

**County Medi-Cal Managed Care Commission  
(VCOMMCC) dba Gold Coast Health Plan (GCHP)  
Commission Meeting Minutes  
October 24, 2011**

**CALL TO ORDER**

Vice-Chair Gonzalez called the meeting to order at 3:03 p.m. in Suite 200 at the Ventura County Public Health Building located at 2240 E. Gonzales Road, Oxnard, CA 93036.

The Pledge of Allegiance was recited.

**ROLL CALL**

**COMMISSION MEMBERS IN ATTENDANCE**

**David Araujo, MD**, Ventura County Medical Center Family Medicine Residency Program  
**Maylee Berry**, Medi-Cal Beneficiary Advocate  
**Anil Chawla, MD**, Clinicas del Camino Real, Inc.  
**Laurie Eberst, RN**, Private Hospitals / Healthcare System  
**John Fankhauser, MD**, Ventura County Medical Center Executive Committee  
**Robert Gonzalez, MD**, Ventura County Health Care Agency  
**Rick Jarvis**, Private Hospitals / Healthcare System  
**Roberto S. Juarez**, Clinicas del Camino Real, Inc.  
**Kathy Long**, Ventura County Board of Supervisors  
**Catherine Rodriguez**, Ventura County Medical Health System

**EXCUSED / ABSENT COMMISSIONERS**

**Lanyard Dial, MD**, Ventura County Medical Association

**STAFF IN ATTENDANCE**

**Earl Greenia, CEO**  
Tin Kin Lee, Legal Counsel  
Traci R. McGinley, Clerk of the Board  
Brandy Armenta, Quality Improvement Specialist  
Charlie Cho, MD, Chief Medical Officer  
Sonia DeMarta, Accounting and Finance Manager  
Andre Galvan, Project Management Specialist  
Guillermo Gonzalez, Government Affairs Director  
Darlane Johnsen, Chief Financial Officer  
Pamela Kapustay, RN, Health Services Director  
Steven Lalich, Communications Director  
Audra Lucas, Administrative Assistant  
Aimee Sziklai, Operations Director

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

## **PUBLIC COMMENT / CORRESPONDENCE**

Marco Benitez stated that he is aware the Plan purchased airtime at another radio station; however, that station does not reach Mixteco members and he has only heard one GCHP commercial. He added that community members do not know about GCHP.

David Cruz, HELA President, raised concern that the Clinicas Specialty Contract is not approved. He asked when the Commission would have evening meetings to allow working members to attend. Mr. Cruz indicated that he has not received the enrollment process audit information or a response regarding families enrolled in different clinics.

Denise Templin of Clinicas expressed her concern in not receiving timely responses to requests for Medical Authorizations. She stated that she has been communicating with Pam Kapustay and the issues are being addressed.

### **1. APPROVAL OF MINUTES**

#### **a. Meeting of September 26, 2011**

Commissioner Berry moved to approve the September 26, 2011 Meeting Minutes, Commissioner Chawla seconded. The motion carried. **Approved 10-0.**

### **2. MANAGEMENT UPDATE**

CEO Greenia noted that Centers for Medicare and Medicaid Services (CMS) has “stopped the clock” on the changes regarding the co-payment policy and rate reductions.

CEO Greenia informed the Commission that ACS did provide additional information on the auto-assignment processes, management will review the data and bring it to a future Commission Meeting.

With the State Department of Health Care Services (DHCS) elimination of the Adult Day Health Care (ADHC) benefit from the Medi-Cal Program, the individuals currently utilizing the services will require a “needs assessment” to determine medically necessary services. The impact to members and the budget were discussed.

Evening outreach / public meetings, space needs and staffing were briefly discussed.

In response to a question from Vice-Chair Gonzales regarding the Urgent Care Policy, CMO Cho explained that if a patient goes to urgent care during normal business hours a Treatment Authorization Request (TAR) is submitted, the Member’s Primary Care Physician (PCP) then determines if the Member should return to the PCP for care or be seen in urgent care. The Plan does not want to be restrictive, but must financially ensure there are no abuses to the system.

### **3. FINANCIAL REPORT**

#### **a. Re-forecasted Budget**

CFO Johnsen noted that management re-forecasted the 2011-12 fiscal year financial plan. Revenue is re-forecast at \$302,399,730 given changes in membership levels and

category information. CFO Johnsen added that while it is too early to predict a stable healthcare cost pattern, the budget has been updated based on these changes.

After various line-items were discussed, there was Commission consensus that the item be tabled to allow staff to come back with an organizational / work chart, explanation of the staff increases, explanation of deviations and understanding of FTE increases, and any other additional information to allow a better understanding of finances.

**b. September Financials**

The Commission was presented the handout of the September Financials. CFO Johnsen indicated that she will provide more detailed per-member per-month costs in the future.

CFO Johnsen noted that there are claim processing challenges. CEO Greenia stressed management's concern and agreed with the Commission that payment delay is unacceptable. He added that ACS leadership will be on-site later in the week to work with GCHP on this matter.

In response to comments from the Commission, CFO Johnsen confirmed that this item would be re-presented to the Executive/Finance Committee when final.

