2,871,732	2,876,614	2,881,505	2,886,404	2,891,311	2,896,226	2,901,149	2,906,081	2,911,021	2,915,970	2,920,928	2,925,893	34,784,834
Pharmacy	3,949,412	3,956,126	3,962,851	3,969,588	3,976,336	3,983,096	3,989,867	3,996,650	4,003,444	4,010,250	4,017,068	4,023,897	47,838,585
Other	1,938,467	1,941,762	1,945,062	1,948,369	1,951,681	1,954,999	1,958,323	1,961,652	1,964,987	1,968,328	1,971,673	1,975,026	23,480,329
Total	21,520,532	21,557,117	21,593,762	21,630,474	21,667,245	21,704,079	21,740,976	21,777,936	21,814,957	21,852,043	21,889,191	21,926,405	260,674,717
Total Cost of Health Care Administrative Expenses													
General Administration	965,437	966,733	968,031	969,331	970,647	971,951	973,296	973,438	973,431	973,431	973,431	973,431	12,164,898
Info Systems License Fees & Maintenance	9,070	9,070	9,070	9,070	9,070	9,070	9,070	9,070	9,070	9,070	9,070	9,070	108,840
Scriptcare Fees	558,434	559,384	560,334	561,287	562,241	563,197	564,154	565,114	566,074	567,037	568,001	568,966	6,764,223
Salaries and Benefits	308,578	308,578	308,578	308,578	309,251	309,251	311,171	313,796	318,446	327,146	328,092	329,066	3,780,530
Medical Management Fees	106,508	106,689	106,870	107,052	107,234	107,416	107,599	107,782	107,965	108,149	108,333	108,517	1,290,114
Consultants	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Depreciation	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	19,858
Interest Expense	867	794	722	650	578	506	427	4175	4,102	4,030	3,958	3,886	28,514
Administration Total	1,955,548	1,957,902	1,960,260	1,962,622	1,965,676	1,968,046	1,976,193	1,980,028	2,200,743	2,213,026	1,976,772	2,100,161	24,216,977
Total Expenses	23,476,080	23,515,019	23,554,022	23,593,096	23,632,921	23,672,125	23,717,169	23,757,964	24,015,700	24,065,069	23,865,963	24,026,566	284,891,694
Income Before Quality Improvement Fee	1,243,788	1,264,339	1,280,327	1,289,261	1,294,812	1,303,923	1,305,090	1,307,720	1,095,044	1,089,407	1,330,556	1,214,827	15,019,094
Quality Improvement Fee Tax	701,221	702,413	703,607	704,803	706,001	707,202	708,404	709,608	710,815	712,023	713,233	714,446	8,493,776
Income After Quality Improvement Fee Tax	542,567	561,926	576,720	584,458	588,811	596,721	596,686	598,112	384,229	377,384	617,323	500,381	6,525,318
Cumulative After Tax Income	542,567	1,104,494	1,681,214	2,265,672	2,854,483	3,451,204	4,047,889	4,646,002	5,030,231	5,407,615	6,024,937	6,525,318	6,525,318

Projections based on preliminary payment rates received from DHCS on 1/14/2011. These are not predictions; they are projected results if a specific set of assumptions is realized. See attached document for summary of key assumptions. Actual results will vary due to a wide variety of random and non-random factors.

