



L.A. Care
HEALTH PLAN[®]

For All of L.A.

BOARD OF GOVERNORS MEETING

October 5, 2023 • 1:00 PM

L.A. Care Health Plan

1055 W. 7th Street, Los Angeles, CA 90017

Statement

L.A. Care's mission is to provide access to quality health care for Los Angeles County's vulnerable and low-income communities and residents and to support the safety net required to achieve that purpose.

Overview

Committed to the promotion of accessible, affordable and high quality health care, L.A. Care Health Plan (Local Initiative Health Authority of Los Angeles County) is an independent local public agency created by the State of California to provide health coverage to low-income Los Angeles County residents. Serving more than 2.9 million members in four product lines, L.A. Care is the nation's largest publicly operated health plan.

L.A. Care Health Plan is governed by 13 board members representing specific stakeholder groups, including consumer members, physicians, federally qualified health centers, children's health care providers, local hospitals and the Los Angeles County Department of Health Services.

L.A. Care advances individual and community health through a variety of targeted activities including a Community Health Investment Fund and sponsorships program that have awarded more than \$180 million throughout the years to support the health care safety net and expand health coverage. The patient-centered health plan has a robust system of consumer advisory groups, including 11 Regional Community Advisory Committees (governed by an Executive Community Advisory Committee), 35 health promoters and nine Resource Centers that offer free health education and exercise classes to the community, and has made significant investments in Health Information Technology for the benefit of the more than 10,000 doctors and other health care professionals who serve L.A. Care members.

Programs

- **Medi-Cal** – In addition to offering a direct Medi-Cal line of business, L.A. Care works with three subcontracted health plans to provide coverage to Medi-Cal members. These partners are Anthem Blue Cross, Blue Shield of California Promise Health Plan and Kaiser Permanente. Medi-Cal beneficiaries represent a vast majority of L.A. Care members.
- **L.A. Care Covered™** – As a state selected Qualified Health Plan, L.A. Care provides the opportunity for all members of a family to receive health coverage under one health plan in the Covered California state exchange.



- **L.A. Care Medicare Plus** – L.A. Care Medicare Plus provides complete care that coordinates Medicare and Medi-Cal benefits for Los Angeles County seniors and people with disabilities, helps with access to resources like housing and food, and offers benefits and services like care managers and 24/7 customer service at no cost.
- **PASC-SEIU Homecare Workers Health Care Plan** – L.A. Care provides health coverage to Los Angeles County’s In-Home Supportive Services (IHSS) workers, who enable our most vulnerable community members to remain safely in their homes by providing services such as meal preparation and personal care services.

L.A. Care Membership by Product Line – As of September 2023	
Medi-Cal	2,707,676
L.A. Care Covered	128,454
D-SNP	18,376
PASC-SEIU	49,938
Total membership	2,904,444
L.A. Care Providers – As of April 2022	
Physicians	5,709
Specialists	13,534
Both	364
Hospitals, clinics and other health care professionals	14,276
Financial Performance (FY 2022-2023 budget)	
Revenue	\$8.6B
Fund Equity	\$1,143,510
Net Operating Surplus	(\$90,772)
Administrative cost ratio	5.2%
Staffing highlights	
Full-time employees (Actual as of July 2023)	2,310
Projected full-time employees (FY 2022-2023 budget)	2,280





AGENDA
BOARD OF GOVERNORS MEETING
L.A. Care Health Plan
Thursday, October 5, 2023, 1:00 P.M.

DRAFT

L.A. Care Health Plan, 1055 W. 7th Street, Conference Rooms 1017-1019, 10th Floor
Los Angeles, CA 90017

Members of the Board of Governors, staff and the public can attend the meeting in person at the address listed above. Public comment can be made live and in person at the meeting. A form will be available at the meeting to submit public comment.

To listen to the meeting via videoconference please register by using the link below:

<https://lacare.webex.com/lacare/j.php?MTID=m6af713a65640c8acea9373002c325536>

To listen to the meeting via teleconference please dial: +1-213-306-3065

English Meeting Access Number: 2488 486 4520 Password: lacare

Spanish Meeting Access Number: 2495 007 8951 Password: lacare

Hector De La Torre
1600 Campus Road
Los Angeles, CA 90041

Supervisor Hilda L. Solis
500 West Temple Street, Room 856
Los Angeles, CA 90012

Ilan Shapiro, MD
1355 North Harbor Drive
San Diego, CA. 92101

For those not attending the meeting in person, public comments on Agenda items can be submitted in writing by e-mail to BoardServices@lacare.org, or by sending a text or voicemail to (213) 628-6420.

Attendees who log on to lacare.webex using the URL above will be able to use “chat” during the meeting for public comment. You must be logged into WebEx to use the “chat” feature. The log in information is at the top of the meeting Agenda. The chat function will be available during the meeting so public comments can be made live and direct.

1. The “chat” will be available during the public comment periods before each item.
2. To use the “chat” during public comment periods, look at the bottom right of your screen for the icon that has the word, “chat” on it.
3. Click on the chat icon. It will open two small windows.
4. Select “Everyone” in the “To:” window,
5. The chat message must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.
6. Type your public comment in the box that says “Enter chat message here”.
7. When you hit the enter key, your message is sent and everyone can see it.
8. L.A. Care staff will read the chat messages for up to three minutes during public comment so people who are on the phone can hear the comment.

You can send your public comments by voicemail, email or text. If we receive your comment by 1:00 P.M., October 5, 2023, it will be provided to the members of the Board of Governors in writing at the beginning of the meeting. The chat message, text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must include the name of the item to which your comment relates.

Once the meeting has started, public comment submitted in writing must be received before the agenda item is called by the Chair. If your public comment is not related to any of the agenda item topics and is received before the general public comment agenda item is called, it will be read at that item.

Please note that there may be delay in the digital transmittal of emails, texts and voicemail. The Chair will announce when public comment period is over for each item. If your public comments are not received on

time for the specific agenda item you want to address, your public comments will be read at the public comment section prior to the board going to closed session.

The purpose of public comment is an opportunity for members of the public to inform the governing body about their views. The Board of Governors appreciates hearing the input as it considers the business on the Agenda. All public comments submitted will be read for up to 3 minutes during the meeting. The process for public comment is evolving and may change at future meetings. We thank you for your patience.

All votes in a teleconferenced meeting shall be conducted by roll call.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (ADA) please contact L.A. Care Board Services staff prior to the meeting for assistance by text to 213 628-6420 or by email to BoardServices@lacare.org.

Welcome

Alvaro Ballesteros, MBA, *Chair*

1. Approve today's agenda *Chair*
2. Public Comment (*Please read instructions above.*) *Chair*
3. Approve Consent Agenda Items *Chair*

(A consent agenda is a way the Board of Governors can approve many motions at the same time to improve efficiency at the meeting. Most motions on a consent agenda have already been discussed at a previous Board Committee meeting. According to the Brown Act [California Government Code Section 54954.3(a)], the agenda need not provide an opportunity for public comment on any item that has already been considered by a committee. Sometimes routine motions are placed on the consent agenda by staff, and those have motion numbers that start with "BOG".)

 - September 7, 2023 Board of Governors Retreat and Meeting Minutes p.19
 - Scout Exchange Contract Amendment **(EXE 100)** p.81
 - Language Line Solutions Contract Extension **(FIN 100)** p.82
 - TierPoint Contract to provide Disaster Recovery **(FIN 101)**p.84
 - Cognizant/Trizetto Technology Solutions, Infosys Ltd. and Solugenix Corporation Contract Amendment for Information Technology Staff Augmentation **(FIN 102)**p.85
 - NICE Systems, INC. to provide an Engage Quality Monitoring Cloud Based platform with Real-Time Authentication Contract **(FIN 103)** p.86
 - EPlus Contract to provide Storage Service **(FIN 104)**p.87
 - NetCentric Technologies, Inc. Contract Amendment **(FIN 105)**p.88
 - Ntooitve Contract **(FIN 106)** p.89
 - Resources Connection, LLC dba Resources Global Professionals (RGP) Contract Amendment **(FIN 107)** p.91
 - Ratify the re-election of Tara Ficek, MPH as Chairperson and Maryjane Puffer, BSN, MPA as Vice Chairperson of the Children's Health Consultant Advisory Committee **(CHC 100)** p.93
4. Chairperson's Report *Chair*
5. Chief Executive Officer Report p.97

John Baackes
Chief Executive Officer
Cherie Compartore
Senior Director, Government Affairs

 - Government Affairs Update p.104
 - Monthly Grants & Sponsorship Reports p.154

6. Chief Medical Officer Report (*Oral Report*) Sameer Amin, MD
Chief Medical Officer
7. Approve execution by L.A. Care Chief Executive Officer, John Baackes, of two Agreements related to the Medi-Cal Contract (04-36069) (**BOG 100**) p.156 Augustavia J. Haydel, Esq.
General Counsel

Public Advisory Committee Reports

8. Executive Community Advisory Committee Fatima Vazquez / Layla Gonzalez
Consumer member and Advocate member
- Request L.A. Care make funds available to distribute to providers for the purchase of accessible exam tables (**ECA 100**) p.181
9. Children’s Health Consultant Advisory Committee Tara Ficek, MPH
Committee Chair
10. Technical Advisory Committee Alex Li, MD
Chief Health Equity Officer

Board Committee Reports

11. Executive Committee *Chair*
- Department of Managed Health Care Enforcement Matter Report p.221 Augustavia J. Haydel, Esq.
 - Funding for Workforce Development (**EXE 101**) p.222 John Baackes
Wendy Schiffer
Senior Director, Strategic Planning
12. Finance & Budget Committee Stephanie Booth, MD
Committee Chair
- Chief Financial Officer Report p.234
o Financial Report – July 2023 (**FIN 108**) p.244 Afzal Shah
Chief Financial Officer
 - o Monthly Investment Transactions Reports – July 2023 p.255
13. Audit Committee Hector De La Torre
Committee Chair
14. Compliance & Quality Committee Stephanie Booth, MD
Committee Chair
15. Provider Relations Advisory Committee George Greene, Esq.
Committee Chair
16. Public Comment on Closed Session Items (*Please read instructions above.*) *Chair*

ADJOURN TO CLOSED SESSION (Estimated time: 45 minutes)

17. REPORT INVOLVING TRADE SECRET *Chair*
Pursuant to Welfare and Institutions Code Section 14087.38(n)
Discussion Concerning new Service, Program, Marketing Strategy, Business Plan or Technology
Estimated date of public disclosure: *October 2025*

18. **CONTRACT RATES**
Pursuant to Welfare and Institutions Code Section 14087.38(m)
 - Plan Partner Rates
 - Provider Rates
 - DHCS Rates
 - Plan Partner Services Agreement
19. **CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act:
Four Potential Cases
20. **THREAT TO PUBLIC SERVICES OR FACILITIES**
Government Code Section 54957
Consultation with: Todd Gower, *Interim Chief Compliance Officer*, Serge Herrera, *Privacy Director* and Gene Magerr, *Chief Information Security Officer*
21. **CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION**
Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act
Department of Managed Health Care Enforcement Matter Number: 20-684
22. **CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION**
Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act
 - Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680
 - Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF

RECONVENE IN OPEN SESSION

Chair

Adjournment

Chair

The next meeting is tentatively scheduled on November 2, 2023 at 1 PM, it may be conducted as a teleconference meeting.

The order of items appearing on the agenda may change during the meeting.

THE PUBLIC MAY SUBMIT COMMENTS TO THE BOARD OF GOVERNORS BEFORE DISCUSSION OF EACH ITEM LISTED ON THE AGENDA BY SUBMITTING THE COMMENT IN WRITING BY TEXT MESSAGE TO 213 628 6420, OR IN WRITING BY EMAIL TO BoardServices@lacare.org. Please follow additional instructions on the first page of this Agenda.

ACTION MAY NOT BE TAKEN ON ANY MATTER RAISED DURING THE PUBLIC COMMENT PERIODS UNTIL THE MATTER IS SPECIFICALLY LISTED ON A FUTURE AGENDA, according to California Govt Code Section 54954.2 (a)(3) and Section 54954.3.

AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION 72 HOURS BEFORE THE MEETING:

1. At L.A. CARE'S Website: <http://www.lacare.org/about-us/public-meetings/board-meetings>
2. L.A. Care's Offices at 1055 W. 7th Street, Los Angeles, CA 90017 through the Reception Area in the Building Lobby, or
3. by email request to BoardServices@lacare.org

Any documents distributed to a majority of the Board Members regarding any agenda item for an open session after the agenda and meeting materials have been posted will be available for public inspection by email request to BoardServices@lacare.org

An audio recording of the meeting is made to assist in writing the minutes and is retained for 30 days.

Meetings are accessible to people with disabilities. Individuals who may require any accommodations (alternative formats - i.e., large print, audio, translation of meeting materials, interpretation, etc.) to participate in this meeting and wish to request an alternative format for the agenda, meeting notice, and meeting packet may contact L.A. Care's Board Services Department at (213) 628 6420. Notification at least one week before the meeting will enable us to make reasonable arrangements to ensure accessibility to the meetings and to the related materials.

SCHEDULE OF MEETINGS



	MEETING DAY, TIME & LOCATION	MEETING DATES	BOARD MEMBERS / STAFF CONTACT
BOARD OF GOVERNORS	<p>1st Thursday 1:00 PM <i>(for approximately 3 hours)</i> L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250</p>	<p>October 5 November 2 December 7</p>	<p>Alvaro Ballesteros, MBA, <i>Chairperson</i> Ilan Shapiro, MD, <i>Vice Chairperson</i> Stephanie Booth, MD, <i>Treasurer</i> John G. Raffoul, <i>Secretary</i> Jackie Contreras, PhD Hector De La Torre Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. G. Michael Roybal, MD, MPH Supervisor Hilda L. Solis Nina Vaccaro, MPH Fatima Vazquez</p> <p>Staff Contact: John Baackes <i>Chief Executive Officer, x4102</i> Linda Merkens <i>Senior Manager, Board Services, x4050</i></p>
BOARD COMMITTEES			
EXECUTIVE COMMITTEE	<p>4th Wednesday of the month 2:00 PM <i>(for approximately 2 hours)</i> L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250</p> <p><i>*2nd Wednesday due to Thanksgiving holiday</i></p>	<p>October 25 November 15* <i>No meeting in December</i></p>	<p>Alvaro Ballesteros, MBA, <i>Chairperson</i> Ilan Shapiro, MD, <i>Vice Chairperson</i> Stephanie Booth, MD, <i>Treasurer</i> John G. Raffoul, <i>Secretary</i> <i>Compliance & Quality Committee Chair</i></p> <p>Staff Contact: Linda Merkens <i>Senior Manager, Board Services, x4050</i> Malou Balones <i>Board Specialist III, Board Services x4183</i></p>

**BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES
AND REGIONAL COMMUNITY ADVISORY COMMITTEES
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COMPLIANCE & QUALITY COMMITTEE	<p>3rd Thursday of the month 2:00 PM <i>(for approximately 2 hours)</i> L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250</p>	<p>October 19 November 16 <i>No meeting in December</i></p>	<p>Stephanie Booth, MD, <i>Chairperson</i> Alvaro Ballesteros, MBA G. Michael Roybal, MD, MPH</p> <p>Staff Contact: Victor Rodriguez <i>Board Specialist II, Board Services x 5214</i></p>
FINANCE & BUDGET COMMITTEE	<p>4th Wednesday of the month 1:00 PM <i>(for approximately 1 hour)</i> L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250</p> <p><i>*2nd Wednesday due to Thanksgiving holiday</i></p>	<p>October 25 November 15* <i>No meeting in December</i></p>	<p>Stephanie Booth, MD, <i>Treasurer</i> Al Ballesteros, MBA G. Michael Roybal, MD, MPH Nina Vaccaro</p> <p>Staff Contact: Malou Balones <i>Board Specialist III, Board Services x4183</i></p>
PROVIDER RELATIONS ADVISORY COMMITTEE	<p>Quarterly, 2nd Wednesday at 9:30 am L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250</p>	<p>December 6 <i>*Rescheduled due to conflict</i></p>	<p>George Greene, Esq., <i>Chairperson</i></p> <p>Staff Contact: Linda Merkens <i>Senior Manager, Board Services, x4050</i></p>
AUDIT COMMITTEE	<p>L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250</p> <p>MEETS AS NEEDED</p>		<p>Hector De La Torre, <i>Chairperson</i> Layla Gonzalez George Greene</p> <p>Staff Contact Malou Balones <i>Board Specialist III, Board Services, x 4183</i></p>

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GOVERNANCE COMMITTEE	L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250 MEETS AS NEEDED		<i>Chairperson</i> Stephanie Booth, MD Layla Gonzalez Nina Vaccaro, MPH Staff Contact: Malou Balones <i>Board Specialist III, Board Services/ x 4183</i>
SERVICE AGREEMENT COMMITTEE	L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250 MEETS AS NEEDED		Layla Gonzalez, <i>Chairperson</i> George W. Greene Staff Contact Malou Balones <i>Board Specialist III, Board Services/ x 4183</i>

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<p align="center">L.A. CARE COMMUNITY HEALTH PLAN</p>	<p>Meets Annually or as needed L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250</p>		<p>Alvaro Ballesteros, MBA, <i>Chairperson</i> Ilan Shapiro, MD, <i>Vice Chairperson</i> Stephanie Booth, MD, <i>Treasurer</i> John G. Raffoul, <i>Secretary</i> Jackie Contreras, PhD Hector De La Torre Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. G. Michael Roybal, MD, MPH Supervisor Hilda L. Solis Nina Vaccaro, MPH Fatima Vazquez</p> <p>Staff Contact: John Baackes, <i>Chief Executive Officer, x4102</i> Linda Merkens, <i>Senior Manager, Board Services, x4050</i></p>
<p align="center">L.A. CARE JOINT POWERS AUTHORITY</p>	<p>L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250</p>	<p align="center">October 5 November 2 December 7</p>	<p>Alvaro Ballesteros, MBA, <i>Chairperson</i> Ilan Shapiro, MD, <i>Vice Chairperson</i> Stephanie Booth, MD, <i>Treasurer</i> John G. Raffoul, <i>Secretary</i> Jackie Contreras, PhD Hector De La Torre Christina R. Ghaly, MD Layla Gonzalez, George W. Greene, Esq. G. Michael Roybal, MD, MPH Supervisor Hilda L. Solis Nina Vaccaro, MPH Fatima Vazquez</p> <p>Staff Contact: John Baackes, <i>Chief Executive Officer, x4102</i> Linda Merkens, <i>Senior Manager, Board Services, x4050</i></p>

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PUBLIC ADVISORY COMMITTEES			
CHILDREN'S HEALTH CONSULTANT ADVISORY COMMITTEE GENERAL MEETING	3rd Tuesday of every other month 8:30 AM <i>(for approximately 2 hours)</i> L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250	November 21	Tara Ficek, MPH, Chairperson Staff Contact: Victor Rodriguez <i>Board Specialist II, Board Services/x 5214</i>
EXECUTIVE COMMUNITY ADVISORY COMMITTEE	2nd Wednesday of the month 10:00 AM <i>(for approximately 3 hours)</i> L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250	October 11 November 8 December 13	Fatima Vasquez, Chairperson Staff Contact: Idalia Chitica, <i>Community Outreach & Education, Ext. 4420</i>
TECHNICAL ADVISORY COMMITTEE	Meets Quarterly 2nd Thursday of meeting month 2:00 PM <i>(for approximately 2 hours)</i> L.A. Care Health Plan 1055 W. 7th Street Los Angeles, CA 90017 (213) 694-1250	November 9	Sameer Amin, MD, Chairperson Staff Contact: Victor Rodriguez <i>Board Specialist II, Board Services/x 5214</i>

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REGIONAL COMMUNITY ADVISORY COMMITTEES			
REGION 1 ANTELOPE VALLEY	3rd Friday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Family Resource Center 2072 E. Palmdale Blvd. Palmdale, CA 93550 (213) 438-5580	October 20 December 15	Roger Rabaja, Chairperson Staff Contact: Kristina Chung, Field Specialist Cell Phone (213) 905-8502 <i>Community Outreach & Education</i>
REGION 2 SAN FERNANDO VALLEY	3rd Monday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Family Resource Center 10807 San Fernando Rd. Pacoima, CA 91331 (844) 858-9942	October 16 December 18	Ana Rodriguez, Chairperson Staff Contact: Martin Vicente, Field Specialist Cell Phone (213) 503-6199 <i>Community Outreach & Education</i>
REGION 3 ALHAMBRA, PASADENA AND FOOTHILL	3rd Tuesday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> Robinson Park Recreation Center 1081 N. Fair Oaks Ave. Pasadena, CA 91103 (626) 744-7330	October 17 December 19	Lidia Parra, Chairperson Staff Contact: Frank Meza, Field Specialist Cell phone (323) 541-7900 <i>Community Outreach & Education</i>
REGION 4 HOLLYWOOD-WILSHIRE, CENTRAL L.A. AND GLENDALE	3rd Wednesday of every other month 9:30 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Metro LA 1233 S. Western Ave. Los Angeles, CA 90006 (213) 428-1457	November 16	Sylvia Poz, Chairperson Staff Contact: Kristina Chung, Field Specialist Cell Phone (213) 905-8502 <i>Community Outreach & Education</i>

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<p align="center">REGION 5 CULVER CITY, VENICE, SANTA MONICA, MALIBU, WESTCHESTER</p>	<p align="center">3rd Monday of every other month 2:00 PM <i>(for approximately 2-1/2 hours)</i> Veterans Memorial Bldg Multipurpose Room 4117 Overland Avenue Culver City, CA 90230 (310) 253-6625</p>	<p align="center">October 16 December 18</p>	<p align="center"><i>Maria Sanchez, Chairperson</i></p> <p>Staff Contact: Cindy Pozos, Field Specialist Cell phone (213) 545-4649 <i>Community Outreach & Education</i></p>
<p align="center">REGION 6 COMPTON, INGLEWOOD, WATTS, GARDENA, HAWTHORNE</p>	<p align="center">3rd Thursday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Inglewood 2864 W. Imperial Highway Inglewood, CA 90303 (310) 330-3130</p>	<p align="center">October 18 December 20</p>	<p align="center"><i>Joyce Sales, Chairperson</i></p> <p>Staff Contact: Frank Meza, Field Specialist Cell phone (323) 541-7900 <i>Community Outreach & Education</i></p>
<p align="center">REGION 7 HUNTINGTON PARK, BELLFLOWER, NORWALK, CUDAHY</p>	<p align="center">3rd Thursday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Norwalk 11721 Rosecrans Ave. Norwalk, CA 90650 (562) 651-6060</p>	<p align="center">November 21</p>	<p align="center"><i>Fatima Vasquez, Chairperson</i></p> <p>Staff Contact: Martin Vicente, Field Specialist Cell Phone (213) 503-6199 <i>Community Outreach & Education</i></p>
<p align="center">REGION 8 CARSON, TORRANCE, SAN PEDRO, WILMINGTON</p>	<p align="center">3rd Friday of every other month 10:30 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Wilmington 911 N. Avalon Ave. Wilmington, CA 90744 (213) 428-1490</p>	<p align="center">November 17</p>	<p align="center"><i>Ana Romo – Chairperson</i></p> <p>Staff Contact: Hilda Herrera, Field Specialist Cell phone (213) 605-4197 <i>Community Outreach & Education</i></p>

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**BOARD OF GOVERNORS, BOARD COMMITTEES, PUBLIC ADVISORY COMMITTEES
AND REGIONAL COMMUNITY ADVISORY COMMITTEES
2023 MEETING SCHEDULE / MEMBER LISTING**

<p align="center">REGION 9 LONG BEACH</p>	<p>3rd Monday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> Community Resource Center Long Beach 5599 Atlantic Ave. Long Beach, CA 90805 (213) 905-8502</p>	<p align="center">November 20</p>	<p>Tonya Byrd, Chairperson</p> <p>Staff Contact: Kristina Chung, Field Specialist Cell Phone (213) 905-8502 <i>Community Outreach & Education</i></p>
<p align="center">REGION 10 EAST LOS ANGELES, WHITTIER AND HIGHLAND PARK</p>	<p>3rd Thursday of every other month 2:00 PM <i>(for approximately 2-1/2 hours)</i> L.A. Care East L.A. Family Resource Center 4801 Whittier Blvd Los Angeles, CA 90022 (213) 438-5570</p>	<p align="center">October 19 December 21</p>	<p>Damara Hernández de Cordero, Chairperson</p> <p>Staff Contact: Hilda Herrera, Field Specialist Cell phone (213) 605-4197 <i>Community Outreach & Education</i></p>
<p align="center">REGION 11 POMONA AND EL MONTE</p>	<p>3rd Thursday of every other Month 10:00 AM <i>(for approximately 2-1/2 hours)</i> Pomona Community Resource Center 696 W. Holt Street Pomona, CA 91768 (909) 620-1661</p>	<p align="center">November 15</p>	<p>Maria Angel Refugio, Chairperson</p> <p>Staff Contact: Frank Meza, Field Specialist Cell phone (323) 541-7900 <i>Community Outreach & Education</i></p>

FOR INFORMATION ON THE CURRENT MONTH'S MEETINGS, CHECK CALENDAR OF EVENTS AT WWW.LACARE.ORG. MEETINGS MAY BE CANCELLED OR RESCHEDULED AT THE LAST MOMENT. TO CHECK ON A PARTICULAR MEETING, PLEASE CALL (213) 694-1250 OR SEND EMAIL TO BOARDSERVICES@LACARE.ORG.