**4. MANAGEMENT RECOMMENDATIONS AND REPORTS**

**a. ScriptCare Presentation**

Scott Holtmyer, R.Ph., ScriptCare presented an updated version of the PowerPoint Presentation provided in the Agenda Packet. Mr. Holtmyer reminded the Commission that prescription costs were initially greater due to the required 60-day continuum of care. The figures show the significant decrease of costs in the third month.

Mr. Holtmyer explained that with the average enrollment of 107,310 the first quarter utilization was low; however, a seasonal influx during the flu season is expected. The Pharmacy and Therapeutics Committee is working on controlling costs of high-volume and high-cost medications and increased use of generic drugs.

When asked how GCHP compares to other COHS models, Mr. Holtmyer explained that there are three factors: cost, volume and generic utilization that drive the overall costs. Per script cost started at \$50 and is down to \$47. Per-member per-month is below \$26 while other COHS are typically around \$30. Diabetic medication is also significantly less than other plans.

In response to questions raised by the Commission, CMO Cho explained that the Formulary is well designed. Drugs are not restricted due to cost alone. CMO Cho added that the Formulary is evolving: only one drug has been removed and the studies show the alternative drugs as effective.

**b. Decision Support System Selection**

CEO Greenia reviewed his report, stressed that this will allow several systems to communicate which will accommodate staff to better manage utilization. He added that management considered the Milliman product to be the most comprehensive system.

Questions were raised regarding the National Committee for Quality Assurance (NCQA) certification to which CEO Greenia responded that the Plan is held to NCQA standards, but not required to be certified.

Discussion was held regarding other COHS utilizing “homegrown systems” which require support from a large IT staff.

Commissioner Juarez moved to approve purchase and implementation of the Milliman system, Commissioner Fankhauser seconded. The motion carried. **Approved 8-0**, with Commissioner Rodriguez and Jarvis absent from the room.

**c. Compliance Software**

Commissioner Eberst moved to authorize Management to proceed with contracting for a Compliance software system with “Compliance 360”, Commissioner Araujo seconded. The motion carried. **Approved 9-0**, with Commissioner Jarvis absent.

**d. CEO Authority to Negotiate and Execute Provider Contracts**

After CEO Greenia highlighted the written report, Vice-Chair Gonzalez clarified that his concern is the extent to which the Commission is involved in any administrative delegated services contracts. CEO Greenia responded that there could be administrative components under such contracts; the extent depends on how the model is implemented. The goal is to ensure financial viability of GCHP. The Plan receives a capitation payment and that amount is never fully assigned to the provider. Administrative costs are taken into account and GCHP retains oversight responsibility. GCHP would receive regular reports from those contractors and have full access to their records. All such contractors would be held to the same standards as the Plan.

Vice-Chair Gonzalez asked what the COHS would look like if each of the three dominate medical systems in Ventura County entered into shared or full-risk agreements. CEO Greenia responded that such a model might resemble CalOptima in Orange County. He added that he does not believe everything can be fully delegated. Discussion was held regarding full-risk contracts. CEO Greenia explained that at this time there are no full-risk contracts, but believes some systems considered this option.

Discussion was held regarding the effect delegated responsibility would have on the COHS and the Commission. Reports to the Commission would need to be detailed to ensure that the Commission is kept informed. Discussion was held as to how this would affect the relationship with ACS.

Commissioner Eberst left the meeting at 5:06 p.m.

Commissioner Juarez noted that this type of issue is typically discussed at the Executive Finance Committee and believes this discussion is centering on a particular model, not the CEO's authority. Vice-Chair Gonzalez agreed. Commissioner Araujo added that the Commission needs feedback, reports of contracts executed, etc. CEO Greenia noted that contract information is provided in the CEO Report to Commission.

Commissioner Chawla added that other plans have entered into similar arrangements and it should not be a major concern.

Counsel Lee added that the CEO's scope of authority can be clarified and brought back to Commission.

Commissioner Fankhauser moved to delegate authority to the Executive Finance Committee to discuss, review and decide the CEO's contract authority and have it brought back to the Commission for ratification, Commissioner Long seconded. The motion carried. **Approved 8-1**, with Commissioner Juarez voting no.

**e. Commission Bylaws**

Counsel Lee reviewed the previous changes as noted in the document.

Commissioner Juarez moved to approve the Bylaws, Commissioner Long seconded. The motion carried. **Approved 9-0**.

**COMMENTS FROM COMMISSIONERS**

Commissioner Juarez announced that Clinicas had a surprise review by The Joint Commission and passed with flying colors.

Commissioner Berry stated that she would like to meet with Clinicas and the County, attend the Consumer Advisory Committee and provide monthly reports to the Commission. Her first report will be during the November Meeting.

Commissioner Chawla noted that Clinicas has had problems with vision services and is not receiving consistent information when contacting GCHP staff.

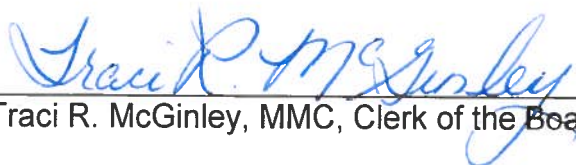
**CLOSED SESSION – CEO EVALUATION**

It was determined that the Closed Session would not be held.

**ADJOURNMENT**

The meeting adjourned at 5:55 p.m.

APPROVED:

  
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Traci R. McGinley, MMC, Clerk of the Board