Ventura County Organized Health System
 Pro Forma
 Monthly Cash Flow Projection

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Cash Flow From Operating Activities												
Collected Premium	24,709,834	24,751,840	24,793,919	24,836,068	24,878,290	24,920,583	24,962,948	25,005,385	25,047,894	25,090,475	25,133,129	25,175,855
Interest Received	10,035	27,518	40,431	46,289	49,443	55,465	59,311	60,300	62,850	64,001	63,389	65,537
Net Cash Provided by Operating Activities	10,973,730	9,216,131	5,694,705	1,067,565	2,574,947	2,180,536	1,679,780	1,679,780	1,264,957	1,264,957	1,298,233	1,182,591
Cash Flow From Investing/Financing Activities												
Proceeds from External Financing Activities	0	0	0	0	0	2,200,000	0	0	0	0	0	0
Net Cash Provided by Investing/Financing	0	0	0	0	0	2,200,000	0	0	0	0	0	0
Net Cash Flow	10,973,730	9,216,131	5,694,705	1,067,565	2,574,947	4,380,536	(239,050)	1,679,780	1,264,957	(970,537)	1,298,233	1,182,591
Cash and Cash Equivalents (Beg. of Period)	309,531	11,283,261	20,499,392	26,194,097	27,261,662	29,836,609	34,217,145	33,978,095	35,657,874	36,922,832	35,952,295	37,250,527
Cash and Cash Equivalents (End of Period)	11,283,261	20,499,392	26,194,097	27,261,662	29,836,609	34,217,145	33,978,095	35,657,874	36,922,832	35,952,295	37,250,527	38,433,118
Adjustment to Reconcile Net Income to Net Cash Flow												
Net Income	542,567	561,926	576,720	584,458	588,811	596,721	596,686	598,112	384,229	377,384	617,323	500,381
Depreciation	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655
Decrease/(Increase) in Receivables/(Payables)	(977,910)	(83,334)	(83,334)	(83,334)	(83,334)	(83,334)	(83,334)	(83,334)	(83,334)	(83,334)	(83,334)	(83,334)
Change in Income Tax Liability	701,221	702,413	703,607	(1,402,438)	706,001	707,202	(1,409,602)	709,608	710,815	(1,416,804)	713,233	714,446
Changes in Claims Payable	2,355,363	1,767,364	989,132	432,790	299,599	210,824	144,220	99,822	55,350	33,124	10,858	10,878
Changes in IBNR	8,350,834	6,266,107	3,506,924	1,534,434	1,062,215	747,468	511,325	353,916	196,242	117,438	38,498	38,565
Net Cash Flow from Operating Activities	10,973,730	9,216,131	5,694,705	1,067,565	2,574,947	2,180,536	(239,050)	1,679,780	1,264,957	(970,537)	1,298,233	1,182,591

Exhibit HH-2-d-1

Ventura County Organized Health System

Pro Forma
Minimum Tangible Net Equity

	Start Up Date 1-Jul-11	31-Jul-11	31-Aug-11	30-Sep-11	31-Oct-11	30-Nov-11	31-Dec-11	31-Jan-12	29-Feb-12	31-Mar-12	30-Apr-12	31-May-12	30-Jun-12
Monthly													
Members	0	97,714	97,880	98,046	98,213	98,380	98,547	98,715	98,883	99,051	99,219	99,388	99,557
Premium	0	24,709,834	24,751,840	24,793,919	24,836,068	24,878,230	24,920,583	24,962,948	25,005,385	25,047,894	25,090,475	25,133,129	25,175,855
Annualized													
Members	0	1,172,565	1,174,559	1,176,555	1,178,555	1,180,559	1,182,566	1,184,576	1,186,590	1,188,607	1,190,628	1,192,652	1,194,680
Premium	0	296,518,005	297,022,086	297,527,023	298,032,819	298,539,475	299,046,992	299,555,372	300,064,616	300,574,726	301,085,703	301,597,549	302,110,265
Total Assets	408,821	11,380,896	20,595,373	26,288,422	27,354,333	29,927,625	34,306,506	34,065,801	35,743,926	37,007,228	36,035,036	37,331,614	38,512,550
Liabilities (excl. subordinated loan)	2,478,812	12,908,320	21,560,870	26,677,199	27,158,652	29,143,133	30,725,293	29,887,903	30,967,915	31,846,988	30,497,413	31,176,668	31,857,223
Net Equity	(2,069,991)	(1,527,424)	(965,497)	(388,777)	(195,681)	784,492	3,581,212	4,177,898	4,776,011	5,160,240	5,537,624	6,154,946	6,655,327
Tangible Net Equity	(2,069,991)	(1,527,424)	(965,497)	(388,777)	(195,681)	784,492	3,581,212	4,177,898	4,776,011	5,160,240	5,537,624	6,154,946	6,655,327
Required Minimum TNE*	1,000,000	15,942,131	15,959,033	15,975,962	15,992,923	16,009,910	16,026,927	16,043,973	16,061,048	16,078,151	16,095,285	16,112,446	16,129,638
Required Minimum TNE, not reflecting Phase-In	0	0	0	0	0	0	3,205,385	3,208,795	3,212,210	3,215,630	3,219,057	3,222,489	5,806,670
Required Minimum TNE, reflecting Phase-In	(2,069,991)	(1,527,424)	(965,497)	(388,777)	(195,681)	784,492	375,827	969,104	1,563,801	1,944,610	2,318,567	2,932,457	848,657

* Defined in Article 9, paragraph 1300.76.