**Schedule of Meetings
October 2023**

Monday	Tuesday	Wednesday	Thursday	Friday
2	3	4	5 <i>Board of Governors Retreat/Meeting 9 am (for approx. 6 hours)</i>	6
9	10	11 <i>ECAC Meeting 10 AM (for approx. 3 hours)</i>	12	13
16	17	18	19 <i>Compliance & Quality Committee Meeting 2 PM (for approx. 2 hours)</i>	20
23	24	25 <i>Finance & Budget Committee Meeting 1 PM (for approx. 1 hour)</i> <i>Executive Committee Meeting 2 PM (for approx. 2 hours)</i>	26	27
30	31			

CONSENT AGENDA

**Board of Governors
Retreat & Regular Meeting Minutes #320
September 7, 2023**

Fleming Health Education Center Auditorium, Valley Presbyterian Hospital
15107 Vanowen Street, Van Nuys, CA 91405



L.A. Care
HEALTH PLAN

Members

Alvaro Ballesteros, MBA, *Chairperson*
Ilan Shapiro, MD, *Vice Chairperson*
Stephanie Booth, MD, *Treasurer*
John G. Raffoul, *Secretary*
Jackie Contreras, PhD
Hector De La Torre
Christina R. Ghaly, MD

Layla Gonzalez
George W. Greene, Esq. **
Supervisor Hilda Solis **
Hilda Perez
G. Michael Roybal, MD, MPH
Nina Vaccaro, MPH

**Absent*
*** via teleconference*

Management

John Baackes, *Chief Executive Officer*
Sameer Amin, MD, *Chief Medical Officer*
Terry Brown, *Chief of Human Resources*
Linda Greenfeld, *Chief Product Officer*
Augustavia Haydel, Esq., *General Counsel*
Alex Li, MD, *Chief Health Equity Officer*
Tom MacDougall, *Chief Technology & Information Officer*
Noah Paley, *Chief of Staff*
Afzal Shah, *Chief Financial Officer*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
WELCOME	<p>Alvaro Ballesteros, <i>Board Chairperson</i>, called to order the retreat and regular meeting of L.A. Care Health Plan Board of Governors and the L.A. Care Health Plan Joint Powers Authority Board of Directors meeting at 9:15 am. The meetings were held simultaneously.</p> <p>Chairperson Ballesteros announced that Board Member Jackie Contreras has appropriately notified staff that she is participating remotely for “just cause” under the provisions of AB2449. There is a quorum of Board members physically present at this meeting. There was no one who is 18 years or older at the remote location with Board Member Contreras.</p> <p>He announced that those attending the meeting in person who wish to submit a public comment should use the form provided. For those with access to the internet, the materials for today’s meeting are available on the L.A. Care website.</p> <p>He welcomed everyone and thanked those who have submitted public comment by voice mail, text or email. He informed participants that for those using the video software during the meetings; the “chat” function will be available to provide live and direct public comment to everyone participating in the virtual meeting. The Chat feature will be open throughout the meeting for public comment.</p>	

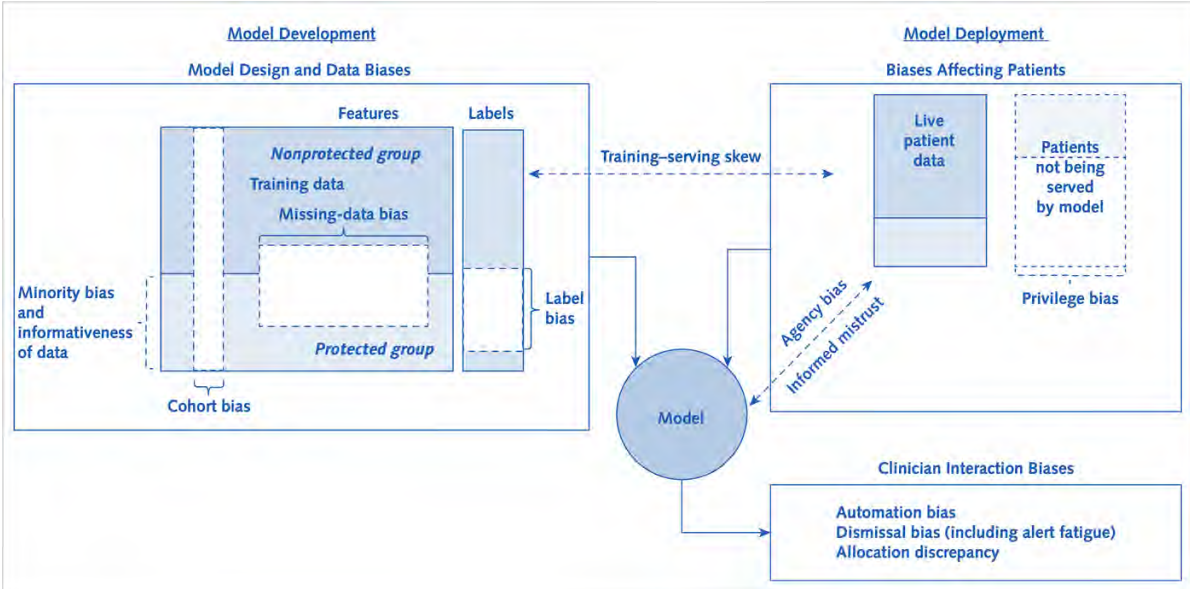
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	Board Members have received in writing the voice messages and written public comments sent before the meeting. All comments sent before and during the meeting were read for up to three minutes. All are welcome to provide input.	
APPROVAL OF MEETING AGENDA	The meeting Agendas were approved.	Unanimously approved by roll call. 7 AYES (Ballesteros, Booth, Contreras, Gonzalez, Greene, Roybal and Vaccaro) <i>(There was a technical problem and Board Member Greene submitted his vote electronically.)</i>
PUBLIC COMMENTS	<p><i>Andria McFerson stated that she appreciates the opportunity to speak today and to give information necessary so that the Board can make plausible decisions on the necessities of the community in itself. There is an important motion to discuss, a plausible solution to the three-year community planning process written by staff. The Board had spoken about having a meeting with the RCACs, the community, so they can have the Brown Act and discuss things, vote on the future RCAC plans and present the information to the Chair. And they were not allowed to do that, they were allowed to go to listening sessions. Those listening sessions consisted of the staff giving information and they were not able to rebut and vote on things. She believes that that was illegitimate, and the opportunity to discuss things as 25 years RCAC members is needed. To make it so that they can all vote on things together and have a general consensus before anything has changed. She thinks that's very, very important. She thanked the Board for the opportunity to speak.</i></p> <p>Submitted via text at 8:15 am on September 7, 2023 by Demetria Saffore: <i>I'm very concerned about our health care delivery with L.A. Care. I see that nobody cares not interested in me staying healthy. I say this because my doctor requested a referral to an oncologist on October 31st and I cannot get that visit until July 31st. This is unacceptable. I suffered with bone pain for 9 months before I saw anyone who could help me. On top of that, L.A. Care does not deliver my CPAP supplies in a timely manner either. Most often my supplies would be delivered once a year. And these supplies need to be replaced every 30 to 90 days. Something else that I'm seeing a lot is the majority of members are not even the care of an MD for complex medical problems, such as myself. An example is my primary care practitioner is not an MD. He is a nurse practitioner and I'm seeing a lot of this and managed care. And I think that is a safety issue as a volunteer with. I am ashamed of the</i></p>	

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	<p><i>way L.A. Care treats our members. And I'm very distressed about this because I'm watching some of my fellow members suffering die. Please follow your mission. Please follow your mission statement here. Because I'm not seeing an improvement in outcomes in patient care in the 19 years that I have been volunteering here.</i></p> <p><i>Elizabeth Cooper suggested a moment of silence for the hurricane victims and victims of climate change. And a moment of silence for the three victims in the Florida shooting, which is very important as it was a racial shooting. She thanked the Board for meeting in the San Fernando Valley. This is a place where her son Jonathan was just in the hospital for a day or so for an emergency. She acknowledged the care that he received and offered kudos to Valley Presbyterian Hospital, emergency section. She would like to stress to members of the board of governors that it is very important as a member who comes here, she didn't have a chance to read the agenda too well. The items on the agenda is very important and the consent items is so long that you need time to read it. She only received the information a day before this meeting so there are many items that she would like to discuss. She hopes that the Chair would keep his commitment, and she appreciates talking to him, but the items that was discussed with the Chairperson, and before the Board, she hopes that he will follow through. She is trusting that all will follow the word on behalf of the Board of Governors and she has other things she would like to think about. Sometimes when she gets here, she forgets some because she didn't have access to the agenda before, its too late. She thinks it cries out. One final thing before she's finished writing items on the agenda. She lives in the San Fernando Valley. She is only 10 or 15 minutes away and if she had known the meeting would be here, she would have invited the Board to a soul dinner at her place. She didn't know they were going to be in the Valley. She's very interested in the issues on the agenda today and made a good faith effort on behalf of Jonathan L. Cooper, who is an L.A. Care member. She has other items on a more serious matter to discuss. She would like the Chief Executive Officer to please take notice of her comments today. She thanked the Chief Executive Officer, John Baackes.</i></p> <p>Chairperson Ballesteros thanked Ms. Cooper and committed to do his best to follow up on the items she brought up.</p>	
<p>Introduction of Speaker: Naqi Khan, MD, MS Physician Lead for Analytics & Machine Learning</p>	<p>John Baackes, <i>Chief Executive Officer</i>, noted the potential impact of Artificial Intelligence (AI) in health care was chosen as the topic for discussion at today's Retreat. He introduced Naqi Khan, MD, MS, Physician Lead for Analytics and Machine Learning at Amazon Web Services. Dr. Khan is a graduate of Cornell University where he received a bachelor of science degree in biology and information services. He received a master's degree in and biomedical informatics from Vanderbilt and his medical degree from the Stoney Brook University School of Medicine.</p>	

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Amazon Web Services (AWS)	He knows Southern California because he was part of Kaiser Permanente here in Southern California for a long period of time.	
Responsible Artificial Intelligence (AI) in Healthcare	<p>Naqi Khan, MD, MS presented information about Responsible AI in Healthcare, Navigating the path to equitable AI solutions (<i>a copy of his presentation can be obtained by contacting Board Services</i>). Mr. Khan noted that we are learning very quickly that with all the data that machines are looking at, there is a huge potential to do wrong for patients, and for populations, however, that does not have to be the case. There are techniques, methods and ways to think about how to use artificial intelligence to actually help our populations, and ways to think about the diversity and equity implications.</p> <p>Balancing promise with responsibility</p> <ul style="list-style-type: none"> • AI can enable cost-effective, improved outcomes when used responsibly • Biased AI limits access and harms equity • Responsible AI can significantly improve population health • Our duty: ensuring AI promotes quality care for all <p>Amongst colleagues, clinicians and healthcare workers, and even in listening to the commentary earlier, everyone's feeling that our physicians, clinicians and healthcare workers or community workers are feeling overburdened. They are too many things to do, too many key indicators and metrics. Everything is getting much more expensive. For the first time in a long time, having done this for two decades now, that technology might be an opportunity, especially AI to alleviate that. To try to get out from under this burden that has kept people from doing the work that they want to do. He spent time, as emergency medicine physician, clicking on buttons and not looking at people face to face. Now we are actually getting to a point, where we can ask if the data can be used in a meaningful way to go back to practicing care. He proposed conveying a perspective of where things have gone wrong, but also where things can potentially go right.</p> <p>How AI can drive improvements in healthcare delivery</p> <ul style="list-style-type: none"> • Streamline prior authorizations, reducing cost and enhancing experience • Detect fraud, saving costs and ensuring program integrity • Chatbots for round-the-clock member support, enhancing convenience • Predictive models for identifying at-risk members • Tools to enhance screenings, improving early diagnosis • Capture social determinants, enabling holistic care 	

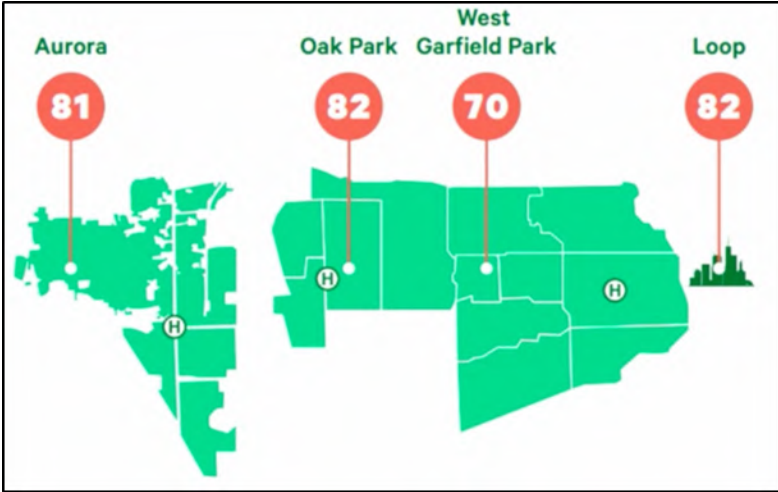
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Some slides contain images that he asked AI to make for him.</p> <p>There are articles from all over the country and all across the globe that show the potential of AI. AI is applied in many different areas. It can feel overwhelming and prompts people to ask where to begin to create something that is meaningful and practical, and can work within a community where many individuals may not even have a phone, or may not have internet access. Machine learning is initially conceived as being about computers and technology. It can coexist and can also work within for communities that don't have the devices or access.</p> <p>Artificial intelligence is often about the new phenomenon of generative AI. There is so much data now that AI is actually generating new information that looks very real and like existing data. This is where it can go off the rails and clinicians start to worry because although it looks like things that exist already, but if you go bit deeper, it is not real, it is something that's made up. For instance, models can generate some educational content to help a person with their diabetes so that they understand it at their grade level and in a way that works in their language. The model can start to create a little document that's perfect Spanish tailored for a 4th grade level person, but when you look at it a bit closer, you might notice that it's actually made up things. It is actually made up an article, or it is made up a person's name about a reference. It can sometimes be very hard to notice. That is one thing that we have to be very careful about as these technologies roll out.</p> <p>Generative AI is powered by foundation models</p> <ul style="list-style-type: none"> • Pretrained on vast amounts of unstructured data • Contain large number of parameters that make them capable of learning complex concepts • Can be applied in a wide range of contexts • Customize FMs using your data for domain specific tasks <p>AI can be used in a variety of settings. Efficiency and documentation are important in health care to show that patients received health care services. For example, technology can be used by providers to create electronic health records automatically and to receive cues for health care services, perhaps relieving the documentation burdens on practitioners. It can provide guidance about the health risks in a community and how to treat those patients.</p> <p>A sampling of generative AI use cases for healthcare</p> <p>Enhancing clinical efficiency</p> <ul style="list-style-type: none"> • Automating clinical documentation • Optimizing staffing solutions • Improving data reconciliation 	

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	<p>Improving patient care delivery</p> <ul style="list-style-type: none"> • Addressing care fragmentation • Enhancing patient engagement • Customizing patient education <p>Facilitating decision making</p> <ul style="list-style-type: none"> • Streamlining clinical decision making • Preventing medical errors • Revamping revenue cycle management <p>Accelerating clinical data use</p> <ul style="list-style-type: none"> • Improving patient cohorting capabilities • Refining clinical trial recruitment • Advancing population analytics <p>Efficiency is very important, and AI can help practitioners provide needed health services to their patients and in documenting the delivery of services. There is a great deal of recent interest in the positive potential of generative AI in healthcare, as indicated by the number of views that online articles receive.</p> <p>The double-edged sword of AI in healthcare</p> <ul style="list-style-type: none"> ▪ Biased AI can exacerbate health disparities by restricting care based on demographics ▪ Flawed AI jeopardizes safety, especially for underprivileged populations ▪ Unequal AI access can intensify care inequality among networks ▪ Excessive dependence on AI can compromise decision-making <p>The use of AI will require intensive review and careful use so it can be beneficial for providers and patients. For example, the Epic system began to be used in many health care settings several years ago, and unfortunately created a burden for caregivers as unneeded warnings of patient sepsis were sent and patients suffered from sepsis with no alert from the application. It was not providing a benefit and it missed between 18% and 20% of the sepsis cases experienced by patients. Dr. Khan described a study in 2019 that examined an algorithm in widespread use that was intended to identify a patient’s level of risk. The study found a very high level of racial bias in the results. The model generated results based on the cost of care, and that information was used by the algorithm to downgrade the estimated risk for some patients. Black patients were not receiving expensive care, but tended to be in severe health risk. It was not obvious until much later.</p>	

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	<p>Mr. Baackes noted this is a huge issue for L.A. Care because L.A. Care’s member populations are mostly people of color. It became evident during the pandemic that L.A. Care members were more likely to be infected, hospitalized and to suffer death.</p> <p>Dr. Khan noted that the collective community of practitioners is becoming a lot more aware of machines that share data sets where the AI determines gender or race without data entry or even without enough information present in the data to make those determinations. It is baffling to many how this is happening and the investigation into this is ongoing. This is a risk in the kind of data that used to build and train machines. Dr. Kahn noted that some time ago, IBM Watson was on the game show, Jeopardy, and won. Many thought this could be used in health care. It did not quite go as planned. One of the reasons is that machines were not using real data. Instead, data was made up about cancer patients thinking that would be safer to use, but it created problems.</p> <p>How biases relate to one another</p>  <p>A. Rajkomar, et. al, “Ensuring Fairness in Machine Learning to Advance Health Equity,” <i>Ann Intern Med</i>, Dec. 2018</p> <p>Dr. Khan noted that the community is spending a lot of time collectively thinking about biases and how to think about data, using data and training and building the models. The image shows many circles and rectangles which demonstrate there is a myriad of pathways. The issues</p>	

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	<p>cannot be addressed until one can understand all the different pieces of it. It is not as simple as looking at hard data. There are ways that AI can be used to benefit health care.</p> <p>The Responsible AI Blueprint</p> <ul style="list-style-type: none"> • Prioritize transparency for trust and oversight • Monitor AI impact continuously to prevent complacency • Collaborate across disciplines to holistically evaluate AI • Proactively assess risks, addressing biases from inception <p>Transparency is one of the most important things in how we build and release AI, the data that that is used and the idea of intellectual property. Especially when it comes to healthcare and models that are affecting a broad population, there is an important movement to keep things in the open, report on it and share the models themselves.</p> <p>Another important aspect is collaboration. Health care tends to be collaborative in sharing knowledge. Monitoring is also important.</p> <p>In releasing new AI applications, the teams Dr. Khan works with use these six factors:</p> <ul style="list-style-type: none"> • Fairness • Inclusiveness • Reliability & Safety • Privacy & Security • Transparency • Accountability <p>More that AI is becoming available on the Internet, and some models are going to affect lives. Every single day there seems to be a new release of something new. How it is developed has been closed in a black box, and people do not know how it really operates. AWS wants to open this up as much as possible so people can understand how it can be used.</p> <p>Dr. Khan provided a positive example:</p> <p>ClosedLoop.ai uses AI and machine learning to help users identify and predict high-risk populations</p> <p>“The idea of risk stratification has been around for a long time. We have just brought it into the 21st century. What used to be the inputting of insurance claims data into prebuilt formulas is now the ability to use any person-linkable data and the latest AI and machine learning methodologies.” Carol McCall, Chief Health Analytics Officer</p>	

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	<p>Challenge Healthcare organizations faced with an industry-wide data tsunami, a need for digital transformation, and unprecedented shift into business models that reward value over volume and outcomes over activity.</p> <p>Responsible AI</p> <ul style="list-style-type: none"> • ClosedLoop.ai invests significantly in explainability of their tools and services • Explainability in turn drives improved reliability & safety, transparency, and accountability <p>Benefits</p> <ul style="list-style-type: none"> • Saved a projected \$1.5 million in the first year in one use case • Capable of developing models used for more than 10 million people • Modernizes risk stratification <p>Closedloop.ai has made a key mission statement to be very transparent about all it is building. This is surprising that a private company, which has all the means and rights not to disclose how its product is built or created. It shifts information to the consumer, providers and other users to understand how the tools used to determine health care work. It is possible to audit the results and to understand why and how results are generated. This is a really significant and responsible path that could also be very challenging.</p> <p>Dr. Khan presented another example: Rush University System for Health creates a population health analytics & predictive intervention platform</p> <p>Challenge RUSH is committed to addressing the underlying causes of the significant life expectancy gap among minority and lower-income residents of Chicago’s West Side.</p> <p>Responsible AI</p> <ul style="list-style-type: none"> • RUSH's platform aims to promote fairness and inclusion in providing care • Tools provided by and data exposed through the platform help care coordinators clearly see patient risks alongside suggested interventions <p>Benefits</p> <ul style="list-style-type: none"> • Builds a complete patient profile using clinical, social, and patient-generated data • Produces risk scores and prediction models to guide clinical and community intervention 	

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	<p>His team works with RUSH. The age of survival profile of the geographic area served looks like this:</p>  <p>The 12-year age gap in West Garfield Park is shocking. While working with RUSH to examine the disparity, it became apparent that the data was not complete in areas like social determinants of health and quality of care. By bringing more data in from other sources and with the core idea to make it more transparent, other factors were brought to light. Food deserts, lack of access to health clinics, and unavailability of transportation are some of those negative factors. Collaboration among health care and other organizations in the neighborhoods provided data that improved the information available, so that predictive interventions could help improve the health outcomes for those populations.</p> <p>Shaping tomorrow: executing on responsible AI</p> <ul style="list-style-type: none"> • Encourage a culture where people can freely question technology without slowing progress • Make clear rules for technology use, showing who's responsible for what to build trust • Build technology systems that are easy to understand, fair, and reliable • Share your business values, considering your brand and potential risks <p>Dr. Khan invited those interested in AI to step forward and participate in developing responsible AI. Diverse input used to develop these systems will improve the process and the results. Engaging multiple types of organizations and members of the community can provide positive impacts, as it did with the RUSH example above. He has a very positive outlook that things are now emerging in AI, and in the tools that can build and democratize the process.</p>	

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<p>Moderated Discussion</p>	<p>Before taking questions about Dr. Kahn’s presentation, Mr. Baackes introduced Gustavo Valdespino, President & Chief Executive Officer of Valley Presbyterian Hospital (VPH). Mr. Valdespino welcomed everyone to VPH, and noted that VPH is proud of its partnership with L.A. Care. VPH is one of the largest providers of health care to the Medi-Cal community in the San Fernando Valley and perhaps in Southern California. 70% of VPH patients are covered by some form of Medi-Cal and VPH has more than 260,000 capitated lives. VPH staff is proud of its work and in being an excellent provider for this community.</p> <p>PUBLIC COMMENT</p> <p><i>Andria McFerson stated that she addressed the board with the issues that seniors and people with disabilities, maybe low income people with learning disabilities, chronic illnesses and diseases. All of these different things, and they are being left behind by the virtual world. It is common that providers email patients and use virtual appointments. Some people cannot participate because they don’t know how to use these tools. It’s important to speak on this today, because better access to inter communication; there should be things like a calendar that could be linked to a robo text that can be sent to the phone, the patient can click on the text and it opens a calendar. This could help with all of the different doctor appointments and all relative information having to do with that service care provider. Not only that, there is something that was mentioned about data. She thinks that is important as well. It’s a way to access care overall with AI training for seniors and poor people with disabilities or people who may not even know that world yet. There are chrome remote apps. Those chrome remote apps can be linked to better training for people who need those things. They could get the link texted to their phone, they open it up, and someone from that office helps them through it, over their phone with a remote app, showing them specifically how to do things over the phone, they can be calling them and say, did you see that? I moved that for you, you see how you do that? And just make sure they reiterate the fact that they are capable of doing doctor’s visits virtually, and showing them how to do it. That support could connect L.A. Care to different things like making sure the patients have access to direct communication with their service providers. That information can also be tabulated into data, which can tell you why people of color have the highest mortality rate, social determinants of health and how people are affected by every day realities. When they make those comments and different things like that, that data is then tabulated and given to you guys just so that you can know exactly why this is happening. Because it’s not a coincidence. And so that direct communication is great but we do need a remote app that would help people who may have some sort of difficulty communicating virtually. They should not be left behind. She spoke about that before and she’s glad the Board is speaking about it today.</i></p> <p><i>(Board Members Ghaly and Perez joined the meeting.)</i></p>	

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	<p>Chairperson Ballesteros thanked her for her comments about the presentation, item 4 and asked if she had comments for the moderated discussion, item 5.</p> <p><i>Andria McFerson commented that more involvement of the Regional Community Advisory Committees (RCACs) is needed with better inter communications so better decisions can be made. Better communications to the Board on what is happening in in their world, so the Board can make better decisions accordingly. She doesn't believe the RCACs should be taken away. There were only two meetings this year. How can shareholders give information having to do with what's ailing members and how the Board can make better decisions to adhere to members' necessities if members don't have freedom of speech?</i></p> <p>Chairperson Ballesteros noted that the moderated discussion is specifically for the AI presentation. He asked if she had comments on that topic.</p> <p><i>Ms. McFerson stated that virtual classes could be made at the Community Resource Centers (CRCs) to give people information about how to log in how to do things having to do with actually seeing the doctor virtually, so that it's not an inconvenience to go to the doctor regularly so that they can have care. She thinks that's important, and she offered to provide information. It is just like a telephone conversation almost, but it is categorizing each day. People who have mental disparities don't remember things. She had brain surgery. That calendar is a necessity for her and it puts things in a visual perspective. It is also a way to remember things. She has the information and she again offered to provide it after the meeting.</i></p> <p>Board Member Booth asked Dr. Khan to describe ways that he believes governmental public policy can either help or hurt the implementation of responsible AI.</p> <p>Dr. Khan stated that he understands the question to be about what the government can do and what kind of policies can be created. He suggested help with some of the topics he was touching on in his presentation, with mandating and requiring transparency and providing a way to openly publish the data and sources of the data and the rules being used. One of the great things, for example when funding is provided for research, the National Institutes of Health is requiring that the results must be openly published, and can't be published in a paid journal. There are a lot of great analogs for machine learning and artificial intelligence to require that with any kind of funding from the government, results must be openly published. Private companies take government funding as well and should be mandated to openly publish. If the work touches a patient's life, it should be open and free.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Board Member Roybal asked if there was any thought that AI is a good bias meter, such as taking into account that whatever data you're putting into it, whatever biases are hidden within it, the machine is going to find? We need to be very aware about that in looking at findings from that particular AI. Because it is going to find things that were occurring of which we are not aware. He sees a problem in that there is a lot of data, a lot of it's no good, some is very good, but also a lot of associations are made that are probably true but we are just not aware like in the Epic example.</p> <p>Dr. Khan responded that these systems have a way of amplifying things that are coded into our own lives, or in how we already engage or practice. It is the computer amplifying that. He thinks that is a concern. There are methods for how teams are now thinking about it, at least broadly across communities. One of the benefits of having more data is that it is scary. It also helps notice implicit bias in an application. When viewing data, a small data set is very different than the larger whole of the population. For example, Los Angeles County versus the entire country. Teams are looking into that much more in depth now as more information is becoming available. To the previous point on public policy, it is important to make data more accessible. This is the only way to really address it.</p> <p>Board Member Booth asked if the bias is because the data is fed to the machine. Dr. Khan responded that the system is acting on the data that it has. If there is a data set that was made within LA County, and that is the only data it has, that is all the machine will know. It can only extrapolate based off that limited information. More diverse sets of information will tend to make it better. Dr. Booth wondered when AI models will ask for that information. Dr. Kahn stated that some of the AI models the machine can respond that not enough information is available to provide a suggestion or recommendation. The onus is on the human on whether to trust it.</p> <p>Matthew Pirritano, PhD, MPH, <i>Director, Population Health Informatics</i>, thanked Dr. Khan for the presentation. He is pleased Dr. Khan is talking about sharing. Dr. Pirritano talks about it in every public meeting he attends. We have run into a wall where all of the private companies are holding tight to proprietary information. Dr. Pirritano does not think the market forces and capitalism are really moving the needle forward in the health care space. From his perspective, the blueprint is science and presenting the articles from peer review journals is how progress is made and how the body of knowledge moves forward. He encourages sharing information. He appreciates Dr. Booth's comments about enforcement. He would like to have the private companies open up their books on AI models. He would love to lead a scientific revolution in the healthcare space with healthcare data. He would like to work with Dr. Khan, with one of the big private companies, to get results peer reviewed and so the data can be made public and be tested.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Dr. Khan appreciated the commentary and the feedback. Technology companies are good at building infrastructure. He does not believe in guarding proprietary models or in keeping data sets guarded. Most of the catalysts, most of the productivity seen over the past decades has been when things have become open. The vaccine development, once it came out into the open and people had data, those vaccines could be built very rapidly. There are a lot of examples of this over many, many decades of human progress and this is the collective team mindset and something he'd love to encourage. He is open to collaborate.</p> <p>Sameer Amin, <i>Chief Medical Officer</i>, asked about self-regulation. He acknowledged Dr. Booth's comments about governmental regulation to mete out the actual truth about new technologies. At the same time, the technology companies could be working on regulation as the technology is introduced. Dr. Khan responded that there is a concept often raised about alignment of values for the AI models and tools being built. His organization enforces guardrails so that the AI is not making up things that do not exist or making recommendations that are totally askew from practice or reality. Inter organizational alignment in private industry is being forged and there are several collectives that are emerging amongst Meta, Microsoft and Amazon to hold each other accountable. This is manifesting now and proof is several years from now. These companies are very customer oriented and he and his colleagues do not want to release something that will cause harm. The clinician colleagues that he works with at Amazon feel very much the same. Dr. Amin commented that it seems that the social media platform was released ahead of any regulation or moral compass, and it got out into the world without realizing its implications. He noted that it seems more could be done up front on what the values are associated with AI, as well as making sure that its publicly available to everybody because there's a difference in values. In the past, when social media originally came out, the technology companies responded, just trust us we're going to make sure that this thing is set up properly. More transparency about those values being built into these systems will be key to making sure that it is self-regulated and has a moral compass that aligns with humanity. Dr. Khan agreed with his statements.</p> <p>Noah Paley, <i>Chief of Staff</i>, recommended a book titled, <u>Human Compatible</u>, "Artificial Intelligence and the Problem of Control," by Stuart Russell.</p> <p>Alex Li, MD, <i>Chief Health Equity Officer</i>, noted that AI seems geared towards diagnosis point of care, he asked Dr. Khan to comment on where AI is headed with regard to helping patients with care coordination and navigation. That is a space with less potential for individual harm but more benefits in helping patients learn where to access the services they need. Dr. Khan responded that part of it is the idea of a "robot doctor" making diagnoses automatically. The reality is that he, his teams and even his competitors are trying to tackle almost all the</p>	