Exhibit HH-5-a

**Ventura County Organized Health System
Administrative Expense Details**

	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12
Total Salaries + Benefits	308,578	308,578	308,578	308,578	309,251	309,251	311,171	313,796	318,446	327,146	328,092	329,066
Other General Administration Expenses												
Other Employees Expenses	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
RGS Fees	20,200	20,200	20,200	20,200	20,213	20,213	20,251	20,304	20,397	20,571	20,590	20,609
ACS Fees	871,334	872,630	873,928	875,228	876,530	877,835	879,142	880,451	881,762	883,075	883,391	860,709
Scriptcare Fees	558,434	559,384	560,334	561,287	562,241	563,197	564,154	565,114	566,074	567,037	568,001	568,966
Medical Management Fees	106,508	106,689	106,870	107,052	107,234	107,416	107,599	107,782	107,965	108,149	108,333	108,517
Consultants	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Other Professional Services	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	140,000
Occupancy Office Lease	14,640	14,640	14,640	14,640	14,640	14,640	14,640	13,420	13,420	13,420	13,420	13,420
Insurance	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Info Systems Maintenance (hdwr. & software)	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Info Systems License Fees	7,270	7,270	7,270	7,270	7,270	7,270	7,270	7,270	7,270	7,270	7,270	7,270
Telecommunications	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518	1,518
Printing	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	225,589	12,000	12,000	12,000
Postage	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	219,611	5,000	5,000
Supplies	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400	7,400
Travel	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Miscellaneous Operating Costs	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Interest Expense	867	794	722	650	578	506	4247	4,175	4,102	4,030	3,958	3,886
	1,646,971	1,649,325	1,651,683	1,654,045	1,656,425	1,658,795	1,665,021	1,666,233	1,882,297	1,885,880	1,648,680	1,771,095
TOTAL	1,955,548	1,957,902	1,960,260	1,962,622	1,965,676	1,968,046	1,976,193	1,980,028	2,200,743	2,213,026	1,976,772	2,100,161

Exhibit HH-5-a

**Ventura County Organized Health System
Administrative Expense Details**

Total Salaries + Benefits	<u>Total</u> 3,780,530
Other General Administration Expenses	
Other Employees Expenses	78,000
RGS Fees	243,947
ACS Fees	10,492,014
Scriptcare Fees	6,764,223
Medical Management Fees	1,290,114
Consultants	60,000
Other Professional Services	360,000
Occupancy Office Lease	169,580
Insurance	60,000
Info Systems Maintenance (hdwr. & software)	21,600
Info Systems License Fees	87,240
Telecommunications	18,216
Printing	357,589
Postage	274,611
Supplies	88,800
Travel	12,000
Miscellaneous Operating Costs	30,000
Interest Expense	28,514
	<u>20,436,448</u>
TOTAL	24,216,977

AGENDA ITEM 4a

Gold Coast Health Plan	Policies and Procedures
Title: Marketing Standards for Providers /// REVISED ///	Policy Number: 15.C

Purpose

To establish marketing standards for GCHP's health networks, physicians, and service providers.

Policy

Marketing Activities directed towards GCHP Members by any contracted health network, physician, or Service Provider must adhere to the standards defined in this policy. This policy also defines activities that are exempt from the definition of Marketing Activities and are not subject to prior approval.

If a health network, physician, or service provider engages in marketing activities in violation of this policy, it may be subject to sanctions under the terms of this policy or the Contract with Gold Coast Health Plan.

Nothing in this policy shall affect a Health Network, physician, or service provider's obligation to communicate with GCHP or a Member pursuant to contractual, statutory, regulatory, or GCHP policy requirements.

Definitions

Contract: Any written instrument between GCHP and physicians, hospitals, health maintenance organizations (HMOs), or other entities.

Contracted Membership: For a Health Network, Contracted Membership shall mean the Members enrolled in such Health Network. For a physician or Service Provider, Contracted Membership shall mean the Members who receive Covered Services from such physician or Service Provider.

Covered Services: Those services set forth in Article 4, Chapter 3 (beginning with Section 51301), Subdivision 1, Division 3, Title 22, CCR, which are included as Covered Services under GCHP's contract with the Department of Health Care Services (DHCS) and medically necessary as described in the Contract for Health Care Services.

Health Network: A physician-hospital consortia or health care service plan that contracts with GCHP to arrange for the provision of Covered Services to Members assigned to that Health Network.

Marketing Activities: Any product or activity intended to encourage retention of or an increase in Contracted Membership or any occasion during which Marketing Materials are presented to Members or persons who may become Members through verbal exchanges or the distribution of Marketing Materials. Marketing Activities may include, but are not limited to: health fairs, workshops on health

AGENDA ITEM 4a

Gold Coast Health Plan	Policies and Procedures
Title: Marketing Standards for Providers /// REVISED ///	Policy Number: 15.C

promotion, after school programs, raffles, informational sessions hosted by Service Providers, or community-based social gatherings.

Marketing Materials: Any information or product that is intended for distribution, designed to encourage retention of or an increase in Contracted Membership, and is produced in a variety of print, broadcast, or direct marketing media that include, but are not limited to: radio, television, telephone, internet, billboards, newspapers, flyers, leaflets, informational brochures, videos, advertisements, letters, posters, and items of nominal value.

Member: A Medi-Cal eligible beneficiary enrolled in the GCHP program.

Service Provider: Any person or entity, other than a physician, that provides Covered Services to Members.

Procedure

A. Marketing Standards.

All Marketing Materials and Marketing Activities shall meet the following standards:

1. Materials may not contain false, misleading, or ambiguous information.
2. Materials must address only the benefits, services, and performance of the Health Network, physician, or Service Provider proposing the materials.
3. Materials may not include representations that specifically identify or establish comparison to any competitor of the Health Network, physician, or Service Provider;
4. Materials may not include the GCHP name or logo or make any reference to GCHP unless prior written approval has been granted by GCHP.
5. Materials may not include any statements that discriminate on the basis of race, creed, age, sex, religion, national origin, marital status, sexual orientation, physical or mental handicap, or health status; and
6. Materials should be at a sixth (6th) grade reading level or lower;
7. Materials should use a twelve (12) point type or larger.
8. Written Materials shall be made available in English and Spanish.
9. All Spanish-language marketing materials should be reviewed by a certified translator/interpreter.
10. Materials will identify the month and year on which they were last updated; the source of any representations, endorsements, or awards referred to; and the entity responsible for producing the Marketing Materials.

AGENDA ITEM 4a

Gold Coast Health Plan	Policies and Procedures
Title: Marketing Standards for Providers /// REVISED ///	Policy Number: 15.C

B. Approval of Marketing Activities and Marketing Materials

1. If a Health Network, physician, or Service Provider seeks to use Marketing Materials or engage in Marketing Activities, it shall submit documentation relating to such Marketing Materials and Marketing Activities to GCHP's Provider Relations Department for review and approval no later than ten (10) calendar days prior to the date on which it intends to engage in the Marketing Activities or use the Marketing Materials. A Health Network, physician, or Service Provider shall submit such documentation to the following address:

Gold Coast Health Plan
Suite 200
2220 East Gonzales Road
Oxnard, CA 93036

2. GCHP will review the proposed Marketing Materials or Marketing Activities no later than five (5) working days after receipt.
 - a. If GCHP approves the Marketing Materials or Marketing Activities, it shall send a notice to the Health Network, physician, or Service Provider within five (5) working days.
 - b. If GCHP objects to the proposed Marketing Materials or Marketing Activities, it shall send a notice to the Health Network, physician, or Service Provider that describes its objection in detail within five (5) working days after receipt.
 - 1) The Health Network, physician, or Service Provider may resubmit revisions of the Marketing Materials or Marketing Activities and all applicable translations to GCHP's Public Affairs Department within five (5) working days after receipt of the notice from GCHP.
 - 2) GCHP shall review and respond to the resubmitted materials within five (5) working days after receipt.

AGENDA ITEM 4a

Gold Coast Health Plan	Policies and Procedures
Title: Marketing Standards for Providers /// REVISED ///	Policy Number: 15.C

C. Prohibited Activities.

A Health Network, physician, or Service Provider may not:

1. Offer or suggest the receipt of a financial or other incentive, bonus, or award to a Member for enrolling in a Health Network or receiving Covered Services from a physician or Service Provider;
2. Offer a financial or other incentive, bonus, or award to a Member or any other person for referring or encouraging others to enroll in a Health Network or obtain Covered Services from a physician or Service Provider;
3. Pay an organization, individual, or other entity for the purpose of referring Members for enrollment in a Health Network or referring Member to obtain Covered Services from a physician or Service Provider;
4. Purchase, acquire, or use mailing lists of Members, except a Health Network, physician, or Service Provider use of a list of its Contracted Membership for purposes otherwise allowable under this policy;
5. Use raffle tickets, event attendance logs, or sign-in sheets in order to develop mailing lists
6. Engage in unsolicited telephone contact with a Member for the purpose of increasing Contract Membership;
7. Use logos or other identifying information used by a government or public agency, including GCHP, if such use could imply or cause confusion about a connection, affiliation, or endorsement by the governmental or public agency for the Health Network, physician, or Service Provider;
8. Use the term "free" in reference to Covered Services;
9. Discriminate based upon health status, the need for future health care, or a real or perceived disability; and
10. Engage in any activity that constitutes a violation of applicable state or federal laws governing communications between persons or entities and Members regarding a Member's enrollment in the GCHP program or a Health Network.