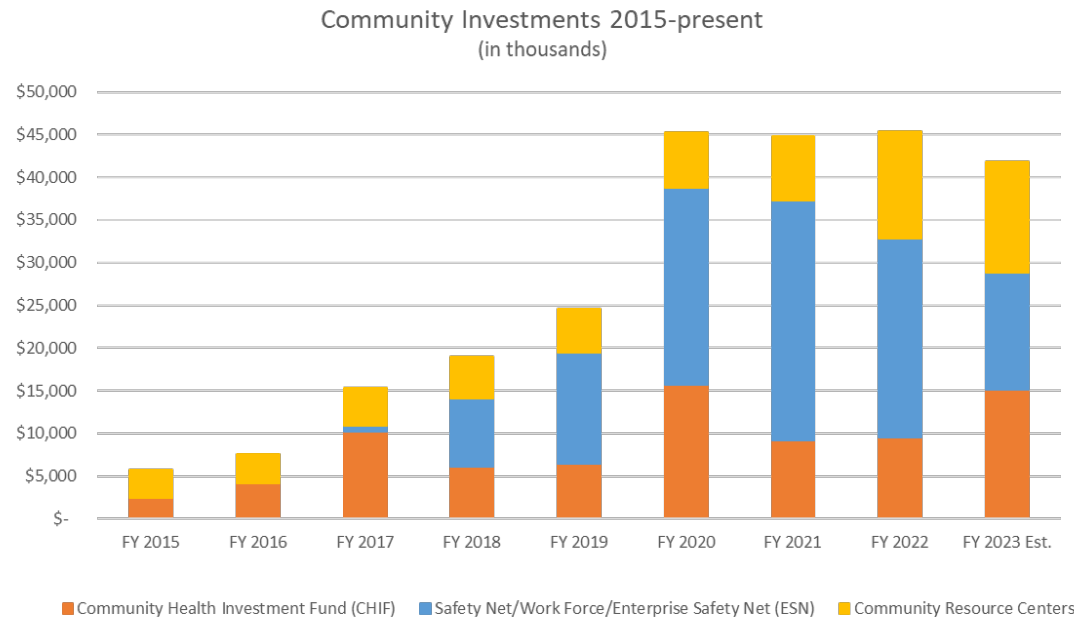
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>opportunities for AI. Collaborative care, patient care coordination unfairly does not generate recognition of the potential for AI. The use cases that Dr. Li is describing are things that several projects are addressing right now to help a patient with a referral or to understand which referral they need. Things that feel “basic” in fact are very elevating for the patient and represent a huge improvement on how they operate day to day, but do not create news headlines. It is a huge opportunity, because it is so much of the rest of patient’s lives. It is not being in the clinic, patients exist primarily outside a clinic or a hospital. He welcomed discussing this more with Dr. Li and it is an area of interest broadly.</p> <p>Board Member Contreras asked about AI use to help with pre-authorization, as we heard in a public comment earlier. Dr. Khan responded there are several initiatives. An organization called Health Level Seven (HL7) has initiatives trying to automate the prior authorization process. We have so much data among provider organizations federal and private organizations to help automate the process. Some of the products and solutions are achieving it. He offered to speak with her offline about initiatives in this area. It is very doable and is being done. It may not be catching enough headlines and it will be a huge lift within communities.</p> <p>Mr. Baackes commented that he is concerned about whether regulations would allow use of this technology. For example, health plans were compromised for years, because Medicaid would not allow virtual doctor visits. It was waived during the public health emergency and to everyone's delight it worked, whereas before there was a lot of hand wringing about fraud, waste and abuse that held it up for years. He asked Dr. Khan to comment on how the regulatory structure in which health care operates to align with the advances in technology. Dr. Khan responded that ultimately remains the trick to all of this. How will the technology advances be allowed and what will the reimbursement levels be? What are the financial incentives for allowing that to happen? There are many entities well-interested in keeping things as they are; the status quo is a really hard thing to overcome. He is optimistic that the more that we push out there and show what is possible, the more can be accomplished. There is a new generation of folks coming into technology who feel very mission-oriented about what they can do in healthcare. He has seen tools that work really well and catch people's imagination. And I think the more we can show that we're actually saving money on this, and that money can be redirected to help the patient population other ways. I think that is really how we get at it. He does not have a solution right now or to have the federal government require it. With the work of HL7 and Davinci, which has been a great project with partial federal funding to help with pre-authorization, we may be heading toward automation and seeing the benefit being manifest.</p> <p>Chairperson Ballesteros commented that there are many who have sporadic access to care; and see a doctor only when they are sick. He asked if the technology would benefit those patients as much as those who are more connected to their providers, or would they continue to be left</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>behind. Dr. Khan responded that even he and his family do not think about health care until they need to. Those who may not be visiting providers often may not have the ability to download an application to track glucose levels. He suggested that the more the administrative overhead can be reduced that clinicians, social workers, case managers currently deal with, there may be more time for them to engage with patients who may be missed in the current system. This technology will let workers do the work for which they trained and signed up. They could then be free to go meet people where they are instead of looking for a solution for the individuals who never connected before.</p> <p>Andrea Flores, <i>Executive Advisor Information Technology Strategy</i>, asked if Dr. Khan was aware of any health plans that are leading the way with use of AI, and if he has any advice to L.A. Care in exploring this more so it is implemented wisely. Dr. Khan responded that some of it relates to the documents that are faxed or scanned. There are many organizations which are now trying to automate a process to scan the documents or data, bring it into a system with other pieces of data, make it digital, or make it searchable, which was previously unheard of. There is a tremendous amount of potential in alleviating the burden of back room processes.</p> <p>Board Member Booth noted that health plans have been dealing with interoperability as long as there have been computers. She asked if there is a group that thinks about all the potentially negative things and where responsibility might rest for negative outcomes. Dr. Khan responded that on a few levels, and definitely within his private company, there is a group of clinicians who coordinate around that. He actively participates in the American Medical Informatics Association, which is an organization of inter-disciplinary individuals from a variety of backgrounds. He recommended looking into those activities.</p> <p>Chairperson Ballesteros thanked Dr. Kahn for his presentation and for addressing the questions.</p> <p>Mr. Baackes also thanked Dr. Khan for the presentation and discussion.</p>	
<p>L.A. Care and Community Investments</p>	<p>PUBLIC COMMENT</p> <p><i>Andria McFerson is a Regional Community Advisory Committee member, and she wants to advise the Board on what should be funded that would better community involvement and better care for the members. She sees a need for peer on peer funding for RCACs and all types of programs having to do with the community, to have peer on peer on peer communication, better communication. Because people now are reluctant to go to the doctor because they see the doctor for 15 minutes, they're rushed through the whole process. They are undiagnosed, under diagnosed, prediagnosed, it's uneventful. We need better preventative care. We need better care of major illnesses. Having events with that eye to eye, peer on peer, diverse member that can give you information that is, of course, approved in credible ways by L.A. Care, giving them information on how to better their</i></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><i>circumstances. Better plausible ways to eat healthy on a regular basis. Things that would better their health, like going to the doctor. Encouraging them to make sure they follow through with all the things that would make their health better. Community investment funding would fund the RCACs and other groups that would go to events, speak eye to eye to people so that they could feel more comfortable, and let them know that there are solutions. This is how we do it. People are more open to those type of things, that type of inter-communication. The funding would be great for them as well. She doesn't know how that relates to L.A. Care and community investments, but investing in people's lives would be great with better peer on peer communication.</i></p> <p>Mr. Baackes presented information about L.A. Care's Community Investments (<i>a copy of his presentation can be obtained by contacting Board Services</i>). He reported that beginning in January 1, 2024, all managed care health plans participating in Medi-Cal will be required to invest a certain amount of operating income into the community.</p> <p>New State Contract will require Community Investments by Managed Care Organizations (MCOs) starting January 1, 2024</p> <ul style="list-style-type: none"> • Contractor must demonstrate a commitment to the local communities in which it operates through community reinvestment activities. • The percentage of Contractor's annual net income required to be contributed must be: <ul style="list-style-type: none"> ○ 5% of the portion of Contractor's annual net income that is less than or equal to 7.5% of Contract Revenues for the year; and ○ 7.5% of the portion of Contractor's annual net income that is greater than 7.5% of Contract Revenues for the year. <p>Mr. Baackes introduced Jeff Ingram, <i>Deputy Chief Financial Officer</i>. Mr. Ingram described the process for applying the language to L.A. Care's revenue and net income. He noted that the rates are set with a target of 2 percent net income so it is unlikely that the second bullet above will be applied.</p> <p>Board Member Booth asked how it would apply if the California Department of Health Care Services implemented retroactive negative adjustments. Mr. Ingram explained that the above is applied on a calendar year so there would be a retroactive adjustment to the fiscal year net income.</p> <p>Mr. Baackes continued his report on L.A. Care's history of community investments. He used 2015 as the example. He joined L.A. Care in 2015, and there was a decision that year to increase the funding for community investments from \$5 million to \$10 million. Other programs were started in 2015.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN																																																																		
	<p>Since 2015 L.A. Care has exceeded the new state contract requirements</p> <ul style="list-style-type: none"> • L.A. Care total Community Investments from 2015 to date are \$249.7 million • This represents a total investment of 21.2% of L.A. Care’s Medi-Cal annual net income, excluding non-operating income • The DHCS Medi-Cal reimbursement assumes roughly a 2% net income on Medi-Cal revenue <p>The chart below shows the year-to-year calculation.</p> <p><u>Annual Community Investment 2015 – 2023 (Estimated) (in thousands)</u></p> <table border="1" data-bbox="443 493 1629 802"> <thead> <tr> <th></th> <th>FY 2015</th> <th>FY 2016</th> <th>FY 2017</th> <th>FY 2018</th> <th>FY 2019</th> <th>FY 2020</th> <th>FY 2021</th> <th>FY 2022</th> <th>FY 2023 Est</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>\$ 5,990,408</td> <td>\$ 7,669,796</td> <td>\$ 8,503,369</td> <td>\$ 7,403,085</td> <td>\$ 7,344,078</td> <td>\$ 7,722,477</td> <td>\$ 8,522,060</td> <td>\$ 8,326,410</td> <td>\$ 10,202,155</td> <td>\$ 71,683,838</td> </tr> <tr> <td>Expense (w/Admin)</td> <td>\$ 5,676,261</td> <td>\$ 7,577,141</td> <td>\$ 8,307,167</td> <td>\$ 7,291,487</td> <td>\$ 7,140,781</td> <td>\$ 7,853,927</td> <td>\$ 8,418,476</td> <td>\$ 8,314,217</td> <td>\$ 9,928,060</td> <td>\$ 70,507,517</td> </tr> <tr> <td>(Loss) Income from Operations</td> <td>\$ 314,147</td> <td>\$ 92,655</td> <td>\$ 196,201</td> <td>\$ 111,597</td> <td>\$ 203,297</td> <td>\$ (131,450)</td> <td>\$ 103,585</td> <td>\$ 12,193</td> <td>\$ 274,095</td> <td>\$ 1,176,321</td> </tr> <tr> <td>Community Spending</td> <td>\$ 5,815</td> <td>\$ 7,606</td> <td>\$ 15,394</td> <td>\$ 18,981</td> <td>\$ 24,581</td> <td>\$ 45,309</td> <td>\$ 44,781</td> <td>\$ 45,433</td> <td>\$ 41,786</td> <td>\$ 249,686</td> </tr> <tr> <td>% of Medi-Cal Operating Margin</td> <td>1.9%</td> <td>8.2%</td> <td>7.8%</td> <td>17.0%</td> <td>12.1%</td> <td></td> <td>43.2%</td> <td>372.6%</td> <td>15.2%</td> <td>21.2%</td> </tr> </tbody> </table> <p>Since 2015, there has been \$71.6 billion in revenue and expenses of \$70.5 billion, resulting in \$1.176 billion in income from operations (1.6% margin). In FY 2020, during the pandemic, L.A. Care reported a loss of \$131 million. During this period, L.A. Care invested nearly \$250 million into the community, or 21.2% of operating income.</p> <p>Mr. Baackes reviewed the programs funded with the community investments.</p>		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023 Est	Total	Revenue	\$ 5,990,408	\$ 7,669,796	\$ 8,503,369	\$ 7,403,085	\$ 7,344,078	\$ 7,722,477	\$ 8,522,060	\$ 8,326,410	\$ 10,202,155	\$ 71,683,838	Expense (w/Admin)	\$ 5,676,261	\$ 7,577,141	\$ 8,307,167	\$ 7,291,487	\$ 7,140,781	\$ 7,853,927	\$ 8,418,476	\$ 8,314,217	\$ 9,928,060	\$ 70,507,517	(Loss) Income from Operations	\$ 314,147	\$ 92,655	\$ 196,201	\$ 111,597	\$ 203,297	\$ (131,450)	\$ 103,585	\$ 12,193	\$ 274,095	\$ 1,176,321	Community Spending	\$ 5,815	\$ 7,606	\$ 15,394	\$ 18,981	\$ 24,581	\$ 45,309	\$ 44,781	\$ 45,433	\$ 41,786	\$ 249,686	% of Medi-Cal Operating Margin	1.9%	8.2%	7.8%	17.0%	12.1%		43.2%	372.6%	15.2%	21.2%	
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Community Investment by Category



He noted that the Community Health Investment Fund (CHIF) is budgeted at \$10 million per year, but individual grants may be allocated in succeeding years. The Elevating the Safety Net fund began in 2018, and funds a variety of programs for workforce development including scholarships for medical school, grants to bring new primary care doctors to Los Angeles County, training home health workers and providing relief for doctors with medical school tuition debt.

Since 2015, L.A. Care has given out 494 grants. Many of the grants are small, but are very important to the agencies that receive the funding. He reviewed some examples of the programs L.A. Care has funded since 2015.

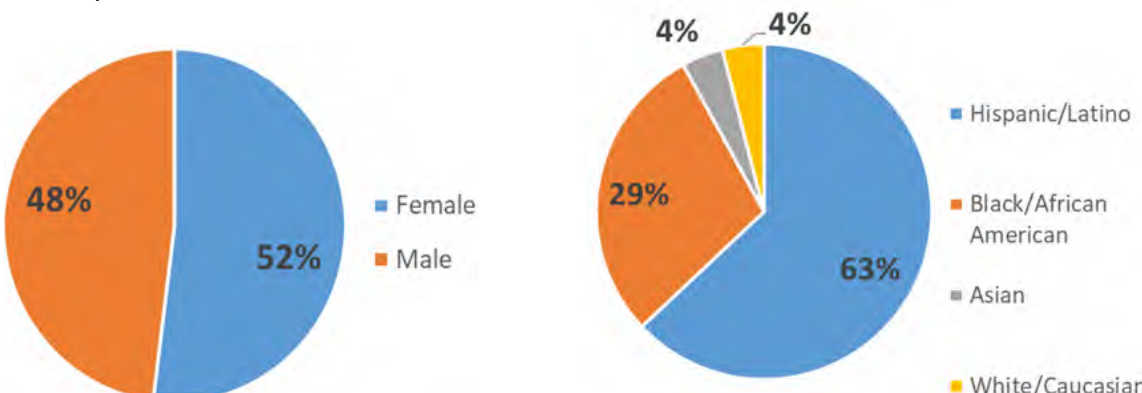
Community Health Investment Fund (CHIF) by Project Purpose 2015-2023

Nearly \$80 million to enhance health and social care for under-resourced communities
Reducing Disparities, \$18,697,500.



Oral Health Initiative IX

- New dental suite for Kheir Clinic
- Increased oral health visits by 564 patients
- Threshold languages of English, Korean, Spanish, and Bengali; improved discussion and collaboration between patient/provider

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Since it began, the OHI has fully funded 21 dental suites in Federally Qualified Health Centers (FQHCs) and partial funding was provided for 29 dental suites.</p> <p>Generating African American Infant and Nurturers Survival (GAAINS) I</p> <ul style="list-style-type: none"> • Frontline Doulas provided 50 Black pregnant and/or postpartum families with a personalized Frontline Doula Hotline telehealth session • Awarded 40 Frontline Doula stipends to Black birth doulas and Black postpartum doulas to enhance their ability to serve pregnant and postpartum families in high need <p><u>Food Security - \$7,517,650</u></p> <p>Project Angel Food (2021) - 15,000 medically tailored meals delivered to L.A. Care members experiencing serious complications from COVID-19.</p> <p>Medically tailored meals became covered as a Medi-Cal benefit in 2022 as part of CalAIM. L.A. Care was funding this program before 2022 from it's financial reserves.</p> <p>California Association of Food Banks provided CalFresh outreach and enrollment assistance for more than 5,000 eligible households, reaching approximately 17,000 people through nine different Los Angeles County nonprofit organizations.</p> <p><u>Housing Resources - \$23,485,000</u></p> <p>Brilliant Corners \$20 million Investment – Housing for Health. Housed 332 people, made 8,100 monthly rental payments. More than 90% maintained housing for over a year. Approximately 74% were L.A. Care members.</p> <p>Housing Stability I - Inner City Law Center represented tenants and provided legal counsel and advice for eviction issues to 72 individuals or families with income up to 300% federal poverty level, to resolve issues through pre-litigation and litigation services.</p> <p><u>Disease Management - \$9,925,000</u></p> <p>Equity & Resilience Los Angeles Alliance for a New Economy conducted COVID-19 vaccination education to 1,000 hard to reach indigenous migrant communities in Los Angeles County.</p> <p>Children's Hospital Implemented an early identification and intervention pilot project focused on increasing validated developmental screenings for children.</p> <p><u>Clinic Infrastructure - \$19,230,000</u></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Valley Community Healthcare Hired two new clinicians to handle an increase in new patients. At least 5,300 new patients were provided direct patient health care services, with approximately 80% served through telehealth services.</p> <p><u>Robert E. Tranquada, MD Safety Net Initiative (XIII)</u> JWCH Institute helped address shortages of non-licensed frontline workers at community clinics and health centers by establishing retention bonus eligibility criteria and provided 116 staff with retention bonuses and/or incentives.</p> <p>Mr. Baackes reported that the Board of Governors approved the Elevating the Safety Net programs in 2017. The Board set aside 5% of L.A. Care’s unassigned financial reserve for five years, creating a \$155 million fund. The Board has since approved programs for another five years. He reviewed how those funds were used for community investments:</p> <p><u>Medical School Scholarships - \$17,631,190</u> 48 medical schools scholarships (ESN Scholars) since 2018, at UCLA and Charles R. Drew University (CDU).</p> <p>The goal of this program was to build a pipeline of doctors for the safety net in Los Angeles County who are culturally aligned with the communities they serve. The charts below show the diversity of those 48 students.</p>  <p><u>Provider Recruitment Grants - \$20,605,000</u></p> <ul style="list-style-type: none"> • 152 new primary care physicians in practice <ul style="list-style-type: none"> ○ 5 in Antelope Valley ○ 36 in South Los Angeles ○ 111 in rest of County 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><u>Provider Loan Repayment - \$29,952,465</u> 173 physicians awarded since 2018</p> <p><u>Residency Support Program - \$12,872,725</u> 44 unique residents and 4.0 FTE faculty combined at AltaMed, CDU, UCLA, White Memorial and CHLA</p> <p><u>CHW Training Program - \$670,582</u> 54 CHWs trained and employed by primary care sites</p> <p><u>Health Careers Internship Program - \$800,000</u> Supported 96 students with internship experience in safety net settings</p> <p><u>Keck Graduate Institute at Claremont College Master of Science in Community Medicine, \$5,000,000</u> One-time grant to fund the start-up of the graduate program and offer 45 full-tuition scholarships.</p> <p><u>Charles R. Drew New Medical Education Program</u> One-time grant to fund the start-up of the program. This program was recently granted accreditation status as a medical school and welcomed 60 medical students into the first class.</p> <p><u>National Medical Fellowship Program - \$450,000</u> Supported 21 fellows (MD, RN and PA) in safety net settings</p> <p><u>Caregiver Training - \$16,755,526</u></p> <ul style="list-style-type: none"> • Multi-year contract with Center for Caregiver Advancement • Affiliated with SEIU Local • Over 6,000 caregivers trained • 900 caregivers trained each year <p>L.A. Care has done a tremendous amount for caregiver training. The In-Home Supportive Services (IHSS) program allows Medi-Cal members with deficiencies in activities for daily living to select a personal caregiver, most of whom are family members with no training. To date, L.A. Care has trained 6,000 caregivers, and has contracted to train 900 per year.</p> <p>Mr. Baackes noted that L.A. Care asked the medical schools to select ESN Scholars the scholarship winners who are the most likely to return and serve the community they came from after residency.</p> <p>In 2015, L.A. Care operated four Family Resource Centers. By the end of 2023, there will be 14 centers, some are called Community Resource Centers and are operated in partnership with</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Blue Shield. He acknowledged Board Member Perez’ commitment to visiting each center and volunteering for the many community events held at the centers across Los Angeles County. The centers are focused around health education for the community to invest in improving the health status of the community at large, and centers are open to everyone with no charge. L.A. Care continues to expand services at the centers, and now hosts social service agency staff as a convenience for members. There are also technology bars, to help people access high speed internet. We have hired trained enrollers to help members during the redetermination process.</p> <p><u>Community Resource Centers, \$61.1 million</u></p>  <p>Services include:</p> 	

Mr. Baackes reviewed the June 2023 Balance Sheet information.

	<u>Jun-23</u>
TOTAL ASSETS	\$5,928,393
TOTAL LIABILITIES	\$4,491,073
FUND EQUITY	
Invested in Capital Assets, net of related debt	\$102,476
Restricted Equity	\$600
Minimum Tangible Net Equity	\$234,133
Board Designated Funds	\$98,903
Unrestricted Net Assets	\$1,001,207
TOTAL FUND EQUITY	\$1,437,319
TOTAL LIABILITIES AND FUND EQUITY	\$5,928,393
SOLVENCY RATIOS	
Working Capital Ratio	1.28
Cash to Claims Ratio	0.68
Tangible Net Equity Ratio	6.14

(Dollars in thousands)

With assets of \$5.9 billion and liabilities of \$4.5 billion, L.A. Care has a total fund equity of \$1.4 billion. There is a minimum tangible net equity (TNE) financial reserve requirement as a Knox-Keene licensee. It is important that L.A. Care have sufficient financial reserves to continue operating in case there is a breakdown in the flow of revenue from Medi-Cal, or, as happened in 2020 in the midst of the pandemic, a retroactive negative adjustment to the revenue L.A. Care receives. Despite the retroactive adjustment, L.A. Care had sufficient reserves to continue paying the providers at regular rates, advanced funds to providers and hospitals to ensure they could continue their services. There are some funds designated for community investments.

Mr. Baackes proposed adding \$50 million from unassigned financial reserves to the Board Designated Fund for workforce development, to assure continuity of funding through the five-year expansion commitment approved by the Board a year ago and provide flexibility for addressing other safety net workforce needs that may arise in the interim. As the community emerges from the pandemic, the safety net providers are under significant financial strain, with added pressure from inflation and inadequate Medi-Cal reimbursement. Mr. Baackes is proud to say that L.A. Care has invested nearly a quarter of a billion dollars into the Los Angeles community.

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Board Member Ghaly asked if the \$50 million to be designated for workforce development is intended to satisfy the new community investment requirement with a focus on workforce development and if L.A. Care would continue to fund other types of community investments.</p> <p>Mr. Baackes responded that L.A. Care has spent approximately \$109 million of the original approved amount of \$155 million, and that should be sufficient to meet the future commitments for the workforce development program. He is suggesting setting funds aside for additional programming, not just workforce development, because there are community needs all around in which L.A. Care could expand its investments. He proposes setting funds aside for community investments, not just in workforce development.</p> <p>Board Member Ghaly followed up asking about potential areas for community investment. Mr. Baackes responded that he proposes to designate the funds for community investment and allow flexibility in what areas in which to invest. Any funds from the current workforce designated or from the community resource center designated funds, will count toward the state requirement. L.A. Care is already investing more than 21% per year when the requirement is only 5%.</p> <p>Board members applauded Mr. Baackes' proposal and thanked him for his contributions to the development of the community investment opportunities.</p> <p>Chairperson Ballesteros noted that L.A. Care has invested almost a quarter billion dollars over the past 8.5 years. That is quite an investment unmatched by any other organization.</p> <p>Board Member Roybal noted that other health plans, even commercial health plans will be required to also make the community investment and it may publicly reveal their operating profit margin. Mr. Baackes noted that it will be revealed publicly, but after a year or two.</p>	
<p>APPROVE CONSENT AGENDA ITEMS</p>	<p>PUBLIC COMMENT</p> <p><i>Elizabeth Cooper thanked the Board, the Chair, and the CEO for his presentation today. Her concern is about families of the developmentally challenged like her son. She doesn't know whether they're ignored and not put in anything. She would like the board to consider some funding for families who care for the developmentally disabled, who represent them. To give them some support. Maybe some of the fund can go out for counseling help, any need they have. The members of the dually eligible community seem to be ignored when it comes to the developmentally disabled. Mr. Baackes has done an outstanding job for community outreach and funding. She would like to see support for the developmentally disabled, like her son, Jonathan, who is a consumer member. We live in a democracy, but a republic form of government. She would like to see something, all of these programs will be lost if you do not encourage the members to vote. I would like to see some money is spent having a nonpartisan teaching us how to vote, when to vote, and who are we going to</i></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><i>vote for our representatives. She's been a voter since she was a teenager, and she realized all of these programs are dependent upon public support. The RCAC members are kind of uninformed, maybe some of them. Not concerned or maybe not aware how these programs exist. It does not exist for the members just for new board, because some of the language I have to get a dictionary. She feels that money should be extended to having a vote for the rack members and for the community about voting. Not in a partisan way, but in a non partisan, because this is a very critical year. And those are the something, please chair person. Please members, please encourage the members. What about doing something for the developmentally disabled members of the RCAC. They need some support too, and the families need support, and funding, in some kind of project. And finding staff, there are a lot of fantastic staff. Some of them she might not agree with, but find the staff for someone, because they cannot participate in another group. So those are some of the things she respectfully requests.</i></p> <p><i>Andria McFerson is not sure her comment is relevant to item 7. Board Motion BOG 100.0923 consisted of a change to public input. She is not sure whether that is relevant to this item. On page 80, which states that RCACs are no longer participating. There is a TAC, and they are only four times a year. Is the Brown Act implemented in that so that they can make plausible decisions amongst each other to then advise the Board. That is not given. They were told to fill out an application when they went to the listening sessions. Again, the Board asked that they have actual RCAC meetings participating in the Brown Act, Robert's Rules of Order. So that they can then decide together on any changes having to do with the stakeholders, the public, during the RCAC meetings. But they were never given that opportunity. They were given listening sessions and had to fill out an application in order to stay a RCAC member, which then also may have given you the idea that they all agreed with the changes, having to do with the RCACs. And it was stated that the state was saying all kinds of different things about changes having to do with stakeholders and the committees and she raised her hand and she asked, is it a mandate that the state is telling them to change these things. They said it's a recommendation. Well, she recommends that they keep the RCACs, keep the Brown Act, keep Robert's Rules of Order. Allow them to honor the enabling legislation so that they can give plausible information to help save lives like how they've been doing. There are people who are not able to communicate. She was at a doctor's visit yesterday. They said that the network is not working well, and it takes weeks in order to change a PCP. It takes 45 minutes for Customer service. There's a lot of different things that they can change, but they just need a voice. With that voice, that's the RCACs. And that's what they have been doing for 25 years. So please, do not take that away from them. Make sure that they all have a comment from a disabled perspective, from a low income perspective, from a senior perspective, from anything, having to do with parents with children, all these things are necessary in order to make these changes. Focus groups is focusing on what the staff gives us to speak about and not about a general</i></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><i>conversation, coming up with a consensus and all agreeing together what works and giving it to the board so that you guys can make plausible million dollar decisions to help us.</i></p> <p>Mr. Baackes commented that the reference in her public comment was to the schedule for meetings of the Board and its committees. The RCACs are not Board Committees. ECAC is a Board Committee and those meetings are on the schedule. There is a proposal in discussion and a motion will need to be voted on by ECAC in order to be considered. No decision has been made yet. If ECAC does not approve a motion it won't happen.</p> <p><i>Deaka McClain thanked her colleagues. She is the ECAC Member at Large for Seniors and People with Disabilities. She thanked Mr. Baackes for the community work he is doing and the money that is being used. However as she was paying attention she didn't see anything pertaining to disabilities, as Ms. Cooper was saying. For example, when you're talking about Medi-Cal and giving the doctor's money, she really hopes that you could extend the money that you give to them because my point is many people with disabilities, or don't have disabilities, that have Medi-Cal, the issue is, they cannot find doctors willing to take Medi-Cal. So if they're not taking Medi-Cal and that's all they have, they're not getting the proper access to medical care because doctors are refusing to take that Medi-Cal. That is not our fault. When it comes to durable equipment, they have people with disabilities that have to rely on wheelchairs or any other kind of durable equipment and there are certain things that Medicare or Medi-Cal will not pay for. For example, they'll pay for the durable equipment wheelchairs that are big and bulky that are electric. But they won't pay for the smaller motorized chairs that are more lightweight. They look at that as recreational chairs. What does that mean? It's still a chair that is needed to be used, so if L.A. Care can help advocate on that item more, help advocate to make sure that there's more providers that accept Medi-Cal, and to make sure that those doctors are accepting Medi-Cal patients and that they get the money they need. She remembers they went to Sacramento and advocated that was the issue, they don't get paid enough, or they don't get paid on time. So it causes them not to want to serve people that have Medi-Cal and our disabilities.</i></p> <p>Mr. Baackes stated that he hears her comments. L.A. Care is well aware that doctors will not accept or participate in Medi-Cal because of the reimbursement level. L.A. Care members rely heavily on Federally Qualified Health Centers and the Los Angeles County Department of Health Services, who do accept Medi-Cal. Those two organizations provide access for 36% of L.A. Care members. Community-based physicians who rely solely on Medi-Cal reimbursement care for the other 64%. The Los Angeles County Safety Net Coalition, which became the California Safety Net Coalition (CSNC), was organized to address the inadequacy of Medi-Cal reimbursement to providers. The CSNC work resulted in a new tax that will generate \$11 billion in additional funding for Medi-Cal over the next three years. The whole idea is to offer</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>higher reimbursement to attract doctors to participate in Medi-Cal. L.A. Care is working on it and he hears her about the additional focus on disability. LA Care certainly will look at that.</p> <ul style="list-style-type: none"> • July 27, 2023 Board of Governors Meeting Minutes • 2024 Board and Committee Meeting Schedule <u>Motion BOG 100.0923*</u> To approve the attached 2024 Board of Governors & Committees meeting schedule. • Appoint Felix Aguilar-Hernandez, MD, Medical Director, Quality, Health Services, as member of the Children’s Health Consultant Advisory Committee <u>Motion BOG 101.0923*</u> To appoint Felix Aguilar-Henriquez, MD, Medical Director, Quality, Health Services, as member of the Children’s Health Consultant Advisory Committee (CHCAC), for the Medical Director for Quality Management of L.A. Care Health Plan seat. • Delegation of authority to L.A. Care Chief Executive Officer, John Baackes, to negotiate and make any substantive changes to Amendment A40 to Contract 04-36069, between L.A. Care Health Plan and the California Department of Health Care Services <u>Motion EXE 100.0923*</u> To delegate authority to L.A. Care Chief Executive Officer, John Baackes, to negotiate and make any substantive changes to Amendment A40 to Contract 04-36069, between L.A. Care Health Plan and the California Department of Health Care Services, which may be made or negotiated by the Chief Executive Officer and/or his designees, and to execute Amendment A40. • Housing & Homelessness Incentive Program Investment agreement with the Los Angeles County Department of Public Health <u>Motion EXE 101.0923*</u> To authorize staff to execute an HHIP investment agreement in the amount of up to \$2,500,000 with the Los Angeles County Department of Public Health to perform field-based clinical services, Medi-Cal enrollment work and environmental assessments of homeless encampments for a twenty four month period. • Quarterly Investment Report (FIN 100) <u>Motion FIN 100.0923*</u> To accept the Quarterly Investment Report for the quarter ending June 30, 2023, as submitted. 	

	<ul style="list-style-type: none"> • Consolidated Allocation of Funds for Non-Travel Meals and Catering & Other Expenses <u>Motion FIN 101.0923*</u> To approve the allocation of funds to support L.A. Care’s Projects with Non-Travel Meals and Catering and Other Expenses exceeding \$10,000 in the total amount of \$575,344 for FY 2023-2024. • ixLayer, Inc. Contract to provide at-home test kits to members for diabetes A1c tests, colorectal cancer screenings and kidney health evaluations <u>Motion FIN 102.0923*</u> To authorize staff to execute a contract in the amount of \$5,400,000 with ixLayer, Inc. to provide at-home test kits for the period of September 15, 2023 to September 15, 2026. • Collective Medical Technologies Contract to provide Care & Utilization Optimization (Acute Care), Member Activity Visibility (Acute & SNF Encounters) and Post-Acute Care Management, Enhanced Care Management (ECM) with PAC Management <u>Motion FIN 103.0923*</u> To authorize staff to execute a contract with Collective Medical Technologies in the amount of \$1,700,032 annually for the period of September 30, 2023 to September 30, 2026, for a total of \$5,100,096 over the 3 year period. • Provider Relations Advisory Committee Members <u>Motion PRC 100.0923*</u> To approve the attached Membership of the Provider Relations Advisory Committee. • Provider Relations Advisory Committee Charter (PRC 101) <u>Motion PRC 101.0923*</u> To approve the attached Charter of the Provider Relations Advisory Committee. <p>Board Member Booth noted that Motion EXE 100 will delegate authority to execute a contract Amendment that is another example of new specifications that L.A. Care is required to implement without any funding from California Department of Health Care Services (DHCS). It may be that DHCS does not understand how medical care works, how health plans function or how care is given. L.A. Care has to sign this contract to continue its work with members. She is pointing this out as another example where the health plan is told to do things that may be important, but how will it do this? For example, patients with asthma will be required have a special visit, but not everybody with asthma will need the services a health plan is required to provide.</p> <p>Noah Paley, <i>Chief of Staff</i>, commented that he informed the Executive Committee that L.A. Care is prepared to comply with the sub-network certification requirement. L.A. Care has established</p>	<p>EXE 100 was removed from the Consent Agenda for discussion.</p> <p>The Consent Agenda was unanimously approved by roll call. 11 AYES (Ballesteros, Booth, Contreras, Ghaly, Gonzalez, Greene, Perez, Roybal, Shapiro, Solis, and Vaccaro) <i>Board Member Green experienced technical difficulty</i></p> <p>MOTION EXE 100.0923 was Unanimously approved by roll call. 11 AYES (Ballesteros, Booth, Contreras, Ghaly, Gonzalez, Greene, Perez, Roybal, Shapiro, Solis, and Vaccaro) <i>Board Member Green experienced technical difficulty</i></p>
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AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>an intensive process for ensuring compliance that will be automated and optimized in the target state initiative approved by this Board at a prior meeting.</p> <p>Dr. Amin noted that he will include remarks on L.A. Care’s work with DHCS during his Chief Medical Officer report.</p>	
<p>CHAIRPERSON’S REPORT</p>	<p>PUBLIC COMMENT</p> <p><i>Elizabeth Cooper commented that she tries to comply with the board rules, but when one gets here, the agenda is very complicated. She is a lay person. For the two board representatives Hilda Perez, consumer, representative and Layla Gonzalez, please take notice and have some sympathy for that. She would like the Chairperson to know she respects the Board and she is trying to comply but she is concerned that it is very confusing. She asked to speak on item 7, which is closed, and she was always informed that the public can speak on a motion. She’s not trying to not obey the Board rules. She would like the Chairperson to please take notice that as the public and members of the public, and the consumer members, they do not know all the complications of being on the Board. She would like the Board to take notice that please take sensitivity of us who take our time to come here and listen. Also make an assessment for the staff to help us when it comes to understanding the agenda. Because she misses some important things, even on a motion. Chairperson, please take notice maybe as a consumer member we are not on the Board, but we have two representatives who are there to represent us consumer members. She hopes they please take notice of their role, and the new Chair takes note of that. She appreciates the Chairperson for his indulgence and she appreciates the members of the Board, but feels she’s being denied because she is a person who is interested and she was confused. She appreciates the Chairperson kindness and courtesy. Thank you.</i></p> <p>Chairperson Ballesteros responded that he will follow up on that.</p> <p><i>Andria McFerson asked the board how important is it for us to be able to tell major decision makers how we are affected by the health care field and what could better support us. They have very very necessary suggestions. She always says this but it’s very important that you guys know this for whoever hasn’t heard it, her RCAC came up with the resource guide, and that resource guide basically put things in perspective for people who need necessary things in order to change their lives, save their lives, housing, food, access to doctors. It was a lot of different suggestions that they made that you guys now have, empathy training, surveys, all of these different things we talked about, during the ECAC, and it was implemented. Housing, you know. She thinks that it is very important to give us the opportunity to speak on things like that. The health promoters are doing a great job with community work. She thanked the CEO for giving them the opportunity to actually go out to the community and do certain things in order to do better outreach to people just like us.</i></p>	

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	<p><i>The health promoter opportunity has given her a lot, as a disabled person whose doctor said couldn't work anymore because she kept having seizures. She's pretty sure you guys have seen that before. Because she's a hard worker the only thing she felt she had left was outreach to the community with the Health Promoter program. She appreciates that. She just wants to suggest that all the RCAC members have the opportunity as well, because a lot of different people appreciated food and information about the resource guides and different things like that, having to do with housing. They do all kinds of different things having to do with health care, giving people training on how to take their own blood pressure, colorectal cancer information, directly to the community. That's important. She thinks that was a great opportunity for the health promoters to give to the community. She would like for you guys to make the decision to continue that, and maybe broaden that perspective to many other topics that would positively affect the community.</i></p> <p>Chairperson Ballesteros stated that everybody here believes that input from consumers and those receiving services is critical. There will be follow up on collecting those opinions. He thanked her for her input.</p> <p>Chairperson Ballesteros announced it is his distinct pleasure to recognize the service of Board Member Hilda Perez. He noted that Ms. Perez has served on the Board and has served L.A. Care in more capacities than we can count. She contributes a lot of her time to the Board and to the Community. L.A. Care is grateful for her leadership, empathy and compassion. Since 2007, she has served as a volunteer, RCAC Chair, ECAC Chair and health promoter. She was elected as consumer member representative on the Board of Governors in 2012 and 2016. She was Chairperson of the Governance Committee, and a member of the 2014 ad hoc CEO selection committee. She was also a member of the Audit, Compliance & Quality, Executive Finance & Budget, Governance and Service Agreements committees. She has been an important contributor to and a voice for L.A. Care's consumer advisory committees. While sharing her extensive knowledge and experience she has significantly impacted the unique attention L.A. Care gives to its members voices. She has listened to the concerns of consumers and brought facts, innovations, proposals, projects and testimonies to the Board of Governors, which otherwise may have not been heard. Chair Ballesteros is proud to serve with Ms. Perez on the Board. When he first joined the Board, Ms. Perez was very kind and very helpful. It has been great to see her at many events, including the grand openings of the resource centers. She is always there, in fact, he has never been to an event that she did not attend. While her board term comes to an end, her service and her legacy will always be remembered along with her dedication to the members of L.A. Care and the communities that we serve.</p> <p>Mr. Baackes remembered that he met Ms. Perez at his interview with the board selection committee. She and Dr. Li were on the selection committee. Those are intimidating meetings.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>He flew in from Philadelphia and went right to the meeting and they were assembled around the table. Each board member asked one question and when there were no further questions, he thought his potential was not good. He walked around the table as he left, shook everyone's hand and thanked them, and Ms. Perez stood up and gave him a hug. He thought that was either a good sign or she was giving him a hug because she felt sorry that he flew all the way across the country for nothing. But it's worked out beautifully and he agrees that she will be remembered. He knows he will continue to see her and she will be a RCAC member, a health promoter, and a volunteer at many events.</p> <p>Ms. Perez was presented with a resolution commemorating her many achievements as a Board Member.</p> <p>Board Member and Los Angeles County Supervisor Hilda Solis commended Ms. Perez for the extensive work and years of service that she provided not just to the health plan but also to the Board of Governors. Board Member Solis recounted that every time that she has been in a meeting with Ms. Perez, she has been outspoken and focused. She continually advocates for the needs of the plan members, and she remains steadfast. Board Member Solis thanked her for her dedication, especially because she knows how close she is to the issues of the day, and how important it is to continue to support promotoras, healthcare workers and health promoters in helping to break down the barriers for our communities in a culturally competent manner. This is a time for Ms. Perez to be uplifted and we recognize her today because she has helped reach many of residents that we otherwise probably could not have reached.</p> <p>Ms. Perez was presented with a commemorative scroll from the Los Angeles County Board of Supervisors recognizing her for her service to L.A. Care and the community.</p> <p>Ms. Perez commented that after 11 years of service she wants to tell everyone how grateful she is for the opportunity to serve and to represent the members, some of whom she sees in the room today. The members elected her, believed in her, and thought she was a worthy representative of their voices. A good leader listens, and more than being a voice, encourages others to recognize that they have their own voice and ideas, and all of them are valuable. Her job as a board member was always to make sure that every single one of the people in this room, and the board members that make decisions, see the community members and the L.A. Care members as people with value and people that bring stuff to the table, so that we all win and that we get healthcare services that we deserve. During the time that she's served there were two different CEO's: Howard Kahn and John Baackes. She had the pleasure and honor to be part of the of the search committee for the new CEO. Robert Tranquada, MD, may he rest in peace, was also part of the committee. It's hard to imagine that an immigrant from Mexico that did not finish college was going to be here making decisions for people like her. That is so</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>huge that she does not even think about her name or her legacy. The actions are what takes place in the community when you see someone taking advantage of the services that L.A. Care provides, someone getting a mammogram, or you see the recognition for a health promoter. Health promoters have a line of trust with the community that the health promoter can help them and see things from the community’s perspective. When she first got to the board, she remembers that every single person here was so well educated and was working in public health every day, and she did not know that much. But then she remembered that everyone brings one small grain of rice to the pot, each in their particular way. She recognizes that all of us do more together. She recognized people she served with on the Board:</p> <ul style="list-style-type: none"> • Chairpersons: Walter Zelman, Tom Horowitz, MD, Mark Gamble, Louise McCarthy, Hector De La Torre, Al Ballesteros • Los Angeles County Supervisors: Michael Antonovich, Mark Ridley-Thomas, Holly Mitchell, Hilda Solis • Former Directors of the Department of Public and Social Services: Sheryl Spiller and Antonia Jimenez • Former Board Members: Ozzie Lopez, Michael Rembis, Robert Curry <p>She recognized L.A. Care staff in Board Services, Information Technology, Dr. Auleria Eakins and the CO&E staff, and thanked them for everything they have done. Her intention is that all can grow together.</p> <p>She thanked Board Members for their patience. She could have done more and better if she had the time to do it. Her children could not be with her today. They are no longer children they are young adults and they work. She is working so they can go to college and pursue a career. She has an autistic son and she understands how a disabled person sees the world. She would like them to be seen as valuable and as independent individuals that bring heart and value to what we do here. She imagined this day so many different ways. She wanted to make it special. She imperfect but is always willing to collaborate in every way. She thanked everyone.</p> <p>Board Member Booth commented that Ms. Perez always provided really good information and has done an excellent job of representing the consumers. She is a great source of ideas and she thinks outside the box. Ms. Perez has been inspirational to her in many ways that she probably does not even know about. She has worked hard for this group and she has been on the committees and chaired committees. She never forgets to thank people. She goes to all the public facing events, which is very, very helpful for L.A. Care. Board Member Booth thinks one of Ms. Perez’ greatest strengths is that she knows people, and she knows them well. That is something she could not have learned at college. She watched Ms. Perez speak, and we may not have noticed that she did not use the paper in her hand, she spoke from her heart. She always</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>speaks from her heart, and Board Member Booth finds that to be a quality that she would like more people to enjoy and, one that she would like to remember how that is and try to be more like Ms. Perez. She thanked Ms. Perez.</p> <p>Board Member Ghaly noted she has been on the Board with Ms. Perez for years. In her comments, Ms. Perez said she wondered what she would bring. She brought so much to the Board – compassion, an absolute love for patients and for members, and a desire for them to be served well by L.A. Care and by Medicaid in California. Board Member Ghaly is sure she speaks for all Board Members when she says that they have all learned from Ms. Perez. Learned how to advocate for what matters and how to raise good questions about what members are experiencing, and how to shape programs. She knows that Ms. Perez will look back on this time with a lot of joy and she hopes she will also look back knowing how much Ms. Perez brought to the group, and how much Ms. Perez brought to Board Member Ghaly, personally. She also brought a huge smile and when Mr. Baackes described that you gave him a hug, she was not surprised and she does not think any of them were surprised that she gave him a hug. Ms. Perez brings with her true love and joy, and a smile. That is contagious. It is important and people know that she values them and she listen to them. She seeks to understand where people are coming from. Board Member Ghaly will remember that. She thanked Ms. Perez for her years of service. Board Member Ghaly is personally thrilled to have known her in this capacity.</p> <p>Board Member Roybal thanked Ms. Perez for her years of service. He thanked her for noting what his son likes to call, his resting Robocop face. Board Member Roybal has learned so much from Ms. Perez, such as her dedication and generosity of spirit to not only board members but to the staff of L.A. Care, and especially to the members. He thinks the members are very special to her, and she really understands the issues that they have to deal with, because she has dealt with them herself. It really has helped them all get a great perspective on how important it is that L.A. Care does the kind of work that it does. He hopes that in the future he can have the generosity of spirit she has and he will continue to work towards living more like her in terms of perceiving and interacting with others in the world. Moving forward. he thinks they have all benefited from her generosity not only of spirit, but her time, her family's time and the dedication she has given to L.A. Care above and beyond what would normally just be required from a board member. She has really lived the L.A. Care dedication experience. He thanked Ms. Perez and he will miss her. She will occupy a warm place in all of their hearts.</p> <p>Board Member Nina Vaccaro commented that Ms. Perez embodies what it means to be a servant leader. She puts your heart and soul into everything she does and what she says. She walks the walk and talks the talk. Board Member Vaccaro really admires that about Ms. Perez. It is important that she has brought the voice as a parent to this space, and is someone who is</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>trusted by others. The love, the joy that Ms. Perez has, the caring she brings, is so evident. Board Member Vaccaro values that in everything that she has said, and the passion that she really brings, and she'd be remiss if she did not say that the next member representative to the board has really, really big, sparkly shoes to fill.</p> <p>Board Member Shapiro noted that Ms. Perez was talking about imperfection. Sometimes we are in that boat of pursuing perfection. The reality is that perfection is something that we can achieve only in our dreams. That imperfection that you saw at the beginning, bringing all your life experiences absolutely everything representing our community, that is what we need. That smile when we were in COVID-19 and we were doing things on WebEx and the computer, and breaking all the barriers to make sure that everybody was representing the voices were heard on those terrible moments that we were losing lives and our communities were suffering, and you were there. She reflects everything that the Board needs to be achieving. Being humble, attentive, and stepping up when something is not clear. Stepping up and giving ideas, not just pointing it out, but actually being positive and bringing solution. That will make a difference for us and our community. They will miss her, because there is interesting times coming upon us. He is sure that she will continue doing amazing things. He thanked her for her service.</p> <p>Chairperson Ballesteros thanked Ms. Perez for her service to L.A. Care and to her constituents, to Los Angeles County, the community, and to all the people who need L.A. Care.</p>	
CHIEF EXECUTIVE OFFICER REPORT	<p>PUBLIC COMMENT</p> <p><i>Andria McFerson commented that she gets emotional sometimes when she speaks about different things like this, because she can't do anything, but show love to the new BoG seat. She doesn't think Hilda (Perez) should go. They are allowed to voice their opinion. She doesn't think Hilda should go anywhere due to the fact that the last election they only had four days to participate. It was called on by a candidate that was running, they mediated, they did the welcome. As far as questions from the people who were actually voting, they weren't allowed to do a whole lot of communication. The tellers that counted the votes consisted of a representative who officially represented them, not just staff. The proper process to basically tabulate the votes and just different things like that. She thinks that it is important that they follow the rules and guidelines and respect the loss in itself. She doesn't want to sound confrontational, she wants to make sure that they carry out the process properly.</i></p> <p>Mr. Baackes reported on eligibility redeterminations for Medi-Cal beneficiaries.</p> <p>L.A. Care has received the results for the first three months of the process and DHCS has now added a website with statewide information with details of the information by county. It is very helpful to track and gauge the counties' progress with what is going on statewide.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>For the first three months about 40% of L.A. Care’s members had eligibility renewed through an automated ex parte process, which was is higher than expected, and that is good. Those people do not have to fill out the redetermination form, and they receive a letter telling them that it has automatically been determined that they are eligible for coverage for another year. Through three months of the process, almost 120,000 beneficiaries have had their Medi-Cal coverage placed “on hold” for 90 days, meaning the paperwork was not completely reviewed or was not submitted. The first cohort of 37,000 was placed on hold in July 2023, 20,000 were placed on hold in August, and 51,000 in September. After 90 days, which will be at the end of September, the first group of 37,000 will be renewed for another year or permanently dropped from Medi-Cal. Those who are still eligible but were dropped because their paperwork was not complete will need to start the paperwork again. L.A. Care has focused on helping the beneficiaries “on hold”; doing as much outreach as possible to make sure they are not left behind. Some of the people “on hold” may have moved.</p> <p>Some people were released from “on hold”; 1,900 in September, 2,500 in August and more than 1,000 in July. L.A. Care’s net decrease in Medi-Cal members during this period is 24,000.</p> <p>At the same time that the redetermination process is going on, newly eligible people are signing up. L.A. Care enrolled 38,000 new Medi-Cal members in July, 28,000 in August and 34,000 in September. New enrollment almost offsets the number lost or placed on hold. Actual Medi-Cal enrollment is ahead of the enrollment forecast through one quarter. Analysis will be conducted on the new enrollees over time to understand more about the new members. At this time L.A. Care is focused on analyzing the information about beneficiaries placed on hold and make every effort to reach out to them before expiration the 90-day hold period to help those who may still be eligible retain their benefits.</p> <p>The Los Angeles County Department of Public and Social Services (DPSS), led by Board Member Contreras, is also doing a lot of work to help Medi-Cal members retain their benefits. At the last Board meeting, a comment was made that the DPSS numbers do not match with L.A. Care’s, and it is important to remember that enrollment in Medi-Cal does not have to be done through DPSS. Mr. Baackes invited Board Member Contreras to comment.</p> <p>Board Member Contreras confirmed that the numbers do not always align among state, county and health plans. Enrollment through CalWORKs is an automated process. L.A. Care also serves Medi-Cal members participating in the Supplemental Security Income program. DPSS is gaining momentum in individuals returning the redetermination packets and the processing time is improving over time. In terms of the new enrollees, DPSS will release a new campaign to reach out to people between age 26 and 49 who are undocumented to let them know they will be eligible for full scope Medi-Cal on January 1, 2024. She also noted that eligible beneficiaries</p>	

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	<p>who lose Medi-Cal enrollment can reinstate their benefits during a 90-day cure period. DPSS is conducting outreach to its partners to make sure those beneficiaries who were dropped understand they can reinstate their benefits. It is complex to track the numbers. She pointed out that individuals can opt to submit new enrollment rather than submit the redetermination paperwork, and that can skew alignment of the numbers. She noted that DPSS' rates of disenrollment are lower than the statewide disenrollment rate, and DPSS is proud of that. Overall, DPSS is working to keep as many members as possible enrolled in Medi-Cal.</p> <p>Mr. Baackes noted that L.A. Care's analysis will include those who chose to enroll as a new member instead of the redetermination process, and will share the information with DPSS. L.A. Care's financial results for August and September will reflect the positive effect of Medi-Cal enrollment.</p> <p>Mr. Baackes reported that the Coalition to Protect Access to Health Care (formerly the Los Angeles County Safety Net Coalition) filed a ballot measure on September 6 to make the Managed Care Organization (MCO) tax permanent and direct the revenue to the Medi-Cal program.</p> <p>The Coalition was able to get an MCO tax reestablished in the California Budget at three times the level of the previous MCO tax that lapsed in 2022 when California's budget had a \$100 billion surplus. The MCO tax provides a benefit of \$19.4 billion in funding, with \$11 billion directed to Medi-Cal to improve primary care and specialty physicians. Additional funding is spread among other providers but the main emphasis was funding to retain doctors in the safety net. This will have a cascading effect particularly for hospital emergency rooms, which are the default provider for people without access to a primary care physician close to their home. For now, the ballot initiative will make the MCO tax funding for Medi-Cal permanent, because the MCO tax established in the State Budget this year could be eliminated in next year's budget. The ballot initiative will protect this tax and dedicate the resources to Medi-Cal funding. The ballot measure, called the Protect Access to Healthcare Act of 2024, directs DHCS to continue the MCO tax and to continue to invest the MCO tax revenue in reimbursement rates and other payments for Medi-Cal providers.</p> <p>L.A. Care is a member of the Coalition and supports the measure. Because we are a public entity, legally neither L.A. Care, its staff, nor board members can engage in any campaign activity related to the measure. However, L.A. Care is allowed to present informational materials and staff will continue to present such information regarding the measure and update the Board as to its general status. Further guidance for staff and board members will be provided as we go forward.</p>	

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	<p>L.A. Care will host an informational meeting on September 13, 2023, with the organizations involved in the initial meeting of the Los Angeles County Safety Net Coalition. An update on the Protect Access to Healthcare Act of 2024 will be provided by Jim DeBoo, the former chief of staff to Governor Newsom, who was retained by the Coalition to help with the ballot initiative. Jennifer Kent, former director of DHCS, will talk about how the proceeds of the MCO tax will be distributed. He clarified that L.A. Care will not be promoting the ballot measure.</p>	
<ul style="list-style-type: none"> • Monthly Grants and Sponsorships Reports 	<p><i>Mr. Baackes referred Board Members to the written reports included in the meeting materials.</i></p>	
<ul style="list-style-type: none"> • Government Affairs Update 	<p>Cherie Compartore, <i>Senior Director for Government Affairs</i>, reported:</p> <p>The final day of the Legislative Session to send bills to the Governor for his veto or approval is September 14. The Governor has until October 14 to take action on those bills. Government Affairs will produce a final legislative report to be included in the materials for the November Board Meeting. That report will include bills with the potential to impact L.A. Care’s operations. Earlier this morning, Centers for Medicare and Medicaid Services (CMS) released a proposed rule that would change a 50-year old law that addresses the prevention of discrimination based on disability in federally funded programs. Some examples CMS provided in the proposed rule would prohibit providers from placing a lower value on extending the lives of people with disabilities and using that assessment to limit or deny access to treatment. The rule also defines accessibility issues and how web and mobile applications have to be revised. Criteria will be established to help those with disabilities access technology platforms.</p> <p>In the past L.A. Care has funded accessible exam tables and scales in clinics. CMS will now establish enforceable accessibility standards on medical equipment for disabled people, and accessible exam tables and scales was used as an example. Details on funding and responsibility were not included. Another example is a requirement that community-based services and facilities will be required to offer services to people with disabilities when appropriate, with reasonable accommodations. The community resource centers would be included. Public comment on the proposed rule change is due to CMS November 14. L.A. Care will review the rule and work with other health plans and partners to submit comment by the deadline.</p> <p>Government Affairs has worked with officials at legislative offices at the district level to discuss the Medi-Cal redetermination process. Government Affairs staff held a legislative briefing and other meetings with health deputies offering assistance in getting basic information to the constituents about the Medi-Cal redetermination process, services that were offered at L.A.</p>	

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	<p>Care’s Community Resource Centers (CRC) to help beneficiaries complete the redetermination process, initial Medi-Cal determination and eligibility for the CalFresh program. Legislative offices were interested in L.A. Care’s technology bars at the CRCs and the various classes offered on topics such as parenting, exercise, and food preparation. Some of the offices offered ideas about how L.A. Care could further expand partnerships among community-based organizations. Government Affairs staff will explore the suggestions and make recommendations.</p>	
<p>CHIEF MEDICAL OFFICER</p>	<p>PUBLIC COMMENT</p> <p><i>Elizabeth Cooper commented that she is glad to hear about the program for Black mothers and mid-wives because the Black infancy rate is so high. She would like to address that issue because all too often there is a lot of not concern about Black mothers and their infancy and that is very important. Another thing she would like to ask the Chief Medical Officer about the COVID shots coming in. She asked him to address the issue of recommending for someone with a disability, a non-disability, those who have had the shots and might have apprehension about the COVID 19 shots coming in. As a member of the RCACs, she welcomed him.</i></p> <p>Dr. Amin is happy to address those. He highly recommends that people take the COVID vaccine. There's supposed to be a update to the vaccine, which will add coverage for new strains that have come out in the interim, that should be available in September. As those are being distributed, he highly recommends that those with additional conditions get the vaccine as a booster, particularly with conditions that may put them at higher risk and if it has been over 12 months since receiving the last shot. Regarding African American mothers, there are a lot of programs through L.A. Care’s quality improvement department to address that. In addition, L.A. Care has expanded the doula network which has contributed to maternal health in that respect. Alex Li, MD, <i>Chief Health Equity Officer</i>, is furthering efforts in that respect. Dr. Li noted that all are saddened by where we are with Black maternal health. The health equity plan is doubling down on efforts with regard to expanding the doula network, as well as the community health workers program, partnering with the community benefits program to build infrastructure for service organizations that provide pre- and post- natal care for a Black pregnant women. These efforts are in-flight and results are not yet known. L.A. Care embraces and hopes to have many of our members and community partners participate these programs as much as possible.</p> <p>Dr. Amin referred Board Members to his written report (<i>a copy of his report is available by contacting Board Services</i>).</p>	