E. Failure to Comply

A Health Network, physician, or Service Provider may be subject to sanctions for:

1. Engaging in Marketing Activities or uses Marketing Materials that GCHP's Public Affairs Department has not approved in accordance with Section IV.C of this policy; or
2. Engaging in activities that are prohibited as set forth in Section IV.D of this policy.

AGENDA ITEM 4a

Gold Coast Health Plan	Policies and Procedures
Title: Marketing Standards for Providers /// REVISED ///	Policy Number: 15.C

Sanctions may include financial sanctions, immediate suspension of use of all Marketing Materials for a period not to exceed six (6) months, imposition of an enrollment or membership cap, or Contract termination.

Revision History:

Review Date	Revised Date	Approved By



AGENDA ITEM 4b

To: Ventura County Medi-Cal Managed Care Commission

From: Earl Greenia, CEO

Date: April 25, 2011

RE: Auto-Assignment Policy

BACKGROUND

After establishing eligibility and upon enrollment into the plan, members are requested to select a Primary Care Provider (Physician or Clinic). In the event that a member does not timely select a PCP, the plan will assign the member to a provider. The Commission requested that a study group review issues related to the definition of “traditional safety net provider” and the policy for auto assignment.

RECOMMENDATION

The study group met on April 20, 2011 to discuss the issue. It was recognized that a member has the right to change his/her Primary Care Physician whether self-selected or “auto-assigned” by notifying the plan, thus preserving the member’s freedom of choice. It was also recognized that the assignment process must give appropriate consideration to various member-specific factors, such as: zip code of Member’s residence, age, gender, and language.

The group developed the following recommendations:

- 1) That “Safety Net Provider” refers only to recognized disproportionate share hospitals (DSH), federally qualified health centers (FQHC), and rural health centers (RHC).
- 2) That “Traditional Safety Net Provider” refers to those providers that have served Ventura County Medi-Cal beneficiaries for at least one year, and with a patient population / payor mix of at least 15% Medi-Cal and/or uninsured/charity care.
- 3) That participation in the auto-assignment panel is limited to Safety Net Providers or Traditional Safety Net Provider as defined above.
- 4) That assignment be weighted: Safety Net providers will be assigned three Members for every one Member assigned to traditional safety-net providers.



**Gold Coast
Health Plan**SM
A Public Entity

AGENDA ITEM 4c

To: Ventura County Medi-Cal Managed Care Commission

From: Earl Greenia, CEO

Date: April 25, 2011

RE: Provider Advisory Committee

Recommendation: Management recommends that the Commission fill a vacancy on the Provider Advisory Committee created by a recent resignation.

Background: The Commission recently appointed the Committee membership with Ms. Pattie Baker appointed as the "Allied Health Services" representative. Unfortunately, Ms. Baker submitted her resignation.

Discussion: Management recommends the appointment of Mr. Brett Zaer to fill the vacancy. His brief biography follows:

Mr. Zaer has served as President and General Manager of Superior Mobility for twelve years. The company serves individuals with severe disabilities and complex rehabilitation needs by providing seating and positioning products. Superior Mobility has served Ventura County since 1998 and Southern California since 1979. Mr. Zaer earned a Bachelors degree from the University of California Santa Barbara.

AGENDA ITEM 5

BYLAWS FOR THE OPERATION OF THE VENTURA COUNTY ORGANIZED HEALTH SYSTEM

ARTICLE I

Name and Mission

The name of this Commission shall be the Ventura County Medi-Cal Managed Care Commission, hereafter referred to in these Bylaws as the VCMMCC.

The VCMMCC shall design and operate a program or programs, whose mission is to improve the health of its members through the provision of the best possible quality care and services. This will be accomplished by:

- (a) Delivering medical care via a contracted provider network that will improve access to primary, specialty and ancillary services;
- (b) Establishment of mechanisms to assure that medical care services meet appropriate quality of care standards;
- (c) Incorporating a plan of service delivery and implementing reimbursement mechanisms which promote the long-term viability of a locally operated Medi-Cal managed care system and the existing participating provider networks inclusive of "Safety Net" providers herein defined as Medi-Cal disproportionate share hospitals, county clinics, federally qualified health centers, and licensed rural health clinics;
- (d) Implementing a financial plan which includes the creation of a prudent reserve and which provides that if additional surplus funds accrue, they shall be used to expand access, improve benefits and augment provider reimbursement in Ventura County;
- (e) Placing a high priority on prevention, education, early intervention services and case management for enrolled recipients;
- (f) Ensuring that all obligations, statutory, contractual or otherwise, shall be the obligations of the VCMMCC and shall not be the obligations of the County of Ventura or the State of California; and
- (g) Implementing programs and procedures to ensure a high level of member satisfaction.