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	<p>With regard to advocacy, he noted there have been many conversations in this group about how we can work better with the state government and regulators to improve care in Los Angeles County. Improving transitions of care is one of the best examples. Regulations regarding transitions of care were imposed relating to the role of health plans in making sure that a patient who left a facility would get the appropriate services to successfully transition back to their daily life. Transition of care may involve leaving a hospital coming back home, going from a hospital to a Skilled Nursing Facility (SNF), or leaving a SNF to go back home or to the hospital. The transition to a different level of care needs to be smooth and monitored carefully to make sure that the patient remains in good health throughout. The regulation stated that it was the health plan's responsibility to do that work on its own, separated from how it is generally constructed in the healthcare infrastructure. After an initial review, that seemed to be duplicative. L.A. Care responded to DHCS that L.A. Care understands the idea, agrees with the idea, and wants to try to help make this a better process. DHCS worked collaboratively with L.A. Care on how to do it better. Instead of hiring a crew of care managers to redo the work that hospitals and primary care providers are doing, L.A. Care suggested that health plans could coordinate care to help people who might have slipped through the cracks. DHCS was very interested in the idea. There has been a great amount of advocacy that's occurred over the last two or three months, and DHCS has responded with plans to adjust the population health guide. This will move toward a path where health plans oversee transitions of care, particularly for low and moderate risk patients, without the need to assign a case manager to every single member and redo the work of the hospitals or the primary care doctors, but instead iron out the kinks in the system and guide the patient through a successful transition. It also delegates authority back to the hospitals and the primary care providers. It is a substantial change that is happened in policy. It happened because L.A. Care has been on the forefront of pushing for better care for members. It is a real achievement that we should underline and highlight, and give kudos to the regulators for working with L.A. Care on the process, resulting in a better policy.</p> <p>Dr. Amin is working in Health Services side to make sure that a cultural element to not let ideas "die on the vine." There are plenty of great ideas and there are plenty of low hanging fruit to pick. If that low hanging fruit sits long enough, it is going to rot. He want to make sure to grab that fruit. He does not want any ideas dying on the vine but wants them be implemented. In the last six months, there were three large Skilled Nursing Facility (SNF) brainstorming sessions with hospitals and SNFs which brought different factions of the health care community together to discuss ideas about improving patient care in movements from acute levels of care to subacute. Those ideas are starting to come to fruition. Health services staff is working very closely with finance staff to make adjustments to the reimbursement to the SNF so the SNF can be more comfortable taking high risk members. Carve-outs are being discussed so SNFs get additional payment for specific conditions that may increase care cost. Discharge templates are</p>	

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	<p>being discussed so SNFs have clarity on types of patients so there is no surprise when patients come in to the facility. There is discussion about making sure that hospitals understand availability of patient beds among SNFs. Centers of excellence was discussed for SNFs, so the SNF could be better prepared to take patients with difficulty in areas of social determinants of health.</p> <p>L.A. Care is in the midst of discussions over the carve-outs to be added to SNF contracts, staff is working with SNFs on Centers of Excellence, and has begun a pilot program for the discharge template. It is expected some of this work will be completed in a few months.</p> <p>L.A. Care is working with the Hospital Association of Southern California to improve collaboration. Some concerns involved miscommunication with providers, and issues with delegation oversight. Improved communication is going to improve the system. Joint operating meetings have restarted, which had slowed down during the pandemic. Discussion will include information about utilization management rules, making sure that providers are aware of their obligations to members in approving or denying services. There is a work group focused on delegation oversight and the information technology that passes between delegates and the health plan, as well as utilization management rules for delegates.</p> <p>In the area of appeals and grievances, staff are also focused on improved communication. When grievances are received, we want to be sure that everybody in the health plan is aware of themes in the grievances, so action can be taken to improve care for the members. There is work being done to assure that the appropriate information is extracted from the grievances, and in making sure the various areas are aware of the information so action can be taken to address the issues and make improvements.</p>	
MOTION FOR CONSIDERATION		
<p>Approve Delegation of Authority to the Executive Committee negotiation of Amendments to L.A. Care Health Plan Retirement Benefit Plan</p>	<p>Terry Brown, <i>Chief Human Resources Officer</i>, reported that the motion is to recommend the removal of a one-year waiting period for the 3.5% employer contribution and the 4% matching contribution for employees beginning on January 2024, to increase the ability to recruit staff and maintain a competitive marketplace posture. Under the Public Employee’s Pension Reform Act (PEPRA) L.A. Care is required to have its actuary, Craig Glyde from Milliman, publicly present the cost impact of this change to the Board and answer any questions.</p> <p>Mr. Glyde reported that Milliman was asked to do an analysis of the proposed retirement plan changes (<i>a copy of his presentation is available by contacting Board Services</i>). Milliman received the employee data including compensation and contribution information to the retirement plans for</p>	

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	<p>2021 and 2022 and estimated the additional cost would have been if these proposed plan changes were in place during those two years.</p> <p>The first aspect of the change is the 3.5% employer contribution, and that is straightforward, because we know that if that change happens, the employer contribution to new hires in their first year would be 3.5% of pay. The employer matching contribution is variable, because it depends on the level that the employee chooses to contribute to the plan in order to receive the matching contributions. It is expected that new hires would contribute at a higher level if the provision was in place to take advantage of the matching provision. It is estimated that the additional benefit to new hires in the first year of hire would be about 3.4% of pay overall. The maximum it could be is 4%, which is a 100% match on the first 4% of pay. In total the cost and the extra benefit for the new hires in the first year would be about 6.9% of compensation in the first year of hire.</p> <p>In 2021 and 2022, total compensation was about \$150 million dollars. The cost to the plan of contributions was about \$8.6 to \$8.7 million dollars in each of those years. We estimate that if these provisions have been in place for those years, the additional costs would have been about \$890,000 in 2021 and about \$1.7 million in 2022. This is a range of about .61 to 1.11% of overall compensation. The reason for that range is an estimation of how many new hires were in each year. Generally, more new hires and higher compensation would lead to a higher cost in the dollar and percentage of total compensation. In 2022 (560) there were significantly more new hires than in 2021 (200), so the costs for 2022 were higher.</p> <p>In future years, if the new hires were compensated at higher levels, similar to what we saw in 2021 and 2022, we estimate that the additional cost would be in this range, both in dollars and percentages. Increased numbers of new hires will tend to skew the numbers towards the top end of the range.</p> <p><i>(Board Members Greene and Perez left the meeting.)</i></p> <p>There are two changes included and those numbers are the total. The main point is that for each of the two changes the costs are similar. There is a 3.5% employer contribution for the first change and an estimated 3.4% employer matching contribution for the second change.</p> <p>In the additional non-elective employer of 3.5%, the cost as a percentage of overall compensation is a range of .28% to 2.55% of pay, and for the matching contributions, the change would be a range of about .34% of pay to 2.56% of pay.</p> <p>Board Member Contreras asked if there is a period of time before the employee is fully vested. Mr. Brown responded that there is a three-year vesting period on both contributions. The</p>	

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	<p>vesting is removed at the end of three years of employment, and it is referred to as a “cliff” vesting period.</p> <p>Board Member Roybal asked how many employees remain employed more than one year. Mr. Brown offered to provide a specific answer at a later time. He noted that a very low percentage of employees that do not last through the first year, much more than 95% of new hires are still employed after the first year. Board Member Roybal asked if that changed in the last two years. Mr. Brown indicated that a small number of additional new hires do not stay for the entire first year, usually because they had interviewed with multiple prospective employers and may have accepted the first offer of employment with L.A. Care but switched when their employer of choice later made them an offer. He noted that it is not a significant change.</p> <p>Mr. Brown explained that this motion is to delegate authority for final approval to the Executive Committee at the September 27, 2023 meeting. PEPPRA requires a waiting period of at least two weeks from the presentation of the costs to final approval of the change.</p> <p><u>Motion BOG 102.0923</u> To delegate authority to the Executive Committee to review and make the final decision whether to approve the future costs of the elimination of the one-year-of-service requirement to participate in the additional employer non-elective contribution and employer matching contribution under the L.A. Care Health Plan Retirement Benefit Plan and authorize any necessary or appropriate actions to implement its decision, and to express a preference that if it decides to do so, then it consider the following actions:</p> <ol style="list-style-type: none"> 1. Approve the amendment of the L.A. Care Health Plan Retirement Plan to eliminate the one-year-of-service requirement for eligibility to participate in the additional employer non-elective contribution and employer matching contribution. 2. Authorize and direct the Chief Executive Officer to execute the amendment to the Plan to eliminate that requirement and take all other actions necessary or appropriate to implement the foregoing resolutions. 	<p>Unanimously approved by roll call. 9 AYES (Ballesteros, Booth, Contreras, Ghaly, Gonzalez, Roybal, Shapiro, Solis, and Vaccaro)</p>
<p>The Board Members approved by consensus that due to time constraints, some committee reports will be deferred to the October 5, 2023 meeting.</p>		<p>Reports from the Children’s Health Consultant Advisory Committee, the Technical Advisory committee, the Audit Committee, and the Provider Relations Advisory Committee</p>

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		will be deferred to the October 5, 2023 Board Meeting.
<i>The Board reconvened at 1:05 pm after a brief lunch break.</i>		
ADVISORY COMMITTEE REPORT		
Executive Community Advisory Committee (ECAC)	<p><i>(Board Member Perez rejoined the meeting.)</i></p> <p>Vice Chairperson Shapiro presided.</p> <p>PUBLIC COMMENT</p> <p><i>Andria McFerson this is regarding the Executive Community Advisory Committee with Hilda and Layla. It's been a situation just due to the fact that they have members of the community that really want to participate in public meetings, have a public forum so they can express their needs. They have not been able to have public meetings for the past couple months with the ECAC. With the RCACs, we've had two meetings this year, and we won't have any more RCAC meetings this year at all. She think it's important to think about that, and have RCACs continuing throughout the year, at least until it's decided by the Board to change things. Because it wasn't decided by anyone. She thinks that's important to honor that process. She had an opportunity to do outreach to her old region, which was RCAC 6, and it was awesome. They did an event having to do with giving backpacks to kids, a back to school event. There were so many parents that came with their kids that appreciated it. It was much appreciated because they were low income and they did not have the money to actually get proper things having to do with back to school that their kids need, like backpacks and pencils, and all kinds of different things that they needed, but they just didn't have the money for. She thought it was great. It was a great opportunity for her to volunteer and she put her hand up. She didn't ask for anything. She just wanted to be able to have the opportunity to give a flyer to a person who needed to recertify. That redetermination that they had absolutely no idea about. She was on in a line and had a stack of flyers and she was just talking to them directly, eye-to-eye, peer on peer, saying did you know that you had to recertify within a certain amount of time. They said, what? Yes, you do and the CRC is right there, pointed it out to them. The CRC right there has people who can help you recertify. It's right around the corner. She gave them the flyer and they now know the information, and they can give it back to people who may need this information as well. To help with preventative care, help save lives and to make sure that they have better access to all of this information by someone that is employed by L.A. Care to help, and help them through that whole situation.</i></p> <p><i>Elizabeth Cooper offered good wishes to Hilda Perez, outgoing consumer representative, on behalf of Jonathan Cooper and herself. She wishes her and in her family well. She</i></p>	

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	<p><i>would like the consumer advisory committee representatives. They just had an election for one board seat. She would like to see a little bit more diversity regarding the RCAC members. Sometimes she feels a little bad about it. She has been a member for a number of years. She was the Vice Chair when L.A. Care received its Knox Keene license to operate as a health care plan. It was a lot of cooperation, but she finds now that she feels that something needs to be done. There seems to be a culture. And she hopes the Board will listen, and the two consumer advocates. She would like to say they had an election and they have a new consumer representative. She hopes she listens to the members and she's concerned. Ms. Cooper gave her good wishes to Deaka McClain, who was a candidate. She has done an outstanding job representing the disabled, and she hopes she continues. Ms. Cooper is concerned that members, and please take notice, Layla Gonzalez, as a current Board Member, please take notice that the comments all of us don't dance to the same music. We come with different issues. And please take notice on the disabled, and she feels that their representation, particularly the developmentally disabled who are members and their parents who advocate. There needs to be a little bit more concern and compassion for this issue and not just let it go. She hopes the new Board representative for the consumers will please take notice.</i></p> <p><i>Deaka McClain she wants to give kudos to Hilda Perez. Ms. Perez has been a dear friend to her and very encouraging. She wishes her well. She will be missed. She thanked Ms. Perez for always keeping her on her toes, reminding her that she has a job. Whenever Ms. McClain brings something up, she appreciates Ms. Perez taking the time to call her to ask what she means when she brings up the issue, or how can Ms. Perez do better to make sure Ms. McClain's voice is being heard, pertaining to people with disabilities. Ms. McClain really does appreciate that. Ms. McClain thanked Layla, as well, for all that she does, and Ms. McClain is glad she will still be in the position, continue to be voice when needed. Ms. McClain appreciates that. Ms. McClain stated it has been a joy to be in the position she is in now. She thanked Ms. Cooper for her wonderful words. Ms. McClain knows they don't always agree, but one thing she knows is that Ms. Cooper has much respect for her and that her voice is heard. Ms. McClain wants to continue to make sure that seniors and people with disabilities voices are heard, and not just to check the box and say we heard them, but nothing is done. As long as McClain sits at this table she will make sure that people hear her and not just check off the box.</i></p> <p>Board Member Gonzalez thanked all of the members that attended the ECAC in person and to those at this meeting. It is a long way for some.</p> <p>Members here in person today: 1. Deaka McClain, RCAC 9 Chair</p>	

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	<ol style="list-style-type: none"> 2. Damares O Hernandez de Cordero, RCAC 10 Chair 3. Elizabeth Cooper, RCAC 2 Member 4. Andria McFerson, RCAC 5 Member 5. Ana Rodriguez, RCAC 2 Chair 6. Lluvia Salazar, At-Large Member <p>ECAC held a special meeting on August 2, 2023, to hold a runoff election between two candidates. Fatima Vazquez, RCAC 7 Chair, was elected as the new Member Representative. Board Member Gonzalez welcomed Fatima Vazquez and wished her the best in her new role in the seat currently held by Hilda Perez. Board Member Gonzalez thanked Board Member Perez for her service on the Board of Governors. When Board Member Gonzalez joined the Board, Ms. Perez greeted every single member by name, she knew which RCAC region the members came from and she knew their families. Ms. Perez also knew the issues and kept up to date. She had a sheet with everything she wanted to talk about at the meetings. Ms. Perez helped Board Member Gonzalez understand everything, taught her everything, introduced her to many different people and encouraged her to listen and to get to know the people they represent. Board Member Gonzalez learned a lot from Ms. Perez, not just as a Board Member, but as a woman. Ms. Perez has three kids, she works, she does everything. She contributes at the Board meetings. She has different personal issues and still Ms. Perez presents herself and contributes to the Board. Board Member Gonzalez has learned a lot from Ms. Perez, and she still has much to learn. Ms. Perez will be missed. Ms. Perez says she has no education, but she has a lot of emotional intelligence. She knows how to read people. She knows what people are thinking and she knows how to present it in a way that people will understand. Ms. Perez thanked her for her compliments.</p> <p>Board Member Gonzalez invited Ms. Perez to report to the Board. Board Member Gonzalez noted that both she and Ms. Perez are not in agreement with the new changes in the advisory committees.</p> <p>Board Member Perez wants to advocate as she leaves her position. She wants to be sure the members are listened to. She reported on the timeline for RCAC meetings and advocacy. During the pandemic the RCACs did not meet in person, the only body that met in person was the Executive Community Advisory Committee (ECAC), which includes the Chairpersons of the 11 RCACs. ECAC began meeting virtually and then met in person. But the RCACs never had the chance to do that because it was too complicated. Staff would not allow her to lie to you. Since the members elected their representatives at ECAC, those leaders were able to make comments and bring issues to the table. RCAC members provided that power to them when they voted for them as their representatives. After the pandemic, when RCACs were able to reconvene in person, the RCACs met maybe a couple of times in unofficial meeting. Once</p>	

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	<p>again, she wants to bring forward that the Community Outreach & Engagement (COE) department only has 10 staff members. The wonderful staff members present are handling a lot of different things like submitting the budget for the fiscal year in June and July, the Disability Awareness month, Hispanic Heritage celebration, Black History month, and now they are presented with a mandate from the Department of Health Care Services (DHCS) in regard to restructuring the community advisory committees. She understands that it is just too much and RCACs cannot continue meeting officially in the transition. She thanked the COE department and Francisco Oaxaca, <i>Chief of Communications and Community Relations</i>, for listening to members' concerns and comments, and for providing members with the upcoming changes at the beginning of the non-official RCAC meetings. When Mr. Oaxaca came to the last Board of Governors meeting he introduced more changes that had not been shared with the RCAC members. That is why they recommended that Mr. Oaxaca share the information with RCAC members and provide them with a list of which changes were presented or recommended by the DHCS mandate and which changes were recommended by staff. This was done in "listening sessions." Ms. Perez is leaving, she is only one Board Member. She knows the changes are needed. RCAC members are not reluctant to change. She personally agrees with some of the changes. For example, she agrees with the term limits if aligned with term limits for Board Members. Board Members serve for four years. It does not mean that it will happen, she is just expressing her point of view. She does not think it will be effective to change the number of RCACs from 11 to 8 RCACs aligned to the Los Angeles County Service Planning Areas (SPAs). She does not think L.A. Care has conducted its business like that in the past. Even the Community Resource Centers were planned according to the geographic areas of the 11 RCACs. She also does not agree with the proposed less frequent meetings for the RCACs (from every two months to every three months). She has always invited Board Members to visit the RCAC meetings. If RCAC members have not met for two months, you arrive at the meeting with a packet of information that CO&E staff kindly prepares. It is a lot of information. RCAC members review it and can ask questions or express concerns. It is a lot to digest and express opinions or concerns right away at the RCAC meeting. There has not been a statement of the accurate number of members for each RCAC, only a range of 8 to 20 members. The number of members in a RCAC used to be 35 members. She thinks 35 is a lot of members, even for staff. She asked Board Members to sit with RCAC members, listen to them. They would like to respect the authority that Board Members, as leaders of the organization have in representing members. If Board Members want to be good leaders and the Board needs feedback from the community, it is crucial that they sit and have a conversation, and that they are open to what members have to say. That is her position and what she has to tell the Board. Board Member Gonzalez may have additional comments or another opinion. She wanted to mention that the other department that she sees as understaffed is Health</p>	

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	<p>Promoters program, even if it represents a conflict of interest for her as a health promoter – she is not the speaker for the health promoters. She wants to tell the Board from her perspective about the wonderful projects health promoters are doing. They have asthma classes held at the CRCs, and projects with Board Member Shapiro on social media. They became digital health promoters in a pilot program with the Communications Department in which they would share L.A. Care posts on their personal social media profiles to reach out to more people. People see health promoters are part of their community, health promoters look like them, speaks like them, lives in the same neighborhood or goes through the same experiences. People identify with the health promoters and that is why health promoters gain their trust. There are only two staff members handling that program with 18 health promoters. If L.A. Care wants to prosper, she would like Mr. Paley get together with Mr. Brown, Mr. Oaxaca, and the CO&E staff and listen to what the staff has to say. L.A. Care should allow the employees to express themselves in a way that they do not feel there will be retaliation or lose their job. We are all here to work together and do better. With regard to social media, there is only one person taking pictures at the events, and she may be taking family leave. More people are needed. Sometimes Ms. Perez is asked to take pictures at events. She can do it but she would like to see interviews of people at the events, which can motivate other people to participate. There was only one staff member sharing posts with the digital health promoters. When that staff member was unable to send information, the digital health promoters had nothing to share. L.A. Care should have more people to take direction and provide them with more to do, and keep up with everything that they are doing.</p> <p>Board Member Gonzalez emphasized that RCACs will not meet every two months, rather every three months. When RCAC members first asked for tables and scales for those with disabilities, it was brought up to the ECAC. ECAC asked for hospitals and clinics to have adjustable tables and scales. That took some time with RCAC meetings every two months. If RCACs meet every three months, the process to bring these motions to the Board would be harder. Board Member Gonzalez thinks it is important that the RCACs meet every two months to get what is needed done and bring motions to the Board. This is an important point. Everyone on the Board has mentioned how important it is to get member comments and how important it is to get their input. With RCAC meetings held every three months, four times a year, it will not be enough time to get enough input from members. The focus groups and roundtable discussions will be on subject that staff will pick. Ms. Perez noted that RCAC members will not be eligible for membership in the roundtables. Board Member Gonzalez noted that RCAC members will have to choose between membership in a RCAC or participation in the roundtables. She understands that will provide opportunities for more members to participate, but if the roundtables will discuss subjects that will be controlled, the Board will never get the input that is needed, those ideas that are out there. She thinks that RCACs need to have more meetings.</p>	

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	Board Member Shapiro thanked Board Member Gonzalez and Board Member Perez for their comments, and noted that we can feel the energy for and the importance of these topics. L.A. Care has always taken the high road to make sure that everybody is taken care of and this is starting a conversation that did not happen for two years. Now is the time to have the conversations.	
Children’s Health Consultant Advisory Committee	<i>Due to time constraints, this report was deferred to the October 7, 2023 Board meeting.</i>	
Technical Advisory Committee	<i>Due to time constraints, this report was deferred to the October 7, 2023 Board meeting.</i>	
BOARD COMMITTEE REPORTS		
Executive Committee	Vice Chairperson Shapiro reported that the Executive Committee met on August 23 (<i>approved meeting minutes are available by contacting Board Services</i>). The Executive Committee reviewed and approved revisions to Human Resources Policies HR-103 (Employee Assistance program), HR-104 (Employee Benefit General Statement), HR-109 (Jury Duty and Witness Subpoenas), and HR-207 (Employee Communications), which do not require approval by the full Board.	
Finance & Budget Committee	<p>PUBLIC COMMENT</p> <p><i>Elizabeth Cooper commented that she is concerned about the Budget. There was a budget for the RCACs but RCAC members have not seen the budget. She has not seen the budget for the RCACs, she only hears about expenditures. RCAC members have no say-so as stakeholders and that’s part of their job. If they have a Budget, and that’s why she is concerned, why are you reducing the budget three months? She disagrees with the outgoing consumer representative when she made remarks about three months. How are RCAC members going to give input with money they already have in their budget. She respectfully asked the Board to please make sure the budget is accessible, the budget for the L.A. Care for the Operating Rules for the RCACs be extended so members can assess and be involved. Members are stakeholders.</i></p> <p><i>Andria McFerson wanted to comment on the actual budget itself and wanted to give some suggestions on different things having to do with the budget and what L.A. Care could fund. Basically, more outreach to domestic violence victims, with that maybe peer on peer positive classes at the CRCs, giving better outreach to them. Just basically giving positive different things having to do with that outreach, like art classes, music, just positive different things to make people who have been, who is a child survivor because that topic</i></p>	

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	<p><i>Unfortunately, there was a six-minute interruption in the audio, preventing the writer from including the remainder of the public comment.</i></p> <p>Board Member Booth reported that the Finance & Budget Committee met on August 23. <i>(Contact Board Services to obtain a copy of approved meeting minutes.)</i> The Committee reviewed and approved motions at that meeting that were approved earlier today on the Consent Agenda. The Committee also reviewed and approved a motion for Center for the Study of Services for 2023 member satisfaction survey that does not require full Board approval.</p>	
Chief Financial Officer Report	<p>Afzal Shah, <i>Chief Financial Officer</i>, and Jeffrey Ingram, <i>Deputy Chief Financial Officer</i>, reported on the June 2023 Financial Performance, 9+3 Forecast Update and FY 2023-24 Operating and Capital Budget <i>(a copy of the report can be obtained by contacting Board Services).</i></p> <p><u>Membership</u> June 2023 is just over 2.9 million; 25.5 million member months year-to-date (YTD). The variance for Medi-Cal is driven by the same error in the membership forecast reported last month. The forecast double counted the Duals Special Needs Plan (DSNP) members on the Medi-Cal side. The error to the forecast was corrected in the 9+3 forecast.</p> <p><u>Consolidated Financial Performance</u> There was a \$19 million net deficit for June which is \$19 million unfavorable to the forecast when Housing and Homelessness Incentive Program (HHIP) and Incentive Payment Program (IPP) are excluded.</p> <p>From an operating margin standpoint, it was unfavorable to the forecast by \$10 million, driven by the incurred claims, which were unfavorable to forecast by \$17 million. Other items to call out include an adjustment to L.A. Care Covered (LACC) Risk Adjustment Factor (RAF) from 0.67 to 0.70, with a net impact of \$12 million, and the recognition of \$13 million in expense for the Student Behavioral Health Incentive (SBHI) program. The revenue from that item was included in last month's close.</p> <p>Administrative expense was flat to the forecast in June. Non-operating is unfavorable \$8.4 million driven by the recognition of \$10.6 million in Managed Care Organization (MCO) Tax expense stemming from the CY 2022 rate adjustment received last month.</p> <p>YTD there is \$241 million net surplus; \$55 million favorable to the forecast when you exclude HHIP and IPP. Operating margin is favorable by \$28 million. Administrative expense is favorable YTD by \$10 million, and Non-Operating was favorable by \$17 million.</p>	

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	<p>The comparison of previous 3+9 forecast to the current 9+3 forecast was presented. As reported in the past few months, an update was made to the 9+3 forecast in the membership, eliminating the double counting of DSNP members.</p> <p><u>Variance Walk (3+9 Forecast vs 9+3 Forecast (excluding HHIP/IPP))</u> The 3+9 forecast was projecting a surplus of \$226 million while the recent 9+3 projected a surplus of \$294 million. The largest of the variance items is incurred claims, which are \$83 million unfavorable. There was \$23 million in LTC variance between forecasts. Retroactive revenue adjustments account for \$34 million in favorability including the CY 2022 rate adjustment, as well as RAF adjustments for LACC and DSNP. Risk Corridor and Shared Risk adjustments were \$20 million favorable for forecast, including the IHSS reconciliation. Supplemental adjustments were \$31 million favorable and incentives account for \$11 million. Administrative expense is favorable \$9 million and Non-Operating is favorable \$31 million primarily due to increased interest rates.</p> <p><u>Budget FY 2023-24</u></p> <p><u>Budget Assumptions - Membership</u> The budget assumes a 13% decline in membership for Medi-Cal, beginning back in July 2023 and continuing through June 2024 at about 1% per month. The budget includes Kaiser leaving as Plan Partner in January 2024; a loss of about 270,000 members each month through the end of the year. Offsetting those losses is the enrollment of 150,000 members due to the expansion of coverage to undocumented adults 26-49. . The budget assumes that new membership will be spread out over January and February 2024.</p> <p><u>Membership: 2023-24 Projections</u> Overall, projected membership loss for FY 2023-24 is expected to be 356,000 members (13%). Member months are expected to drop by approximately 3 million (9%). Combined membership is projected to be about 2.5 million members by September 30, 2024.</p> <p><u>FY 2023-24 Budget Assumptions-Revenue</u> Medi-Cal Assumptions include the breakout of Unsatisfactory Immigration Status (UIS) and Satisfactory Immigration Status (SIS). The calendar year 2024 revenue assumption is just an assumption. There are multiple changes to the rate setting methodology being considered by DHCS, including 100% county-wide averaging with risk adjustment which would be a significant change and would have a significant impact to L.A. Care’s revenue for 2024. In 2023, 50% of the rate was subject to county-wide averaging and 50% plan specific. The reason was the quality adjustment that led to DHCS moving the formula from 75%-25% to 50%-50%.</p>	