ARTICLE II

Membership

The governing board of the VCMMCC shall consist of eleven (11) voting members who shall be legal residents of Ventura County. Members shall possess the requisite skills and knowledge necessary to design and operate a publicly managed health care delivery system.

Members of the VCMMCC shall be appointed by a majority vote of the Board of Supervisors and shall consist of the following:

(a) Three members shall be practicing physicians who serve a significant number of Medi-Cal beneficiaries in Ventura County. One shall be selected from a list with a minimum of three (3) nominees submitted by the Ventura County Medical Association, one shall be selected from a list with a minimum of three (3) nominees submitted by Clinicas Del Camino Real and one shall be selected from a list with a minimum of three (3) nominees submitted by the Ventura County Medical Center Executive Committee; (Physician Representatives)

(b) Two members shall be representatives of private hospitals and healthcare systems operating within Ventura County and shall be selected from a list with a minimum of three (3) nominees submitted by the Hospital Association of Southern California. Nominees shall be from different hospitals and healthcare systems. The two appointed members shall not be affiliated with the same hospital or healthcare system; (Private Hospital/Healthcare System Representatives)

(c) One member shall be a representative of the Ventura County Medical Center Health System and shall be selected from a list with a minimum of three (3) nominees submitted by the Ventura County Medical Center administration; (Ventura County Medical Center Health System Representative)

(d) One member shall be a member of the Board of Supervisors, nominated and selected by the Board; (Public Representative)

(e) One member shall be the chief executive officer of Clinicas del Camino Real or designee nominated by the Clinicas del Camino Real chief executive officer and approved by the Ventura County Board of Supervisors; (Clinicas Del Camino Real Representative)

(f) One member shall be the Ventura County Health Care Agency Director or designee nominated by the Health Care Agency Director and approved by the Board of Supervisors; (County Official)

(g) One member shall be a Medi-Cal beneficiary and/or a representative of an advocacy organization that serves the Medi-Cal population and is not otherwise

represented on the Ventura County Medi-Cal Managed Care Commission. This member shall be appointed from applications submitted to the Ventura County Executive Office after a posting of public notice for the open position; (Consumer Representative)

(h) One member shall be the Ventura County Medical Center Family Medicine Residency Program Director or Faculty Designee and approved by the Board of Supervisors. (Ventura County Medical Center Health System Representative)

Selection and Terms of Members

In order to stagger terms with the intent of maintaining experienced members, in the initial cycle of appointments, the following appointees shall serve two-year terms: one of the Ventura County Medical Center Health System Representatives, the Physician Representative nominated by the Ventura County Medical Association, the Public Representative, and one Private Hospital/Healthcare System Representative. All other initial appointments and all subsequent appointments to the VCMMCC shall be for four-year terms. No member may serve more than two consecutive four-year terms. Any vacancy will be filled by the Board of Supervisors for the remainder of the unexpired term and shall maintain the balance of representation on the VCMMCC.

A member may be removed from the VCMMCC by a 4/5 vote of the Board of Supervisors.

Nominations to the VCMMCC shall be submitted to the Ventura County Executive Office, which shall be responsible for screening nominees and presenting candidates to the Board of Supervisors.

ARTICLE III

Officers

(a) Officers of the VCMMCC shall be a Chairperson and Vice-Chairperson.

(b) The Chairperson and the Vice-Chairperson shall be elected by majority vote of the members in attendance at the first meeting of the VCMMCC to serve for the remainder of the calendar year in which the first meeting occurs. Officers subsequently elected to these offices, pursuant to the procedures outlined under "Election" below, shall serve a term of two years or until their successor(s) has/have been duly elected.

(c) No individual shall serve more than two consecutive terms in any of the elected officer positions.