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	<p>L.A. Care has the lowest cost premium for California Covered. Even though there was a 6% rate increase from the prior year, it was lower than the premium increases by other health plans. L.A. Care continues to be the public option, providing affordable care to Los Angeles County residents.</p> <p><i>(Chairperson Ballesteros rejoined the meeting and continued presiding.)</i></p> <p><u>FY 2023-24 Budget Assumptions- Healthcare Costs</u> Global subcapitation and capitation expense were updated to reflect CY 2023 and CY 2024 revenue rate assumptions. LACC includes updated RAF score to align with revenue and D-SNP reflects trended revenue assumption for CY 2024. Overall a \$55 million decrease is projected in the operating margin. The medical loss ratio (MLR) or medical cost ratio (MCR) increases to 93.2% (from 92.9%). Mr. Shah noted again that this is an estimate, and a lot of questions remain about revenue. L.A. Care will receive draft rates from DHCS in October 2023, and the budget will be updated in the 3+9 forecast.</p> <p><u>FY 2022-23 9+3 vs FY 2023-24 Budget</u> Overall, the FY 2022-23 budget projects an income of \$274 million and a net surplus of \$294 million, excluding HHIP/IPP. L.A. Care’s combined income for the last five years was \$299 million. The financial results from this fiscal year are expected to be the best results in a long time. A key driver is the rate setting and the revenue adjustment related to the 50-50 blend used by DHCS.</p> <p>The 2023-24 fiscal year budget projects an income from operations of \$183 million and a net surplus of \$207 million, a decrease of \$87 million from the 9+3 forecast.</p> <p><u>Shared Risk and Provider Incentive Assumptions</u> The shared risk expense for the upcoming fiscal year is flat to 9+3 forecast. The Provider Incentives are higher than last year. L.A. Care plans to spend close to \$100 million, including \$28 million for hospital incentives next year.</p> <p><u>FY 2023-24 Administrative Expenses by Category (excluding HHIP/IPP)</u> Administrative expenses as reported increased \$35 million. The main drivers to the \$35 million increase come from salaries and benefits.</p> <p><u>FY 2023-24 Community Investment Programs</u> The budgeted amounts for these grant programs are higher than the current fiscal year. The increases are for Elevating the Safety Net spending, Blue Shield Promise, and the Community Resource Centers (CRCs).</p> <p><u>Operating Margin</u></p>	

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	<p>Overall Budgeted Medical Cost Ratio (MCR) is 92.4% vs the 9+3 forecast of 92.1%; excluding HHIP/IPP.</p> <p><u>Opportunities and Risks</u></p> <p>Opportunities</p> <ul style="list-style-type: none"> • Claims expenses are lowered through contracting and UM • Higher than expected LACC membership growth due to pricing position • Move more members into Dual Risk pods • Increased focus on encounter data quality leads to higher Medi-Cal and Covered California revenue <p>Risks</p> <ul style="list-style-type: none"> • Additional unknown COVID-19 expenses from prior periods • Higher FFS trend than assumed • Capitation costs higher than projected • Increases in cost due to changes in Medi-Cal Fee Schedule above additional revenue <p>If DHCS moves Medi-Cal rate algorithm to 100% county-wide averaging with risk adjustment, L.A. Care must be sure to receive the credits for high-risk members and submit accurate encounter data.</p> <p><u>Balance Sheet Comparison</u></p> <p>Projected total fund equity is almost \$1.4 billion at the end of September 2023 and \$1.7 billion in September 2024.</p> <p><u>Tangible Net Equity (TNE) and Days Cash of Hand</u></p> <p>TNE forecast is based on the 9+3 forecasted surplus of \$294 million. The projected September 2023 TNE is 612% and a very strong position at 90 days of cash on-hand. The projection for the FY 2023-24 budget is TNE at 723% and 90 days of cash on-hand.</p> <p>Board Member Booth asked if L.A. Care knows how new members will be assigned to a health plan. Mr. Baackes responded that is a detail L.A. Care has asked about since DHCS announced that it will contract separately with Kaiser Health Plan, but no specific information has been announced. Kaiser will be allowed to maintain screening criteria for potential Medi-Cal members that requires Medi-Cal enrollees to subscribe to Kaiser only if there was a previous relationship. In Los Angeles County, the relationship must have been within six months of enrollment, but that period is longer in other counties in California. Currently, new Medi-Cal enrollees can select L.A. Care or Health Net. Those who do not select a health plan are</p>	

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	<p>automatically assigned, 56% to L.A. Care and the rest to Health Net. Kaiser has higher quality scores due to lower acuity among Kaiser members. Medi-Cal health plans have pointed out to DHCS that the current formula would assign most automatically assigned members to Kaiser. But with Kaiser’s screening of members based on previous relationship would not allow those members to enroll in Kaiser. There has been no clarity or guidance from DHCS on how automatic assignment would be made. Mr. Shah confirmed that there has been no discussion in the small rate group about automatic assignment.</p> <p>Board Member Booth asked what is L.A. Care’s current Medi-Cal to Medicare rate ratio. Medi-Cal health plans rates are supposed to increase to 87.5% of Medicare rates but she has not been able to find information about the current level of that ratio. Mr. Shah responded that the Medicare fee schedule is updated annually. The Medi-Cal fee schedule has remained the same for as long as he can remember. Years ago in a study, Medi-Cal rates were around 60% of Medicare rates. If DHCS doesn’t change the Medi-Cal fee schedule, that ratio will go lower each year. California has one of the lowest ratios that he is aware of. Mr. Baackes advised the best source for that current information may be the Kaiser Family Foundation, and the most recent data is likely two to three years old. A motivation for the California Safety Net Coalition to seek other revenue streams for Medi-Cal is that California has been among the bottom 10 states in Medi-Cal reimbursement levels for a very long time, and was recently number 48 (out of 50 states).</p> <p><u>FY 2023-24 Capital Projects and Programs</u></p> <p>Proposing total projected spend of \$129 million in capital projects, with \$118 million in capital and \$10.9 million in operating projects. This covers strategic projects and leasehold improvements. The leasehold improvements are primarily for the CRCs.</p> <p>Tom MacDougall, <i>Chief Information and Technology Officer</i>, summarized the programs.</p> <p><u>Portfolio Program Descriptions</u></p> <ul style="list-style-type: none"> • Artificial Intelligence (AI) to support discovery, assessment, and initial implementation of AI solutions to improve enterprise efficiency and performance. • Care Catalyst-New Health Services Clinical System to finish implementation of population health management and Appeals & Grievances solutions and put tooling in place for quality improvement. • Clinic Based Assignment and Federally Qualified Health Clinics (FQHC) Alternative Payment Methodology (APM) to prepare for the mandate effective in 2024. • Centers for Medicaid/Medicare Services (CMS) Interoperability Mandate. L.A. Care will complete its multi-phase investment in electronic provider and member data portability in accordance with CMS requirements. 	

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	<ul style="list-style-type: none"> • Data Exchange Framework (DXF). The California Health and Human Services Data Exchange Network (DXF) reflects a statewide agreement to facilitate sharing of health information among healthcare entities, government agencies, and social service programs. This initiative is to implement the data sharing capabilities of the agreement, and targets improved coordination of care. • DSNP Product Launch. With the successful development and deployment of a fully-integrated D-SNP product and the concurrent effort to sunset L.A. Care’s existing Cal MediConnect (CMC) product, there are continued enhancements targeted in the upcoming fiscal year. Efforts will focus on implementing new Federal and State regulatory requirements for plan years 2024 and 2025. • EDIF ECS Program. This multi-year program is enhancing L.A. Care’s encounter data management system. Upcoming improvements focus on improved extraction of encounter data for risk adjustment, regulatory audiences, and internal end-users, as well as the availability of end-to-end encounter reconciliation reporting, and enterprise-level access to a source-of-truth for encounter data. • I.T. Member Experience Program. Three multi-year, cross-functional programs to modernize data systems and I.T. tools to support an optimized member experience. These foundational technology efforts will enable L.A. Care to more proactively manage the member life cycle (from enrollment through care delivery). These investments will enable L.A. Care to deliver future technology initiatives more effectively, and significantly improve the ability of business areas inside L.A. Care to serve member needs. • Performance Optimization Program (Enterprise & Network). A multi-year initiative is building data management and dashboard reporting tailored to L.A. Care’s Enterprise Performance Optimization Program (EPOP) and Network Performance Optimization Program (NPOP). EPOP improves monitoring and oversight of the performance of non-delegated enterprise functions, while NPOP oversees the performance of all entities in L.A. Care’s service delivery model across lines of business. This initiative is improving data sources and reporting for numerous Key Performance Indicators (KPIs) for L.A. Care. • Provider Roadmap. A multi-year, cross-functional program focused on improving L.A. Care’s provider data quality and management, including enhancements to data intake, standardization and validation, storage, reporting, and operational use. Improvements are targeted at both technical infrastructure and business processes. • QNXT Upgrade & Transformation. L.A. Care is making progressive investments in its core claims platform with current work focused on the scalability and flexibility of internal development and test environments, as well as data de-identification to improve data security, which also includes a generational upgrade to the latest QNXT claims platform. 	

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	<p>These improvements will enable efficiencies in L.A. Care’s claims processing, and will provide health plan members new visibility into cost sharing and out-of-pocket expenditures.</p> <ul style="list-style-type: none"> • SAP/ERP. L.A. Care is continuing its implementation of SAP for financial management functions. Upcoming efforts focus on the implementation of Arriba, a tool designed to integrate with current SAP procurement solutions. This spend management solution will enable improvements in areas such as electronic order and invoice routing, user and role management functionalities, as well as contract and vendor management. Other work includes the implementation of Callidus, a commission software solution for managing incentives and compensation programs for brokers. • VOICE – CRM and Telecom. This multi-year program is implementing several solutions for improved customer service for L.A. Care members and providers. One significant area of investment is a Customer Relationship Management (CRM) platform, which provides tools and workflows for sustaining member, provider, broker, and community relationships. A second area of investment is in call center technology. This includes the modernization of the enterprise phone system used by the Call Center, as well as improvements to routing customer calls and caller authentication. The initiative is also making investments in capturing and managing member data as required by State and Federal regulators. <p>Board Member Gonzalez asked if L.A. Care’s infrastructure was finally up to par? Mr. MacDougall responded that at the end of this year L.A. Care will be in a strong position after losing some time due to COVID. L.A. Care will be capable of achieving goals it has talked about for some time, and good progress has been made.</p> <p>Board Member Perez thanked Mr. MacDougall for his knowledge. She expressed a wish to Dr. Amin during the Children’s Health Consultant Advisory Committee that L.A. Care implement a mobile app to manage their medical appointments and records. She is aware of several health providers that enable patients to use technology to manage appointments and view their records. Dr. Amin noted that there is a difference in the apps used by physician groups as opposed to the health plans, given the limits of interoperability concerns and the availability of physician appointments and records through a health plan app. Some health plans have an app but those do not have the medical group information available. He agreed there could be a better way for L.A. Care members to access their health plan information. The physician office information will not be available on a health plan app but can be accessed if the physician office or clinic has an app for their patients. Interoperability is a core issue for health care in general. Mr. MacDougall noted that L.A. Care health plan level information will be available. Dr. Amin noted that L.A. Care will have a provider portal available by 2024, and that will also have some member access.</p>	

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	<p>Terry Brown continued with the Budget report on capital improvements: Leasehold Improvements. The budget includes funds to support construction associated with two new Community Resource Centers (CRC), South L.A. and Lincoln Heights, miscellaneous upgrades to existing CRCs and an initial budget estimate for the build-out of the 1200 E. 7th Street lease space to support the return to work effort scheduled for September 2024.</p> <p><u>Motion FIN 104.0923</u> To accept the Financial Reports for June 2023, as submitted.</p> <p><i>Board Members Ballesteros, Perez, Roybal, and Vaccaro may have financial interests in Plans, Plan Participating Providers or other programs and as such should consider refraining from the discussion of such issues. In order to expedite the process, those Board Members' vote on the Budget reflects a vote concerning the entire budget excluding those items for which the member is abstaining, as identified:</i></p> <p><i><u>Board Members Ballesteros and Roybal</u></i> <i>Community Health Improvement Program/ Community Programs (excluding Community Clinic Program/SCOPE Plan)</i></p> <p><i><u>Board Members Ballesteros and Vaccaro</u></i> <i>Community Health Improvement Program/ Provider Recruitment, Residency Support, Community Clinic/SCOPE Program</i></p> <p><i><u>Board Member Perez</u></i> <i>Community Health Improvement Program/ Community Programs Promotoras and Health Promoter Program</i></p> <p><u>Motion FIN 104.0923</u> To approve the Fiscal Year 2023-24 Operating and Capital Budget, as submitted.</p> <p><u>Motion FIN 105.0923</u> To accept the Financial Reports for June 2023, as submitted.</p>	<p>FIN 104 (with potential conflicts as noted) and FIN 105 were simultaneously and unanimously approved by roll call. 1 AYES (Ballesteros, Booth, Contreras, Ghaly, Gonzalez, Perez, Raffoul, Roybal, Shapiro, Solis, and Vaccaro)</p>
<ul style="list-style-type: none"> Monthly Investments Transactions Report 	<p>Mr. Shah referred to the investment transactions reports included in the meeting materials (a copy of the reports can be obtained by contacting Board Services). This report is provided to comply with the California Government Code and is presented as an informational item. L.A. Care's total investment market value as of June 30, 2023 was \$2.5 billion.</p> <ul style="list-style-type: none"> \$2.4 billion managed by Payden & Rygel and New England Asset Management (NEAM) \$35 million in Local Agency Investment Fund \$78 million in Los Angeles County Pooled Investment Fund 	

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<ul style="list-style-type: none"> Internal Reports Required by Policies 	<p>Mr. Shah referred to the expenditure reports pursuant to internal policies that are included in the meeting materials. The reports relate to business travel and non-travel related expenses and authorization and approval policies and purchases over \$250,000, and sole source purchases over \$250,000.</p>	
<p>Audit Committee</p>	<p><i>Due to time constraints, this report was deferred to the October 7, 2023 Board meeting.</i></p>	
<p>Compliance & Quality Committee</p>	<p>Stephanie Booth, MD, <i>Compliance Committee</i> Chair, reported that the Compliance & Quality Committee met on August 17. The meeting minutes can be obtained by contacting Board Services.</p> <p>Mr. Mapp and the Compliance Department presented the Chief Compliance Officer report.</p> <ul style="list-style-type: none"> Michael Sobetzko & Todd Gower gave an issues inventory update. The July Summary includes closed item related to a Covered California Quality Transformation Initiative (QTI) measure. The STARS unit is seeking guidance for the data set and methodology to be used for the percentile calculation. Mr. Sobetzko gave a risk management update. He reported HRA assessments must be completed timely, so potential enrollees who need extensive care management interventions receive care or interventions. Also, untimely completion will expose L.A. Care to regulatory violations. Mitigation activities include implementing new workflows to identify populations requiring annual reassessments and implementing new workflows and monitoring reports to ensure annual assessment completion. Rhonda Reyes and Christine Chueh gave an update on the Provider Quality Review Backlog. PQI intake continues to be higher than the closed rate, even so, the Appeals and Grievance team closed 702 cases in July. This number is higher than the previous months as result of an “All hands on Deck” approach and other methods implemented. <p>Dr. Amin presented the August 2023 Chief Medical Officer Report. He gave a report earlier today.</p> <p>Thomas Mendez summarized the final HEDIS results for the California Department of Health Care Services (DHCS) Medi-Cal Managed Care Accountability Set (MCAS), Cal MediConnect (CMC) and L.A. Care Covered (LACC) for Measurement Year (MY) 2022. He noted that Several HEDIS rates for MY2022 have significantly improved over MY2021. There were significant increases in rates for blood pressure for diabetics, child immunizations status combo 10, and lead screening in children.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Betty Santana gave a report on Managed Care Accountability Set measures.</p> <ul style="list-style-type: none"> • The Managed Care Accountability Set is comprised of 39 measures in Measurement Year 2022 • 15 measures are held to the Minimum Performance Level or 50th percentile • Six out of 15 measures did not meet the minimum performance level • Initiatives are underway to investigate root causes and various initiatives to drive care 	
<p>Provider Relations Advisory Committee</p>	<p><i>Due to time constraints, this report was deferred to the October 7, 2023 Board meeting.</i></p>	
<p>PUBLIC COMMENT on Closed Session Items</p>	<p><i>Elizabeth Cooper commented that she appreciates the opportunity to speak. She respects the CEO and she thinks he is very sensitive. She would like to bring up an issue. As an African-American member of the RCACs, she is concerned about diversity in staffing, particularly the high-up. She has noticed there is a different set of standards she noticed when she has brought up a consumer concern, by one of the staff members, and she has not received any kind of a response. Compared to what happened a few years ago with the chief medical doctor where she made a public apology and that. But yet and still, as an Afro- American who feels that a staff member has violated her rights when she went to him a few years ago. And he still can make decisions now, regarding what happens to her, or what happens to any other. How do you deal with staff, no matter how high they are, and how they treat staff. She is very proud of LA Care staff. L.A. Care has some good people here. She addressed the Board Chairperson, when the evaluation comes, she would like to see some consumers involved in the evaluation. They stand there, Ms. McFerson, Ms. McClain and Ms. Cooper. As Afro Americans they speak on different topics. She asked Mr. Baackes if he could give more sensitivity to cultural issues and how people are treated. The staff he still has represent him will make a decision on whether she remains on the RCAC or whether she will be a part of it. She wants to make sure action is taken. She tries to be a good consumer. She would like him to consider cultural issues. Board Members, you are here to represent your organization, but you also represent people like her. Also, she would like Mr. Baackes to consider the disabled. He is doing a good job, and she would fight to keep him here, hopefully the Board will keep him as long as he wishes to stay as the CEO. There are some concerns, Board Members, the cultural issues for staffing, cultural for diversity regarding the disabled which she spoke about so many times. And seems like there's no concern. Also when you when you appoint give the cultural issues a chance, because that's what happened. She networks in the community but all the issues that the board addressed today has to do with your staff. It is very important the staff have a sensitivity on the members and she hopes that issue would be addressed. Also, if help is needed, she would like the chairperson for the board, finally, this is very important. If you have staff members recommended, whatever you recommend to the CEO, make sure that they are concerned about all the consumers. Give a report on how the staff member will address issues that will affect the community. She thanked Mr. Baackes. It is not a criticism it is just a suggestion. She asked Board Members to consider her concerns when they go into negotiation with the CEO. Because he makes a difference in how L.A. Care stands.</i></p> <p><i>Demares Hernandez (this public comment was simultaneously translated to English from Spanish) commented about what the doctor said about HL7. To refer the patients to see a doctor and not to wait for the authorization. She asked how she</i></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><i>can have a service HL7 that Dr. Kahn mentioned in section 5, Moderated Discussion, not to wait for the authorization when she has a true emergency.</i></p> <p>Mr. Baackes asked staff to follow up with the person commenting to see how L.A. Care can assist.</p> <p><i>Ms. Hernandez noted that her comment wasn't a complaint, it was a question.</i></p> <p>Dr. Amin suggested that she was asking about the Board's moderated discussion earlier today. Chairperson Ballesteros asked staff to clarify with the speaker. Board Member Perez offered to speak with Ms. Hernandez.</p> <p><i>Andria McFerson noted that there is a lot for the Board to go over in the closed session, plan partner rates, provider rates, public employee performance evaluation, and a whole lot of different topics. She wanted to address that the Board please discuss a more diverse staff. If they will talk about that during closed session, please understand that all staff should be more diverse. On the actual table before you, there are no African Americans making any decisions, helping make any decisions, or anything else. They need more involvement with staff in the healthcare field. They need more caucasians, more Asians, more African Americans, we need all people in order for people to have some comfortability in knowing that when they go to a healthcare plan, that there is diversity and equality. That gives people more of an opportunity to feel more comfortable with coming to L.A. Care. And that's how that is. She doesn't know if that's relevant to the Public Employee Performance Evaluation but she just had that comment on that. She wanted to discuss the plan provider rates because the survey she had suggested a few years ago was basically that each member have a survey after they see the doctor. It doesn't necessarily even mean that they have to give it to the doctor, or even put their name on it. It could be in a locked box somewhere inadvertently. Just letting L.A. Care know specifically how well that doctor did and what's missing. And when you do that, L.A. Care did discuss a survey before, but when you do it to the point where people don't have to put their name and don't have to see the doctor face to face and let that doctor know that they've done a bad job, and people are reluctant to do that because they feel that they're not going to receive proper care after they have critiqued their doctor. We need surveys that are in other places so that L.A. Care can receive that information. As far as provider rates and things like that, maybe that could be something that will keep those providers in a network that's readily accessible to the people because L.A. Care had some good information about that particular provider. So they stay readily available to receive more members because of how well they are doing. It gives data to L.A. Care too, on how people receive care and how it affects their own general health. And that is important.</i></p> <p>Mr. Baackes noted that the L.A. Care Cabinet, consisting of the Officers of the Corporation, has three African Americans, four people of Asian descent, and four Caucasians. He feels there is a deficiency in representation by Latinos. At the next level of leadership, there are two Latinos and one Asian. L.A. Care is more diverse than the observation that was made by the last speaker.</p> <p><i>Ms. McFerson stated that as far as seniority goes, it would be great to get that data.</i></p> <p>Chairperson Ballesteros thanked everyone that helped to arrange today's meeting.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ADJOURN TO CLOSED SESSION	<p>The Joint Powers Authority Board of Directors meeting adjourned at 3:03 pm.</p> <p>Linda Merkens, <i>Board Services</i>, announced the following items to be discussed in closed session. The L.A. Care Board of Governors adjourned to closed session at 3:03 pm. No report is anticipated from the closed session.</p> <p>REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: <i>September 2025</i></p> <p><i>Board Member De La Torre joined the meeting.</i></p> <p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> • Plan Partner Rates • Provider Rates • DHCS Rates • Plan Partner Services Agreement <p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act: Four Potential Cases</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> • Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680 • Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF <p>PUBLIC EMPLOYEE PERFORMANCE EVALUATION Pursuant to Section 54957 of the Ralph M. Brown Act Title: Chief Executive Officer</p> <p>CONFERENCE WITH LABOR NEGOTIATOR Pursuant to Section 54957.6 of the Ralph M. Brown Act Agency Designated Representative: Alvaro Ballesteros, MBA Unrepresented Employee: John Baackes</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
RECONVENE IN OPEN SESSION	The Board reconvened in open session at 5:11 pm. There was no report from closed session.	
Consideration of Chief Executive Officer’s Compensation and Employment Agreement	<p>PUBLIC COMMENT <i>There was no public comment.</i></p> <p>Consideration of Chief Executive Officer’s Compensation and Employment Agreement</p> <p><u>MOTION</u> To approve the payment of the following compensation amounts and the extension of the employment agreement for Chief Executive Officer, John Baackes, as follows:</p> <ol style="list-style-type: none"> 1. Provide a performance based incentive for the performance period of March 23, 2021 thru March 22, 2022 of 20% of base salary; 2. Increase base salary by 7.5% for a total base salary of approximately \$757,000 effective March 23, 2022; 3. Provide a performance based incentive for the performance period of March 23, 2022 thru March 22, 2023 of 45% of base salary; 4. Increase base salary by 7.5% for a total base salary of approximately \$814,000 effective March 23, 2023; and <p>Authorize and direct the Chair of the Board to execute appropriate amendments to Mr. Baackes’ employment agreement as necessary to accomplish the actions discussed herein.</p>	<p>Unanimously approved by roll call. 11 AYES (Ballesteros, Booth, Contreras, De La Torre, Ghaly, Gonzalez, Perez, Raffoul, Roybal, Shapiro and Solis)</p>
ADJOURNMENT	The meeting was adjourned at 5:12 pm.	

Respectfully submitted by:
Linda Merkens, *Senior Manager, Board Services*
Malou Balones, *Board Specialist III*
Victor Rodriguez, *Board Specialist II*

APPROVED BY:

John G. Raffoul, *Board Secretary*
Date Signed _____



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. EXE 100.1023

Committee: Executive

Chairperson: Alvaro Ballesteros, MBA

Requesting Department: Human Resources

Issue: Execute Amendment VI to the contract with Scout Exchange providing contingent worker vendor management services.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

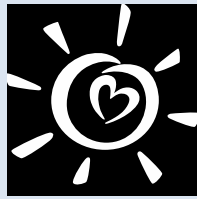
Background: L.A. Care staff requests approval to execute Amendment VI to the contract with Scout Exchange adding \$15,000,000 to the maximum compensation.

Scout provides L.A. Care with software to assist in the management of contingent workers. Using Scout streamlines the contingent workforce management process, including timecards, staffing requests, and vendor management.

We request approval to extend the contract through September 30, 2024 with an additional \$15,000,000 (for a total cost not to exceed \$63,464,908).

Budget Impact: The cost was anticipated and included in the approved 2024 fiscal year budget for Human Resources and Information Technology.

Motion: **To authorize staff to increase the spend of the existing purchase order, by an additional amount of \$15,000,000 not to exceed a total spend of \$63,464,908 with Scout Exchange for contingent worker vendor management services rendered through the end of the contract term on September 30, 2024.**



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. FIN 100.1023

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Requesting Department: Cultural & Linguistics Services

Issue: Amend the existing contract with the telephonic interpreting vendor, Language Line Solutions to extend the term by two years and add funds in the amount of \$7.8 million.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: L.A. Care staff requests approval to execute a contract amendment with Language Line to extend the term by two years and add funds in the amount of \$7.8 million. Per state and federal regulations, no-cost interpreting services must be made available to limited English proficient members 24 hours a day, 7 days a week at all points of contact. Telephonic interpreting services are used by various member-facing departments such as Customer Solution Center, Care Management, Managed Long Term Supports and Services, Social Services, our call center vendor Faneuil, as well as our network providers.

Language Line was selected through a competitive Request for Proposal (RFP) in November 2017 based on their company credentials, quality assurance and control, health care experience, and capacity to meet L.A. Care interpreting needs. Since then, Language Line has been successfully providing services at the performance level specified in the contract.

The Board of Governors approved \$9 million for the initial contract in 2018 (FIN 102.0418) and an additional \$3.6 million in 2022 (FIN 105.0222). As of August 2023, the Language Line contract balance is \$1.3 million, projected to be exhausted by December 2023 based on current monthly expenditure.

The telephonic interpreting expenditure has increased by 6% (the average monthly expenditure in 2019 was \$170,000, it increased to \$180,000 in 2020 and 2021, and to \$190,000 in 2022). In 2023, a significant increase in utilization (32%) has been noted, driven by high use of interpreting services by call center vendor, Faneuil as their workforce consists of predominantly monolingual English speakers. The 2023 level of usage is anticipated to stay at the current average for the next 33 months (covering remainder of the current contract term and a two-year extension). Additionally, the L.A. Care direct line of membership has grown by 10% each year for the last four years. L.A. Care's continuous membership growth is expected to raise the demand for telephonic interpreting needs.

With a monthly average expenditure of \$251,000 in 2023 and with an additional 10% increase adjusted for membership gains, the requested additional \$7.8 million will provide sufficient funds for the next 33 months. An RFP will be conducted in 2024-2025 for all language vendors including interpreting services.

The telephonic interpreting services sector at large has been experiencing talent loss due to high inflation while the demand for services continues to grow. To keep up with the need, Language Line

Board of Governors
MOTION SUMMARY

increased their interpreters wage to maintain a pool of qualified domestic healthcare interpreters, resulting in an overall rate increase. However, the Cultural and Linguistic (C&L) staff negotiated to keep the same competitive rates for this amendment as agreed upon in 2018, \$0.66 per minute for Spanish and \$0.72 per minute for all other languages. The C&L staff will continue assuring the vendor’s performance through monthly service levels, failure to meet service levels will result in a 2% credit.

Vendor	Current Contract Term	New Amendment Term	Average Monthly Expenditure with 10% Anticipated Membership Increase	Current Contract Total through April 2024	Funds Requested for Additional Two Year Term (2024-2026)	Revised New Contract Total
Language Line <i>(Telephonic interpreting)</i>	4/18/2018 to 4/17/2024	4/18/2024 to 4/30/2026	\$ 276,100	\$ 12,600,000 <i>(contract balance is \$1.3M)</i>	\$ 7,800,000	\$ 20,400,000

Member Impact: The telephonic interpreting services will enable members with limited English proficiency to access health care, improve member health outcomes and satisfaction while ensuring L.A. Care’s compliance with regulatory and accreditation requirements.