Election

- (a) During the June meeting, the Chairperson shall appoint and the VCMMCC shall confirm a Nominating Committee of not less than three (3) members.
- (b) The Nominating Committee shall place in nomination the candidates selected and accept further nominations from the floor during the meeting.
- (c) During the December meeting, the VCMMCC shall elect officers by majority vote of the members present.
- (d) The officers elected at the December meeting will take their respective offices on January 1st of the following year.
- (e) Notwithstanding the normal election process detailed in paragraphs a-d above, when circumstances warrant it, an election may be held at any time during the year. Circumstances that would warrant a special election include: one or more of the officers wishes to resign as an officer, or one or more of the officers is terminated.

Duties

- (a) The Chairperson shall:
 - 1. Preside at all meetings;
 - 2. Execute all documents approved by the VCMMCC;
 - 3. Be responsible to see that all actions of the VCMMCC are implemented; and
 - 4. Maintain consultation with the Chief Executive Officer (CEO).
- (b) The Vice-Chairperson shall:
 - 1. Exercise all the responsibilities of the Chairperson in the absence of the Chairperson; and
 - 2. In agreement with the Chairperson, perform all responsibilities mutually agreed upon.

ARTICLE IV

Standing Committees

At a minimum, the VCMMCC shall establish two (2) committees/advisory boards, one member/consumer based and one provider based. COHS staff will be responsible to gather a list of potential appointments and make recommendations to the VCMMCC for membership on these boards. Each of the boards shall submit a charter to the VCMMCC for approval.

ARTICLE V

Special Committees

Members may be asked to participate on a subcommittee, task force or special project as part of their responsibilities. The VCMMCC may establish a committee(s) or advisory board(s) for any purpose that will be beneficial in accomplishing the work of the VCMMCC.

ARTICLE VI

Meetings

(a) All meetings shall be subject to the provisions of Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code relating to meetings of local agencies ("Brown Act").

(b) A regular meeting shall be held monthly. The VCMMCC shall by resolution establish the date, time and location for the monthly meeting. A regular meeting may, for cause, be rescheduled by the Chairperson with 72 hour advance notice.

(c) Closed session items shall be noticed in compliance with Government Code section 54954.5.

(d) Special meetings may be called, consistent with the Brown Act, by the Chairperson or by a quorum of the VCMMCC. Notice of such special meeting shall conform to the Brown Act.

(e) Any meeting at which at least a quorum cannot attend, or for which there is no agenda item requiring action may be cancelled by the Chairperson with 72 hour advance notice.

(f) A quorum shall be defined as one person more than half of the appointed members of the VCMMCC. For these purposes, "appointed members" excludes

unfilled positions and those vacated by resignation or removal. A majority vote of members constituting a quorum shall be required for any VCMMCC action.

(g) After three (3) absences of any member during a fiscal year, the reasons for the absences will be reviewed by the VCMMCC and it may notify the Board of Supervisors of the absences, if it deems this action appropriate. Three or more absences from regular meetings may be cause for the VCMMCC to recommend dismissal of that member to the Board of Supervisors.

ARTICLE VII

Powers and Duties

The VCMMCC is responsible for all of the activities described in Article I of these Bylaws. In furtherance of such responsibility, the VCMMCC shall have the following powers and duties and shall:

- (a) Advise the Chief Executive Officer (CEO) and request from the CEO information it deems necessary;
- (b) Conduct meetings and keep the minutes of the VCMMCC;
- (c) Provide for financial oversight through various actions and methodologies such as the preparation and submission of an annual statement of financial affairs and an estimate of the amount of funding required for expenditures, approval of an annual budget, receipt of monthly financial briefings and other appropriate action in support of its financial oversight role;
- (d) Evaluate business performance and opportunity, and review and recommend strategic plans and business strategies;
- (e) Establish, support and oversee the quality, service utilization, risk management and fraud and abuse programs;
- (f) Encourage VCMMCC members to actively participate in VCMMCC committees as well as subcommittees;
- (g) Comply with and implement all applicable federal, state and local laws, rules and regulations as they become effective;
- (h) Provide for the resolution of or resolve conflict among its leaders and those under its leadership;
- (i) Respect confidentiality, privacy and avoid any real or potential conflict of interest; and

(j) Receive and take appropriate action, if warranted, based upon confidential reports presented by the CEO (or designated individual). Such reports shall be prepared and submitted to the VCMMCC at least annually.

ARTICLE VIII

STAFF

The VCMMCC shall employ personnel and contract for services as necessary to perform its functions. The permanent staff employed by the VCMMCC shall include, but not be limited to, a Chief Executive Officer (CEO), Clerk and Assistant Clerk.

Chief Executive Officer

The CEO shall have the responsibility for day to day operations, consistent with the authority conferred by the VCMMCC. The CEO is responsible for coordinating all activities of the County Organized Health System.