Budget Impact: Sufficient funds are budgeted in the C&L budget for FY 2023-2024. Additional funds will be requested for subsequent fiscal years.

Motion: To extend the existing telephonic interpreting contract term with Language Line Solutions by two years (2024-2026) and add funds in the amount of \$7.8 million for a new contract total of \$20.4 million.



Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. FIN 101.1023

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Requesting Department: Information Technology

Issue: Execute a contract with TierPoint to provide to migrate L.A. Care’s on-premise Disaster Recovery infrastructure to a hosted Disaster Recovery as a Service solution. This service will allow L.A. Care to have a complete production backup hosted by a 3rd party in a geographically diverse location.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: L.A. Care Information Technology (IT) staff requests approval to execute a contract with Tierpoint from October 2023 to October 2028, in the amount of \$6,300,000. L.A. Care’s exist Disaster Recovery solution does not meet current requirements of the enterprise and would require significant capital expenditure to replace the existing end-of-life hardware and an increase in staff. Moving L.A Care to a Disaster Recovery as a Service solution allows L.A. Care IT to save approximately \$2 million over 5 years versus building a similar solution in house.

Member Impact: By migrating to a Disaster Recovery as a Service solution impacts the company financially which in turn benefits members thru better programs and services. Providing a complete Disaster Recovery solution also will ensure L.A. Care’s services are available in the event of a disaster in the Los Angeles area.

Budget Impact: The cost was anticipated and included in the approved budget for the IT department in this fiscal year. We will budget the balance in future fiscal years.

Motion: **To authorize staff to execute a contract in the amount of \$6,300,000 with TierPoint to provide Disaster Recovery as a service for the period of October 2023 to October 2028.**



Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. FIN 102.1023

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Requesting Department: Information Technology

Issue: Amend existing contracts with Cognizant/Trizetto Technology Solutions, Infosys Ltd., and Solugenix Corporation for Information Technology staff augmentation services to continue through fiscal year ending September 30, 2024.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: In June, 2015, the Board of Governors approved motion FIN 107.0615, authorizing staff to negotiate contracts with Cognizant and Infosys, following a competitive bidding process. In September, 2018, L.A. Care conducted a Request for Proposal (RFP) process that evaluated more than twenty vendors. Cognizant, Solugenix and Infosys were selected during that RFP. All of these vendors provided competitive rates and supply resources with the specialized expertise required to support initiatives at L.A. Care. These vendors compete to meet our staff augmentation needs position-by-position so we adjust the allocation of dollars between these vendors in the contracts.

Vendor	Motion Request for FY 2023-2024
Cognizant	\$2,040,000
Infosys	\$3,300,000
Solugenix	\$12,000,000
Total	\$17,340,000

The total cost of the revised contract agreements with the three vendors is \$17,340,000 through September 30, 2024. The primary strategic programs these resources will support are CareCatalyst/CalAIM, VOICE, Provider Network (PNOR), and Enterprise Performance Optimization Program (compliance), along with several smaller projects to improve L.A. Care’s value delivery to our members and internal customers.

Member Impact: The services purchased under this agreement will improve L.A. Care’s technology delivery capability, which in turn indirectly results in enhanced quality and more efficient services to all members.

Budget Impact: The staff augmentation contract expenses were anticipated and included in Information Technology’s approved FY 2023-24 budget.

Motion: **To authorize staff to amend contracts with Cognizant/Trizetto Technology Solutions, Infosys Ltd. and Solugenix Corporation, (total increase of \$17,340,000) for Information Technology staff augmentation services through September 30, 2024.**



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. FIN 103.1023

Committee: Finance & Budget

Chairperson: Stephanie Booth MD

Requesting Department: Information Technology

Issue: Execute a contract to migrate the current L.A. Care's NICE Engage platform to the NICE Engage Cloud environment with Real-time Authentication to provide our members with a higher level of account security that is not currently part of today's application offering.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: NICE Systems Inc. was chosen via an RFP in 2017. Our new contract with NICE Systems, Inc will convert services to the NICE Cloud vs hosted on premise within L.A. Care's data center.

L.A. Care staff requests approval to execute a 36-month contract with NICE Systems, Inc. from October 1, 2023 to October 1, 2026 in the amount of \$3,500,000. The vendor will provide L.A. Care with a new Cloud based quality monitoring environment that offers Voice Authentication, Fraudster Library, and increased Caller Analytics.

The current Quality Monitoring environment cannot provide member authentication and requires a major upgrade. To ensure LA Care has a high availability system with Disaster Recovery capabilities, IT will implement this new cloud based solution within the vendor's (NICE Systems) data center. Investing in the cloud based Engage Platform with NICE will increase our security and provide enhanced features at an estimated annual savings of \$268,000.

Member Impact: Failure to perform these upgrades will result in LA Care's inability to securely manage member account information changes when handling their calls.

Budget Impact: The cost will be included in the approved budget for the IT department in the coming fiscal year and future fiscal years for the remaining balance.

Motion: **To authorize staff to execute a contract in the amount of \$3,500,000 with NICE Systems, INC. to provide an Engage Quality Monitoring Cloud Based platform with Real-Time Authentication for the period of 36-months from October 1, 2023 to October 1, 2026.**



Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. FIN 104.1023

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Requesting Department: Information Technology

Issue: Execute a contract with EPlus on behalf of PureStorage to provide Storage as a Service for L.A. Care's Storage Area Network infrastructure. This will allow Information Technology (IT) to consolidate storage vendors reducing staff training needs and significantly reduce costs to replace storage hardware at the end of its service life.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: EPlus has been with LA Care since 2013 and PureStorage has been with LA Care since 2017. L.A. Care is changing plans with Purestorage from purchasing small increments of storage as needed to a consumption based model.

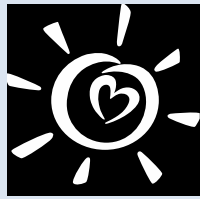
L.A. Care IT staff requests approval to execute a contract with EPlus on behalf of PureStorage from October 2023 to October 2028 in the amount of \$3,500,000. Moving L.A. Care to a Storage as a Service contract with PureStorage provides many benefits including outsourcing a large portion of the storage infrastructure management, reduce operational complexity for the IT staff managing two different storage platforms, provides real time storage expansion, eliminates capital expenditure for storage needs.

Consolidating storage vendors to Purestorage will save L.A. Care \$3.35 million over 5 years by eliminating the need to replace the legacy NetApp storage infrastructure and costly extended support contracts.

Member Impact: The cost savings of switching to PureStorage positively impacts the company financially which in turn benefits members thru better programs and services.

Budget Impact: The cost was anticipated and included in the approved budget for the IT department in this fiscal year. We will budget the balance in future fiscal years.

Motion: **To authorize staff to execute a contract in the amount of \$3,500,000 with EPlus to provide Storage Service for the period of October 2023 to October 2028.**



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. FIN 105.1023

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Requesting Department: Marketing

Issue: Amend a contract with NetCentric Technologies, Inc. to provide document remediation services.

New Contract Amendment Sole Source RFP/RFQ was conducted in

Background:

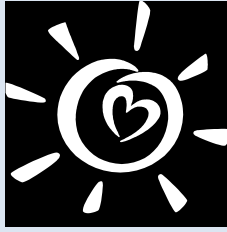
L.A. Care Marketing Department requests approval to amend a contract with NetCentric Technologies, Inc., our request is to add an additional \$975,000 of funding from October 1, 2023 to September 30, 2026. We currently utilize NetCentric services to be able produce and remediate documents so that they meet state and federal 508 accessibility and WCAG guidelines associated with regulations for L.A. Care Medicare Plus, L.A. Care Covered, L.A. Care Covered Direct, PASC-SEIU, and Medi-Cal. Failure to produce 508 requirements would put our documents and website out of compliance with CMS and DMHC. The vendor will provide us with fully remediated documents for member informing materials such as Formularies, Summary of Benefits, Evidence of Coverage and Provider Directories.

No request for proposal was conducted for this vendor because of the highly specialized nature of their work and their current good standing as a service provider to the Marketing Department for highly technical remediation services.

Member Impact: L.A. Care members will benefit from this motion through having 508 accessible materials available to them through our website and by request for all product lines.

Budget Impact: The cost of these services were forecasted and are currently included in the FY 23-24 budget

Motion: **To authorize staff to amend the contract with NetCentric Technologies, Inc. to add \$975,000 in funds, bringing the total contract total not to exceed \$2,390,000 for the period of October 1, 2023 to September 30, 2026.**



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. FIN 106.1023

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Requesting Department: Marketing

Issue: To execute a new statement of work with Ntooitive for a new schedule of services to support the advertising and integrated marketing strategies for the 2023-2024 Fiscal Year marketing campaigns for L.A. Care’s direct lines of business and the Community Resource Centers from October 2023 through September 2023.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted in 2019**

Background: Funds are requested for the 2023-2024 fiscal year contract in the amount of \$12,340,575.00 effective October 1, 2023 through September 30, 2024. L.A. Care would like to contract with Ntooitive for a statement of work associated with digital marketing and media buying services with our entire portfolio of products and services including L.A. Care Covered, Duals Special Needs (Medicare Plus), Medi-Cal, Community Resource Centers and our L.A. Care Brand Marketing Initiatives.

In early 2019 the Marketing Department conducted a Request for Proposal process to review and select individual vendors which would offer specialized services for media buying, digital marketing services, creative development support and strategy/research consultation. Ntooitive was among eight agencies (and sub agencies) that responded to the Request for Proposal to provide digital marketing and media buying services for our lines of business including L.A. Care Covered, Cal MediConnect, Medi-Cal, Family Resource Centers, Community Resource Centers and the Parent Brand Initiative.

The funding allocation includes the following:

- \$12,340,575.00 for sustained product growth focused advertising for all L.A. Care lines of business. This funding is considered a “pass through” media cost that is managed by Ntooitive at the direction of L.A. Care. The funding would provide advertising resources for campaigns that run through October 2024 and support all product lines. The campaigns are as follows:
 - L.A. Care Brand Campaign
 - L.A. Care Medicare Plus (DSNP) Marketing and Broker Campaigns
 - Medi-Cal Advertising Campaign
 - L.A. Care Covered Open Enrollment Campaign and Broker Marketing Campaigns
 - Community Resource Center Marketing Campaigns and the continued launch of additional new Community Resource Centers in partnership with Blue Shield Promise Health Plan of California
 - Development and Maintenance of LACC Shop and Compare Tool website “LACC Calculator”

Board of Governors
MOTION SUMMARY

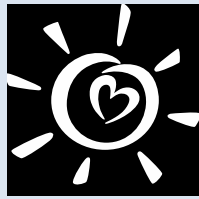
- Digital Marketing Maintenance – Social/Search Management; Ad Server; Datorama Integration

The execution and launch of these campaigns would align with organizational and product objectives aimed at creating Brand and Product visibility in the Los Angeles market and driving product growth through increased enrollment in the aforementioned product lines. The duration of the proposed contract is intended to align with the current budget cycle, and a new request will be initiated in the October 2023 for services from this vendor in FY 2023-2024, once budgets and business objectives have been finalized.

Member Impact: This motion will allow L.A. Care to continue to have a positive impact as a trusted source of information for members and potential members. L.A. Care will leverage its marketing and advertising programs to support the growth of all lines of businesses and increase visitors at all Family Resource Centers.

Budget Impact: Sufficient funds have been requested in the FY 2023-2024 budget for the Ntooitive contract term October 1, 2023 through September 30, 2024.

Motion: **To authorize staff to execute a new statement of work with Ntooitive in the amount of \$12,340,575 for marketing campaigns for L.A. Care’s direct lines of business, including the LACC Shop and Compare Tool, and the Community Resource Centers for the period of October 1, 2023 through September 30, 2024.**



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. FIN 107.1023

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Requesting Department: Compliance & Regulatory Affairs

Issue: Due to no internal audit staff at this time, Compliance Department is requesting continued external support on a variety of compliance and internal audit activities by Resources Connection, LLC dba Resources Global Professionals (RGP). In addition, L.A. Care seeks support for leadership of the Compliance Department in preparation for the current Chief Compliance Officer's retirement effective October 6, 2023.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted in** (n/a)

Background: L.A. Care staff requests approval to amend a contract with Resources Connection, LLC dba Resources Global Professionals (RGP) effective through December 31, 2023 in the amount of \$850,000. These services will be pursuant to a new Amendment 6 to Scope of Work 1 for a total not to exceed \$3,355,000.

RGP has been providing the Compliance Department with consulting services to support internal audit activities including Information Technology (IT) security audits, as well as providing certain interim leadership within L.A. Care's internal audit team. RGP will continue to work on building the audit plan, assessments and project manage audit and compliance projects, along with supporting documentation for recommendations and corrective action plans.

RGP will also provide compliance advisory activities to support the planning and coordination of the current Compliance Officer's departure as well as support the onboarding of a new Compliance Officer. These services will be pursuant to a new Scope of Work 2 effective thru March 31, 2023 for a total not to exceed \$510,000.

No request for proposal was conducted for this vendor because it was time sensitive and this vendor had the expertise that the Compliance Department needed to ramp up quickly on services described above. We have used this vendor since 2021 and are pleased with their work.

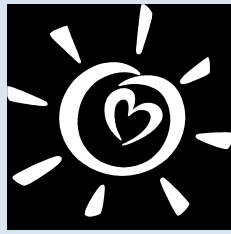
Member Impact: L.A. Care members will not be impacted by this contract amendment directly but it will ensure that we are meeting compliance standards in the various business units which ultimately do serve our members and support the transition of the Compliance Department leadership function.

Budget Impact: The cost for internal audit services was anticipated and included in the approved budget for the Compliance Department in this Fiscal Year 2022-23. We will budget the balance in future fiscal years.

Board of Governors

MOTION SUMMARY

Motion: To authorize staff to amend a contract in the amount of \$1,360,000 (total contract amount not to exceed \$3,865,000), with Resources Connection, LLC dba Resources Global Professionals (RGP) to provide Internal Audit services through December 31, 2023 and compliance support services through March 31, 2024.



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. CHC 100.1023

Committee: Children's Health Consultant Advisory Committee

Chairperson: Tara Ficek, MPH

Requesting Department: N/A

Issue: Ratification of the election of Children's Health Consultant Advisory Committee Chairperson and Vice Chairperson effective September 2023.

Background: At its September 19, 2023 meeting, the Children's Health Consultant Advisory Committee elected Tara Ficek, MPH as Chair and Maryjane Puffer, BSN, MPA as Vice Chair, respectively, effective September 2023.

Budget Impact: None

Motion: To ratify the re-election of Tara Ficek, MPH as Chairperson and Maryjane Puffer, BSN, MPA as Vice Chairperson of the Children's Health Consultant Advisory Committee effective September 2023.

CHAIRPERSON'S REPORT

Fatima Vazquez

RCAC 7

In 2011, I joined the RCAC 7.

In 2014, I was chosen as Vice-chair.

In 2016, I was chosen as Chair.

In 2019, I was chosen as the ECAC Chair.

During these years at L.A. Care, I have learned about the inner workings of different health plans and their coverage, and now I know how I will exercise an efficient advocacy and guide members to get appointments with health care specialists.

I have received health services at community clinics, at Care Harbor LA, at My Health LA and L.A. Care.

I have two teenagers and I have been involved with my children's schools. I have learned about the education system through school committees, workshops, PTA leadership groups and legislative visits.

I firmly believe in teamwork and the wealth of diversity. I consider the respect for different cultures, languages and opinions extremely important, and I'm aware of the challenges faced by senior citizens and people with disabilities. I also understand the concerns we have as parents regarding the healthcare needs of our children.

I would like to confirm my commitment with the community to represent all members at the BoG. I have energy, enthusiasm, willingness, and a great vision to continue the legacy of maintaining the improvement in the quality of medical services through our voice.

**CHIEF
EXECUTIVE
OFFICER
REPORT**



September 27, 2023

TO: Board of Governors

FROM: John Baackes, *Chief Executive Officer*

SUBJECT: CEO Report – October 2023

As we enter autumn, L.A. Care has launched our “Fight the Flu” campaign. More information is on that below, but I can’t emphasize enough, especially given the rise of COVID in late summer, the importance of vaccines on community health. That is why we host these events and encourage the community and our members to attend.

We’re also rapidly approaching the end of the year, and are readying ourselves for more change, particularly for our largest line of business, Medi-Cal. While change has been a constant in the last few years, with CalAIM implementation, pause and resumption of redeterminations, we have weathered it well. L.A. Care departments have collaborated to meet new requirements set by the state, and those implemented in January will be no different. Some of the most significant changes include preparing for the departure of Kaiser as a plan partner, expecting undocumented adults who will be eligible for Medi-Cal, and launching new Community Supports to support members transitioning from Nursing Facilities to their homes or to Assisted Living Facilities.

Following is a snapshot of our progress on some of our community- and provider-focused work.

	Since Last CEO Report (8/28/23)	As of 9/27/23
Provider Recruitment Program Physicians hired under PRP ¹	2	152
Provider Loan Repayment Program Active grants for medical school loan repayment ²	—	110
Medical School Scholarships Grants for medical school scholarships ³	—	48
Elevating Community Health Home care worker graduates from CCA’s IHSS training program	386	6,349

Notes:

1. The number of physicians fluctuates as physicians are hired and/or leave clinics.
2. The number of active grants for loan repayment may decrease due to physicians completing their service commitment, paying off debt, or leaving prior to completing their service commitment.
3. The count includes scholarships that have been awarded and announced, not prospective scholar seats.

Below please find organizational updates for September:

L.A. Care Launches 2023 Fight the Flu Campaign

L.A. Care launched our 12th annual Fight the Flu campaign, with multiple efforts to get the word out about the importance of life-saving flu vaccines. The L.A. Care 2023 Fight the Flu campaign will include 10 vaccine clinics at L.A. Care-Blue Shield Promise Community Resource Centers across Los Angeles

County. Each clinic will offer flu vaccines and COVID-19 boosters. L.A. Care reaches out to members via multiple channels to let them know of the events throughout the month. Clinics will go into mid-October.

L.A. Care Partners with Los Angeles Rams to Host Play 60 Events

L.A. Care Health Plan is proud to partner with the Los Angeles Rams for Play 60, the National Football League’s campaign to encourage kids to be active for 60 minutes a day to help reverse rising childhood obesity rates. We are sponsoring three Play 60 events, which are interactive events that promote the importance of healthy lifestyles to children in Kindergarten through 5th grade. There will be discussions with Rams ambassadors about mental health and football activity stations where students will participate in drills and skills training.

Attachments

L.A. Times OpEd

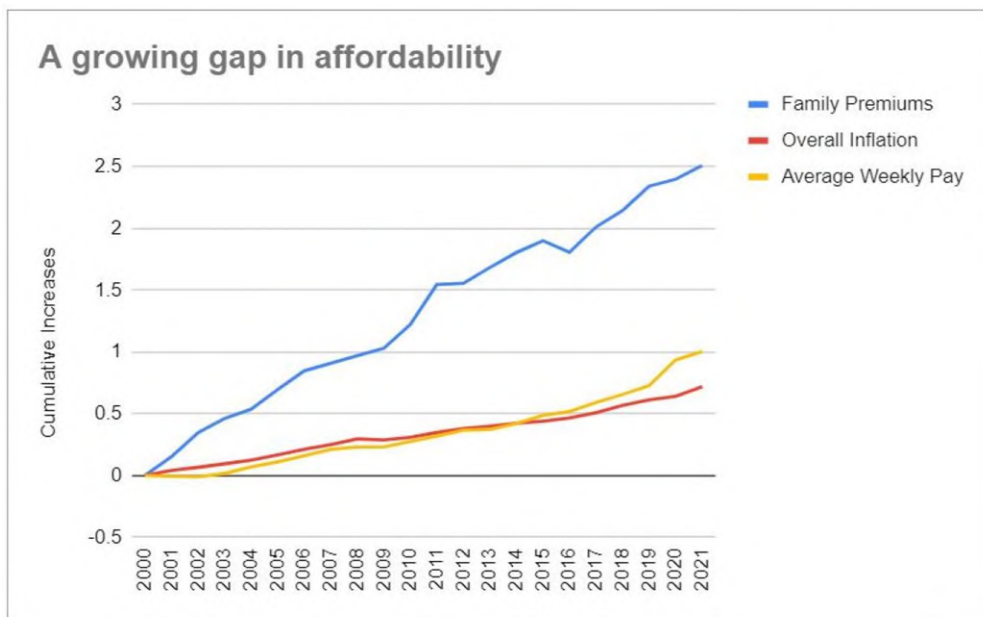
Los Angeles Times

Opinion: California can lead the nation with a public option for health insurance. We have the data to show it works

BY RICHARD SCHEFFLER AND STEPHEN SHORTELL

SEPT. 18, 2023 3 AM PT

California's workers are facing a mounting healthcare affordability crisis. The cost of insurance for families has grown more than two and half times faster than wages have, putting healthcare out of reach for more and more people. This gap is even larger for the state's Black and Latino populations.



Insurance premiums in California have become less and less affordable as wage growth has remained lackluster.

Part of the solution is within reach: The state should introduce a public option to compete with private insurance plans and drive down premiums. California is uniquely suited to pioneer this approach and has hard evidence that it will work.

President Biden [proposed a public-option](#) health insurance plan to increase competition and lower costs, but the gridlock in Washington and the lack of congressional support has shifted the

development of a public option to the states, the “[laboratories of democracy](#).” Washington has [implemented one](#), with [little success](#) to date in gaining enrollment or lowering premiums.

We [propose a public-option for California](#) that we call Golden Choice, which would take a different approach. It is based on the ability of the state’s integrated medical groups to provide [high-quality care at a lower cost](#) by receiving monthly revenue per enrollee, a payment system known as capitation. The figure would be adjusted for each patient’s age, gender, health status and related characteristics likely to influence need for care. This model provides incentives to the healthcare system to keep participants healthy and to manage illnesses with strong primary care and close coordination with specialists.

[Our research](#) indicates that health insurance premiums based on this model of care would be the lowest premiums in 14 of the 19 regions for California’s insurance marketplace. Individuals who switch from what’s now their most affordable option would save \$1,389 a year on premiums through the state public option plan. Our work also looked at how the public option would fare if offered by the California Public Employees Retirement System, and we found that the premium would be lower than the premiums in 9 of the 10 HMO plans now offered to members.

California already has some experience with a public option: L.A. Care in Los Angeles County. This county-based public plan has been listed since 2014 on the state’s insurance exchange. Our research team found that L.A. Care’s low premiums have had [a competitive effect](#) on the market, driving down prices. Premiums of the other plans have declined, and L.A. Care’s enrollment increased to more than 125,000 last year. The estimated savings because of this public option were \$345 million as of 2022. This decline in premiums did not happen in the rest of the state, where there is no similar plan. (L.A. Care [has been faulted for treatment delays](#), but it says the problems reflect a systemic issue related to payment rates.)

In 2024, Inland Empire Health Plan, another county-based plan, is set to enter the Riverside/San Bernardino region with the lowest premium.

County plans are a valuable force in the marketplace, but the Newsom administration has the chance to make insurance more affordable on a much larger scale across all of California. It’s an achievable goal.

A statewide public option would require little to no new funding from the state. The Department of Managed Health Care [already regulates](#) capitated medical groups. We recommend that the state establish an Office of Public Options so that [the 18 million commercially insured Californians](#) and the uninsured are able to share the benefits of a public option — particularly lower premiums. The office would organize, implement and promote a statewide public option.

The Newsom administration has the evidence that it needs to move forward. Such an initiative would be consistent with what the governor has done to address [the increasing cost of](#)

[prescription drugs](#) by having the state partner with the private sector to develop drugs to compete in the marketplace.

The affordability of healthcare continues to be a nightmare for many Californians, fueling a crisis of [medical debt](#) that disproportionately hurts [low-income workers and minorities](#). By introducing a state public plan, California would set an example for other states and the federal government to develop plans of their own that could, in turn, drive down premiums nationwide.

Richard Scheffler is a distinguished professor at the Graduate School of Public Health and the Goldman School of Public Policy at UC Berkeley. He was [appointed](#) by the governor to serve on the Healthy California for All commission. Stephen Shortell is a distinguished professor at the School of Public Health and the Haas School of Business at UC Berkeley and dean emeritus of the School of Public Health.



September 11, 2022

Submitted electronically via: www.regulations.gov

John Baackes

Chief Executive Officer

RE: CMS–9904–P, Short-Term, Limited-Duration Insurance; Independent, Noncoordinated Excepted Benefits Coverage; Level-Funded Plan Arrangements; and Tax Treatment of Certain Accident and Health Insurance

L.A. Care Health Plan, the nation's largest public plan with over 2.9 million Medicaid, Medicare D-SNP (Dual Eligibles), PASC- SEIU Homecare Workers, and Covered California (Marketplace) enrollees, respectfully submits comments in response to the proposed rule regarding short-term, limited-duration insurance (STLDI).

L.A. Care wishes to express our strong support for the Administration's proposed rule regulating STLDI. L.A. Care provides health care coverage in both the Medicaid and Marketplace plans, providing stability for our members as they transition between these two forms of coverage. This unique position empowers our members by offering healthcare choices and continuity with their chosen providers. Our qualified health plan (QHP) in the Affordable Care Act (ACA) Marketplace serves more than 127,000 consumers who would directly benefit from the changes in the proposed rule.

STLDI can serve as a temporary bridge in coverage when individuals transition between two different types of insurance. However, these plans offer limited coverage and benefits and do not have the same consumer protections as traditional comprehensive health insurance. STLDI plans are exempt from the requirements under the ACA, so they do not meet the stringent requirements and protections of individual health insurance coverage under the Public Health Service Act. STLDI plans have also found loopholes in the system allowing them to go beyond temporary coverage by having consumers enrolled for months to years at a time.

The regulatory changes enacted by the previous administration have allowed STLDI plans to evade the consumer protections and benefits mandated by the ACA. Instead of functioning as a temporary solution to bridge short-term gaps in coverage, STLDI plans have exploited regulatory ambiguities through the practice known as "stacking." Stacking entails enrolling individuals in consecutive STLDI policies, collectively sidestepping the intended duration limits and deliberately causing consumer confusion about differences between STLDI plans and comprehensive coverage. Additionally, these plans may exclude coverage for pre-existing conditions, neglect to offer the ten essential health benefits offered under the ACA, impose annual and lifetime benefit limits, and introduce prolonged waiting periods for certain types of care.

These practices are contrary to the ACA's goals of equity and non-discrimination in the healthcare marketplace. They have resulted in the sale of substandard insurance products to unsuspecting consumers, who may be misled into believing that they have comprehensive coverage, when in reality, they only have limited coverage. STLDI plans can be perplexing and deceptive, often leaving the public with an unwarranted sense of security regarding their healthcare needs.



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Furthermore, STLDI plans disrupt the ACA market by dividing the risk pool, resulting in higher premiums for ACA-compliant products. Healthier people may be encouraged to buy STLDI plans because the monthly premiums are lower than ACA-compliant plans, but they cost the consumer more in terms of higher deductibles, co-pays, and other out-of-pocket costs, in addition to the risk associated with the lack of consumer protections the ACA provides.

In 2018, California took a significant step to protect its residents from the potential pitfalls of STLDI plans by passing Senate Bill 910. This legislative action marked a crucial milestone in safeguarding consumers and ensuring that their healthcare needs are adequately met. Under SB 910, the sale of STLDI plans in California was explicitly prohibited. This was because the STLDI plans that were being marketed and sold posed a substantial risk to consumers, as they lacked many of the essential consumer protections established under the ACA.

The prohibition of STLDI plans through SB 910 had a profound impact on California's health insurance landscape. By removing these substandard insurance products from the market, the state's health insurance exchange, Covered California, was able to maintain a more balanced risk pool. This, in turn, contributed to the exchange's ability to offer more competitive premiums compared to federal and other state-based exchanges.

Additionally, the Medicaid unwinding process creates a fresh opportunity for the STLDI plans to capitalize on people losing access to a critical safety net program. For the first time in three years, people will go through the Medicaid renewal process and will need to navigate the various types of coverage they feel is best for them and their families. It is likely that STLDI plans will attempt to deceive consumers into purchasing junk insurance. The possibility of millions of more people becoming vulnerable to health insurance scams over the next year also underscores the need for the proposed rule.