The CEO shall:

- (a) Direct the planning, organization, and operation of all services and facilities;
- (b) Direct studies of organizations, operations, functions and activities relating to economy, efficiency and improvement of services;
- (d) Direct activities which fulfill all duties mandated by federal or state law, regulatory or accreditation authority, or VCMMCC board resolution, and shall bring any conflict between these laws, regulations, resolutions or policy to the attention of the VCMMCC;
- (e) Appoint and supervise an executive management staff, and such other individuals as are necessary for operations. The CEO may delegate certain duties and responsibilities to these and other individuals where such delegated duties are in furtherance of the goals and objectives of the VCMMCC;
- (f) Retain and appoint necessary personnel, consistent with all policies and procedures, in furtherance of the VCMMCC's powers and duties; and
- (g) Implement and enforce all policies and procedures, and assure compliance with all applicable federal and state laws, rules and regulations.

Clerk

The Clerk shall:

- (a) Perform the usual duties pertaining to secretaries;
- (b) Cause to be kept, a full and true record of all VCMMCC meetings and of such special meetings as may be scheduled;
- (c) Cause to be issued notices of regular and special meetings;
- (d) Maintain a record of attendance of members and promptly report to the VCMMCC any member whose position has been vacated; and
- (e) Attest to the Chair or Vice-Chair's signature on documents approved by the VCMMCC.

Assistant Clerk

The Assistant Clerk shall perform the duties of the Clerk in the Clerk's absence.

ARTICLE IX

Rules of Order

The Chairperson shall be responsible for maintaining decorum during VCMMCC meetings. All motions, comments, and questions shall be made through the Chairperson. Any decision by the Chairperson shall be considered final unless an appeal of the decision is requested and passed by a majority of the VCMMCC members present.

ARTICLE X

Amendments

- (a) These Bylaws may be amended by an affirmative vote of a majority of the voting members of the VCMMCC. A full statement of a proposed amendment shall be submitted to the VCMMCC at least two weeks prior to the meeting at which the proposed amendment is scheduled to be voted upon.
- (b) The Bylaws shall be reviewed annually and amendments to the Bylaws may be proposed by any VCMMCC member.

(c) Bylaws may be suspended on an ad hoc basis upon the affirmative vote of a majority of the VCMMCC members present.

(d) The Chairperson shall adhere to the order of items as posted on the agenda. Modifications to the order of the agenda may be made to the extent that (on the advice of counsel) the rearrangement of the agenda items does not violate the spirit or intent of the Brown Act.

(e) All motions or amendments to motions require a second in order to be considered for action. Upon a motion and a second the item shall be open for discussion before the call for the vote.

(f) Voice votes will be made on all items as read. An abstention will not be recognized except for a legal conflict of interest. A roll call vote shall be taken on items requiring unanimous vote.

(g) A call for a point of order shall have precedence over all other motions on the floor.

(h) Without objection, the Chairperson may continue or withdraw any item. In the event of an objection, a motion to continue or reset an item must be passed by a majority of the members present. A motion to continue or reset an item shall take precedence over all other motions except for a point of order.

(i) An amendment to a motion must be germane to the subject of the motion, but it may not intend an action contrary to the motion. There may be an amendment to the motion and an amendment to an amendment, but no further amendments. In the event the maker of the original motion accepts the amendment(s), the original motion shall be deemed modified. In the event the maker of the original motion does not accept the amendment(s), the amendment(s) shall be voted separately and in reverse order of proposal.

(j) Where these Bylaws do not afford an adequate procedure in the conduct of a meeting, the Chairperson may defer to the most current edition of Robert's Rules of Order, to resolve parliamentary questions.

ARTICLE XI

Nondiscrimination Clause

The VCMMCC or any person subject to its authority shall not discriminate against or in favor of any person because of race, gender, religion, color, national origin, age, sexual orientation or disability with regard to job application procedures, hiring, advancement, discharge, compensation, training or other terms or condition of

employment of any person employed by or doing business with the VCMMCC or any person subject to its direction pursuant to federal, state or local law.

ARTICLE XII

Conflict of Interest and Ethics

VCMMCC members are subject to conflict of interest laws, including Government Code section 1090 and the 1974 Political Reform Act (Government Code section 8100 et seq.), as modified by Welfare and Institutions Code section 14087.57, and must identify and disclose any conflicts and refrain from participating in any manner in such matters in accordance with the applicable statutes. Members of the VCMMCC agree to adhere to all relevant standards established by state or federal law regarding ethical behavior.