L.A. Care supports the proposed amendments to redefine STLDI regulations, which includes closing the stacking loophole by prohibiting policies for the same policyholder within a 12-month period. These changes aim to limit STLDI to its original purpose of filling temporary coverage gaps. Additionally, the proposal seeks to clearly differentiate STLDI insurance from comprehensive coverage, aligning the federal definition with the initial intent of bridge-style plans. These proposed rule changes align with L.A. Care's mission to provide affordable, high-quality healthcare for all Americans.

Sincerely,



John Baackes





Legislative Matrix 9.18.2023

Last Updated: September 18, 2023

Bills by Issue

2023 Legislation (53)

* Please note that bills with the status of "enrolled" are at the Governor's desk awaiting his action.

Title

Social determinants of health: screening and outreach.

Introduction Date: 2022-12-16

Description

AB 85, as amended, Weber. Social determinants of health: screening and outreach. (1) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires health care service plans and health insurers to include coverage for screening for various conditions and circumstances, including adverse childhood experiences. Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2027, to include coverage for screenings for social determinants of health, as defined. The bill would require providers to use specified tools or protocols when documenting patient responses to questions asked in these screenings. The bill would require a health care service plan or health insurer to provide physicians who provide primary care services with adequate access to community health workers, peer support specialists, lay health workers, community health representatives, or social workers in counties where the health care service plan or health insurer has enrollees or insureds, as specified. The bill would authorize the respective departments to adopt guidance to implement its provisions. Because a violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program. The bill would make social determinants of health screenings a covered benefit for Medi-Cal beneficiaries and would require the State Department of Health Care Services or a Medi-Cal managed care plan to provide reimbursement for those screenings, as specified. (2) Existing law establishes the Department of Health Care Access and Information, under the control of the Director of the Department of Health Care Access and Information, to administer programs relating to areas including health policy and planning. This bill would require the department to convene a working group, with specified membership, to determine standardized methods of data documentation to be used in recording social determinants of health screening responses, to create a standardized model and procedures for connecting patients with community resources, to assess the need for a centralized list of accredited community... (click bill link to see more).

Primary Sponsors

Akilah Weber

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:51 PM
California Association of Health Plans: Oppose

Bill Number

AB 102

Status

Enacted

Position

Monitor

Title

Budget Act of 2023.

Introduction Date: 2023-01-09

Description

AB 102, Ting. Budget Act of 2023. The Budget Act of 2023 made appropriations for the support of state government for the 2023–24 fiscal year. This bill would amend the Budget Act of 2023 by amending, adding, and repealing items of appropriation and making other changes. This bill would declare that it is to take effect immediately as a Budget Bill.

Primary Sponsors

Phil Ting

Bill Number

AB 103

Status

Enacted

Position

Monitor

Title

Budget Acts of 2021 and 2022.

Introduction Date: 2023-01-09

Description

AB 103, Ting. Budget Acts of 2021 and 2022. The Budget Act of 2021 and Budget Act of 2022 made appropriations for the support of state government for the 2021–22 and 2022–23 fiscal years. This bill would amend the Budget Act of 2021 and Budget Act of 2022 by amending and adding items of appropriation and making other changes. The bill would declare that it is to take effect immediately as a Budget Bill.

Primary Sponsors

Phil Ting

Title
Distressed Hospital Loan Program.

Introduction Date: 2023-01-09

Description

AB 112, Committee on Budget. Distressed Hospital Loan Program. The California Health Facilities Financing Authority Act authorizes the California Health Facilities Financing Authority to, among other things, make loans from the continuously appropriated California Health Facilities Financing Authority Fund to participating health institutions, as defined, for financing or refinancing the acquisition, construction, or remodeling of health facilities. This bill would create the Distressed Hospital Loan Program, until January 1, 2032, for the purpose of providing loans to not-for-profit hospitals and public hospitals, as defined, in significant financial distress or to governmental entities representing a closed hospital to prevent the closure or facilitate the reopening of a closed hospital. The bill would require the Department of Health Care Access and Information to administer the program and would require the department to enter into an interagency agreement with the authority to implement the program. The bill would require the department, in collaboration with the State Department of Health Care Services, the Department of Managed Health Care, and the State Department of Public Health, to develop a methodology to evaluate an at-risk hospital's potential eligibility for state assistance from the program, as specified. The bill would require a hospital or a closed hospital to provide the authority and the department with financial information demonstrating the hospital's need for assistance due to financial hardship. The bill would additionally require that the department, in consultation with the authority, develop an application and approval process for loan forgiveness or modification of loan terms, as specified. This bill would create the Distressed Hospital Loan Program Fund, a continuously appropriated fund, for use by the department and the authority to administer the loan program, as specified. The bill would authorize both the authority and the department to recover administrative costs from the fund. The bill would authorize the Department of Finance to transfer funds from the General Fund to the Distressed Hospital Loan Program Fund between state fiscal years 2022–23 and 2023–24 to implement the bill, as specified. The bill would authorize the department and the authority to require any hospital receiving a loan under the program to provide the department and the authority with an independent financial audit of the hospital's operations for any fiscal year in which a loan is outstanding. The bill would abolish the fund on December 31, 2031, and would require any remaining balance, assets, liabilities, and encumbrances of the fund to revert to the General Fund. By creating a continuously appropriated fund, the ... (click bill link to see more).

Primary Sponsors

House Budget Committee

Title
Budget Act of 2023: health.

Introduction Date: 2023-01-09

Description

AB 118, Committee on Budget. Budget Act of 2023: health.

(1) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law requires a health care service plan to provide disclosures regarding the benefits, services, and terms of the plan contract, as specified, to provide the public, subscribers, and enrollees with a full and fair disclosure of the provisions of the plan. This bill would require the department to develop standard templates for the disclosure form and evidence of coverage, to include, among other things, standard definitions, benefit descriptions, and any other information that the director determines, consistent with the goals of providing fair disclosures of the provisions of a health care service plan. The bill would require the department to consult with the Department of Insurance and interested stakeholders in developing the standard templates. The bill would require health care service plans, beginning January 1, 2025, to use the standard templates for any disclosure form or evidence of coverage published or distributed, except as specified. Because a willful violation of these requirements is a crime, the bill would impose a state-mandated local program. This bill would authorize the department to develop standard templates for a schedule of benefits, an explanation of benefits, a cost-sharing summary, or any similar document. The bill would authorize the department to require health care service plans to use the standard templates, except as specified, and would authorize the director to require health care service plans to submit forms the health care service plan created based on the department's templates for the purpose of compliance review. The bill would additionally specify that the department may implement these provisions by issuing and modifying templates and all-plan letters or similar instructions, without taking regulatory action. The bill would also update cross-references in various provisions.

(2) Existing law requires a health care service plan contract or disability insurance policy to cover mental health and substance use disorder treatment, including medically necessary treatment of a mental health or substance use disorder provided by an in-network or out-of-network 988 center or mobile crisis team. Existing law prohibits a health care service plan or insurer from requiring prior authorization for medically necessary treatment of a mental health or substance use disorder provided by a 988 center or mobile crisis team. This bill would instead specify that mental health and substance use disorder treatment... (click bill link to see more).

Primary Sponsors

House Budget Committee

Title

Medi-Cal: managed care organization provider tax.

Introduction Date: 2023-01-09

Description

AB 119, Committee on Budget. Medi-Cal: managed care organization provider tax. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, one of the methods by which Medi-Cal services are provided is pursuant to contracts with various types of managed care plans. Existing law, inoperative on January 1, 2023, and to be repealed on January 1, 2024, imposed a managed care organization (MCO) provider tax, administered and assessed by the department, on licensed health care service plans and managed care plans contracted with the department to provide full-scope Medi-Cal services. Those provisions set forth taxing tiers and corresponding per enrollee tax amounts for the 2019–20, 2020–21, and 2021–22 fiscal years, and the first 6 months of the 2022–23 fiscal year. Under those provisions, all revenues, less refunds, derived from the tax were deposited into the State Treasury to the credit of the Health Care Services Special Fund, and continuously appropriated to the department for purposes of funding the nonfederal share of Medi-Cal managed care rates, as specified. Those inoperative provisions authorized the department, subject to certain conditions, to modify or make adjustments to any methodology, tax amount, taxing tier, or other provision relating to the MCO provider tax to the extent the department deemed necessary to meet federal requirements, to obtain or maintain federal approval, or to ensure federal financial participation was available or was not otherwise jeopardized. Those provisions required the department to request approval from the federal Centers for Medicare and Medicaid Services (CMS) as was necessary to implement those provisions. This bill would repeal those inoperative provisions. The bill would restructure the MCO provider tax, with certain modifications to the above-described provisions, including changes to the taxing tiers and tax amounts, for purposes of the tax periods of April 1, 2023, through December 31, 2023, and the 2024, 2025, and 2026 calendar years. The bill would create the Managed Care Enrollment Fund to replace the Health Care Services Special Fund. Under the bill, moneys deposited into the fund would, upon appropriation, be available to the department for the purpose of funding the following subcomponents to support the Medi-Cal program: (1) the nonfederal share of increased capitation payments to Medi-Cal managed care plans; (2) the nonfederal share of Medi-Cal managed care rates for health care services; and (3) transfers to the Medi-Cal Pro... (click bill link to see more).

Primary Sponsors

House Budget Committee

Title
Human services.

Introduction Date: 2023-01-09

Description

AB 120, Committee on Budget. Human services. (1) Existing law, the California Community Care Facilities Act, provides for the licensing and regulation of community care facilities, including group home facilities, short-term residential therapeutic programs (STRTPs), and adult residential facilities (ARFs), by the State Department of Social Services. Under existing law, the department similarly regulates residential care facilities for the elderly. A violation of provisions relating to these facilities is a misdemeanor. Existing law requires administrators of these facilities, with specified exemptions, to complete a department-approved certification program, uniformly referred to as administrator certification training programs. Under existing law, these programs require a specified minimum number of hours, depending on the facility type, of classroom instruction that provides training on a uniform core of knowledge in specified areas. Existing law also requires administrator certificates to be renewed every 2 years, conditional upon the certificate holder submitting documentation of a specified number of hours of continuing education, based on the facility type. Existing law permits up to one-half of the required continuing education hours to be satisfied through online courses, and the remainder to be completed in a classroom instructional setting, as prescribed. This bill would revise those provisions by deleting the classroom instruction requirement for initial certification and continuing education purposes, and instead would require instruction that is conducive to learning and allows participants to simultaneously interact with each other as well as with the instructor. The bill would authorize up to one-half of continuing education hours to be satisfied through self-paced courses, rather than online courses. The bill would make various conforming changes. Existing law authorizes the department to license as ARFs, subject to specified conditions, adult residential facilities for persons with special health care needs (ARFPSHNs), which provide 24-hour services to up to 5 adults with developmental disabilities who have special health care and intensive support needs, as defined. Existing law requires the department to ensure that an ARFPSHN meets specified administrative requirements, including requirements related to fingerprinting and criminal records. This bill additionally would require an ARFPSHN to meet the administrator certification requirements of an ARF, including, but not limited to, completing a department-approved administrator certification training program requiring a designated minimum number of hours of instruction conducive to learning, in which participants are able to simultaneously interact wi... (click bill link to see more).

Primary Sponsors

House Budget Committee

Title
Housing.

Introduction Date: 2023-01-09

Description

AB 129, Committee on Budget. Housing. (1) Existing law establishes the Department of Housing and Community Development (HCD) in the Business, Consumer Services, and Housing Agency for purposes of carrying out state housing policies and programs, and creates in HCD the California Housing Finance Agency. This bill would remove the California Housing Finance Agency from within HCD. This bill would continue the existence of the California Housing Finance Agency in the Business, Consumer Services, and Housing Agency. This bill would also make technical, conforming changes and would delete obsolete references. (2) Existing federal law authorizes the United States Secretary of Agriculture to extend financial assistance through multifamily housing direct loan and grant programs to serve very low, low-, and moderate-income households, including, among other programs, Section 515 Rural Rental Housing Loans, which are mortgages to provide affordable rental housing for very low, low-, and moderate-income families, elderly persons, and persons with disabilities. Existing law establishes a low-income housing tax credit program pursuant to which the California Tax Credit Allocation Committee provides procedures and requirements for the allocation, in modified conformity with federal law, of state insurance, personal income, and corporation tax credit amounts to qualified low-income housing projects that have been allocated, or qualify for, a federal low-income housing tax credit and farmworker housing. Existing law requires not less than 20% of the low-income housing tax credits available annually to be set aside for allocation to rural areas. Existing law defines "rural area" for purposes of the low-income housing tax credit program as an area, which, on January 1 of any calendar year, satisfies any number of certain criteria, including being eligible for financing under the Section 515 program, or successor program, of the United States Department of Agriculture Rural Development. This bill would expand the above-described criteria relating to Section 515 eligibility to instead include eligibility for financing under a multifamily housing program, as specified, or successor program, of the United States Department of Agriculture Rural Development. Existing law also includes in the definition of "rural area" an unincorporated area that adjoins a city having a population of 40,000 or less, provided that the city and its adjoining unincorporated area are not located within a census tract designated as an urbanized area by the United States Census Bureau. This bill would revise the definition of "rural area" to include an unincorporated area that adjoins a city having a population of 40,000 or less, provided that the unincorporated area i... (click bill link to see more).

Primary Sponsors

House Budget Committee

Title

Confidentiality of Medical Information Act: reproductive or sexual health application information.

Introduction Date: 2023-01-19

Description

AB 254, Bauer-Kahan. Confidentiality of Medical Information Act: reproductive or sexual health application information. The Confidentiality of Medical Information Act (CMIA) prohibits a provider of health care, a health care service plan, a contractor, or a corporation and its subsidiaries and affiliates from intentionally sharing, selling, using for marketing, or otherwise using any medical information, as defined, for any purpose not necessary to provide health care services to a patient, except as provided. The CMIA makes a business that offers software or hardware to consumers, including a mobile application or other related device that is designed to maintain medical information in order to make the information available to an individual or a provider of health care at the request of the individual or a provider of health care, for purposes of allowing the individual to manage the individual's information or for the diagnosis, treatment, or management of a medical condition of the individual, a provider of health care subject to the requirements of the CMIA. Existing law makes a violation of these provisions that results in economic loss or personal injury to a patient punishable as a misdemeanor. This bill would revise the definition of "medical information" to include reproductive or sexual health application information, which the bill would define to mean information about a consumer's reproductive or sexual health collected by a reproductive or sexual health digital service, as specified. The bill would make a business that offers a reproductive or sexual health digital service to a consumer for the purpose of allowing the individual to manage the individual's information, or for the diagnosis, treatment, or management of a medical condition of the individual, a provider of health care subject to the requirements of the CMIA. Because the bill would expand the scope of a crime, it would impose a state-mandated local program. This bill would incorporate additional changes to Section 56.05 of the Civil Code proposed by AB 1697 to be operative only if this bill and AB 1697 are enacted and this bill is enacted last. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Rebecca Bauer-Kahan, Dawn Addis, Laura Friedman

Title
Pharmacist service coverage.

Introduction Date: 2023-01-26

Description

AB 317, as amended, Weber. Pharmacist service coverage. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care under authority of the Director of the Department of Managed Health Care. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law authorizes health care service plans and certain disability insurers, that offer coverage for a service that is within the scope of practice of a duly licensed pharmacist, to pay or reimburse the cost of the service performed by a pharmacist for the plan or insurer if the pharmacist otherwise provides services for the plan or insurer. This bill would instead require a health care service plan and certain disability insurers that offer coverage for a service that is within the scope of practice of a duly licensed pharmacist to pay or reimburse the cost of services performed by a pharmacist at an in-network pharmacy or by a pharmacist at an out-of-network pharmacy if the health care service plan or insurer has an out-of-network pharmacy benefit. Because a willful violation of the bill's requirements relative to health care service plans would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Akilah Weber

Title
Health information.

Introduction Date: 2023-01-31

Description

AB 352, as amended, Bauer-Kahan. Health information. Existing law, the Reproductive Privacy Act, provides that every individual possesses a fundamental right of privacy with respect to their personal reproductive decisions. Existing law prohibits the state from denying or interfering with a person's right to choose or obtain an abortion prior to viability of the fetus, or when the abortion is necessary to protect the life or health of the person. Existing law, the Confidentiality of Medical Information Act (CMIA), generally prohibits a provider of health care, a health care service plan, or a contractor from disclosing medical information regarding a patient, enrollee, or subscriber without first obtaining an authorization, unless a specified exception applies. The CMIA requires every provider of health care, health care service plan, pharmaceutical company, or contractor who, among other things, maintains or stores medical information to do so in a manner that preserves the confidentiality of the information contained therein. The CMIA also prohibits a provider of health care, a health care service plan, a contractor, or an employer from releasing medical information that would identify an individual or related to an individual seeking or obtaining an abortion in response to a subpoena or a request or to law enforcement if that subpoena, request, or the purpose of law enforcement for the medical information is based on, or for the purpose of enforcement of, either another state's laws that interfere with a person's rights to choose or obtain an abortion or a foreign penal civil action. Existing law makes a violation of the CMIA that results in economic loss or personal injury to a patient punishable as a misdemeanor. This bill would require specified businesses that electronically store or maintain medical information on the provision of sensitive services on behalf of a provider of health care, health care service plan, pharmaceutical company, contractor, or employer to develop capabilities, policies, and procedures, on or before July 1, 2024, to enable certain security features, including limiting user access privileges and segregating medical information related to gender affirming care, abortion and abortion-related services, and contraception, as specified. The bill would additionally prohibit a provider of health care, health care service plan, contractor, or employer from cooperating with any inquiry or investigation by, or from providing medical information to, an individual, agency, or department from another state or, to the extent permitted by federal law, to a federal law enforcement agency that would identify an individual or that is related to an individual seeking or obtaining an abortion or abortio... (click bill link to see more).

Primary Sponsors

Rebecca Bauer-Kahan

Title

Medi-Cal: pharmacogenomic testing.

Introduction Date: 2023-02-06

Description

AB 425, as amended, Alvarez. Medi-Cal: pharmacogenomic testing. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law sets forth a schedule of covered benefits under the Medi-Cal program. This bill would, commencing on July 1, 2024, add pharmacogenomic testing as a covered benefit under Medi-Cal, as specified. The bill would define pharmacogenomic testing as laboratory genetic testing that includes, but is not limited to, a panel test, to identify how a person's genetics may impact the efficacy, toxicity, and safety of medications. The bill would condition implementation of this benefit coverage on receipt of any necessary federal approvals and the availability of federal financial participation. The bill would authorize the department to implement these provisions through all-county letters or similar instructions. The bill would also make related legislative findings.

Primary Sponsors

David Alvarez

Title
California Public Records Act Ombudsperson.

Introduction Date: 2023-02-06

Description

AB 469, as amended, Vince Fong. California Public Records Act Ombudsperson. The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. The act declares that access to information concerning the conduct of the people's business is a fundamental and necessary right of every person in this state. This bill would, subject to appropriation, establish the Office of the California Public Records Act Ombudsperson. The bill would require the Governor to appoint the ombudsperson subject to certain requirements. The bill would require the ombudsperson to receive and investigate requests for review, as defined, determine whether the denials of original requests, as defined, complied with the California Public Records Act, and issue written opinions of its determination, as provided. The bill would require the ombudsperson to create a process to that effect, and would authorize a member of the public to submit a request for review to the ombudsperson consistent with that process. The bill would require the ombudsperson, within 30 days from receipt of a request for review, to make a determination, as provided, and would require the state agency to provide the public record if the ombudsperson determines that it was improperly denied. The bill would require the ombudsperson to create a process through which a person whose information is contained in a record being reviewed may intervene to assert their privacy and confidentiality rights, and would otherwise require the ombudsperson to maintain the privacy and confidentiality of records, as provided. The bill would require the ombudsperson to report to the Legislature, on or before March 31, 2025, and annually thereafter, on, among other things, the number of requests for review the ombudsperson has received in the prior year.

Primary Sponsors
Vince Fong

Title

The Behavioral Health Infrastructure Bond Act of 2023.

Introduction Date: 2023-02-08

Description

AB 531, as amended, Irwin. The Behavioral Health Infrastructure Bond Act of 2023. Existing law establishes the Multifamily Housing Program administered by the Department of Housing and Community Development. Existing law requires assistance for projects under the program to be provided in the form of deferred payment loans to pay for eligible costs of specified types of development, as provided. Existing law requires that specified funds appropriated to provide housing for individuals and families who are experiencing homelessness or who are at risk of homelessness and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases be disbursed in accordance with the Multifamily Housing Program for specified uses. The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA does not apply to the approval of ministerial projects. Existing law, until July 1, 2024, exempts from CEQA a project funded to provide housing for individuals and families who are experiencing homelessness, as described above, if certain requirements are satisfied, including if the project proponent obtains an enforceable commitment to use a skilled and trained workforce for any proposed rehabilitation, construction, or major alterations, as specified. This bill would provide that projects funded by the Behavioral Health Infrastructure Bond Act of 2024 that provide housing for individuals and families who are experiencing homelessness or who are at risk of homelessness and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases and are disbursed in accordance with the Multifamily Housing Program, or projects that are disbursed in accordance with the Behavioral Health Continuum Infrastructure Program, are a use by right and subject to the streamlined, ministerial review process. The bill would define use by right for these purposes to mean that the local government's review of the project does not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a project subject to the approval process in CEQA. Because the bill would revise the approval process of specified projects, the bill would impose a state-mandated local program. Existing law authorizes the State Departmentmen... (click bill link to see more).

Primary Sponsors

Jacqui Irwin, Susan Eggman, Richard Roth

Title

Open meetings: local agencies: teleconferences.

Introduction Date: 2023-02-08

Description

AB 557, Hart. Open meetings: local agencies: teleconferences.

(1) Existing law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act contains specified provisions regarding providing for the ability of the public to observe and provide comment. The act allows for meetings to occur via teleconferencing subject to certain requirements, particularly that the legislative body notice each teleconference location of each member that will be participating in the public meeting, that each teleconference location be accessible to the public, that members of the public be allowed to address the legislative body at each teleconference location, that the legislative body post an agenda at each teleconference location, and that at least a quorum of the legislative body participate from locations within the boundaries of the local agency's jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Existing law, until January 1, 2024, authorizes the legislative body of a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect. Those circumstances are that (1) state or local officials have imposed or recommended measures to promote social distancing, (2) the legislative body is meeting for the purpose of determining whether, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees, or (3) the legislative body has previously made that determination. If there is a continuing state of emergency, or if state or local officials have imposed or recommended measures to promote social distancing, existing law requires a legislative body to make specified findings not later than 30 days after the first teleconferenced meeting, and to make those findings every 30 days thereafter, in order to continue to meet under these abbreviated teleconferencing procedures. Existing law requires a legislative body that holds a teleconferenced meeting under these abbreviated teleconferencing procedures to give notice of the meeting and post agendas, as described, to allow members of the public to access the meeting and address the legislative body, to give notice of the means by which members of the public may access the meeting and offer public comment, including an opportunity for all persons to attend via a call-in option or an internet-based service option. Existing law prohibits a legislative body that holds a teleconferenced meeting under th... (click bill link to see more).

Primary Sponsors

Gregg Hart

Title

Medi-Cal: reimbursement for abortion.

Introduction Date: 2023-02-08

Description

AB 576, Weber. Medi-Cal: reimbursement for abortion. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law provides that abortion is a covered benefit under Medi-Cal. Existing regulation authorizes reimbursement for specified medications used to terminate a pregnancy through the 70th day from the first day of the recipient's last menstrual period. This bill would require the department, by March 1, 2024, to review and update Medi-Cal coverage policies for medication abortion to align with current evidence-based clinical guidelines. After the initial review, the bill would require the department to update its Medi-Cal coverage policies for medication abortion as needed to align with evidence-based clinical guidelines. The bill would require the department to allow flexibility for providers to exercise their clinical judgment when services are performed in a manner that aligns with one or more evidence-based clinical guidelines.

Primary Sponsors

Akilah Weber

Title

Medi-Cal: comprehensive perinatal services.

Introduction Date: 2023-02-09

Description

AB 608, Schiavo. Medi-Cal: comprehensive perinatal services. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including comprehensive perinatal services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, a pregnant individual or targeted low-income child who is eligible for, and is receiving, health care coverage under any of specified Medi-Cal programs is eligible for full-scope Medi-Cal benefits for the duration of the pregnancy and for a period of one year following the last day of the individual's pregnancy. This bill, during the one-year postpregnancy eligibility period, and as part of comprehensive perinatal services under Medi-Cal, would require the department to cover additional comprehensive perinatal assessments and individualized care plans and to provide additional visits and units of services in an amount, duration, and scope that are at least proportional to those available on July 27, 2021, during pregnancy and the initial 60-day postpregnancy period in effect on that date. The bill would require the department, in coordination with the State Department of Public Health, to consider input from certain stakeholders, as specified, in determining the specific number of additional comprehensive perinatal assessments, individualized care plans, visits, and units of services to be covered. The bill would require the department to cover comprehensive perinatal services that are rendered by a nonlicensed perinatal health worker in a beneficiary's home or other community setting away from a medical site, as specified. The bill would also require the department to allow a nonlicensed perinatal health worker rendering those services to be supervised by a community-based organization (CBO) or a local health jurisdiction (LHJ). For these purposes, the bill would require a CBO or LHJ supervising a nonlicensed perinatal health worker to provide those services under contract with a Comprehensive Perinatal Services Program provider. The bill would condition implementation of the provisions above on receipt of any necessary federal approvals and the availability of federal financial participation. The bill would authorize the department to implement these provisions by all-county letters or similar instructions until regulations are adopted.

Primary Sponsors

Pilar Schiavo, Joaquin Arambula, Sabrina Cervantes

Title
Medi-Cal.

Introduction Date: 2023-02-09

Description

AB 614, as amended, Wood. Medi-Cal. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill would make a change to an obsolete reference to the former Healthy Families Program, whose health services for children have been transitioned to the Medi-Cal program. The bill would make a change to an obsolete reference to the former Access for Infants and Mothers Program and would revise a related provision to instead refer to the successor Medi-Cal Access Program. The bill would delete, within certain Medi-Cal provisions, obsolete references to a repealed provision relating to nonprofit hospital service plans. Existing law establishes, under Medi-Cal, the County Health Initiative Matching Fund, a program administered by the department, through which an applicant county, county agency, local initiative, or county organized health system that provides an intergovernmental transfer, as specified, is authorized to submit a proposal to the department for funding for the purpose of providing comprehensive health insurance coverage to certain children. The program is sometimes known as the County Children's Health Initiative Program (CCHIP). This bill would revise certain provisions to rename that program as CCHIP. Existing law requires the Director of Health Care Services to enter into contracts with managed care plans under Medi-Cal and related provisions, including health maintenance organizations, prepaid health plans, or other specified entities, for the provision of medical benefits to all persons who are eligible to receive medical benefits under publicly supported programs. This bill would delete that list of entities and would instead specify that the director would be required to enter into contracts with managed care plans licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975, except as otherwise authorized under the Medi-Cal program. The bill would require the director, prior to issuing a new request for proposal or entering into new contracts, to provide an opportunity for interested stakeholders to provide input to inform the development of contract provisions. The bill would also make technical changes to some of the provisions described above.

Primary Sponsors

Jim Wood

Title

Health care coverage for metabolic disorders.

Introduction Date: 2023-02-09

Description

AB 620, as amended, Connolly. Health care coverage for metabolic disorders. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of disability insurers, including health insurers, by the Department of Insurance. Existing law requires a health care service plan contract and disability insurance policy that provides coverage for hospital, medical, or surgical expenses and is issued, amended, delivered, or renewed on and after July 1, 2000, to provide coverage for the testing and treatment of phenylketonuria, including coverage for the formulas and special food products that are part of a prescribed diet, as specified. This bill would require a health care service plan contract and disability insurance policy that provides coverage for hospital, medical, or surgical expenses and is issued, amended, delivered, or renewed on and after July 1, 2024, to provide coverage for formulas, as defined, for the treatment of other chronic digestive diseases and inherited metabolic disorders, as specified. The bill would specify that these provisions do not apply to Medi-Cal managed care plans to the extent that the services are excluded from coverage under the contract between the Medi-Cal managed care plan and the State Department of Health Care Services. Because a violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Damon Connolly

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:51 PM
California Association of Health Plans: Oppose

Title

Health care coverage: prostate cancer screening.

Introduction Date: 2023-02-09

Description

AB 632, Gipson. Health care coverage: prostate cancer screening. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires an individual and group health care service plan contract or health insurance policy to provide coverage for the screening and diagnosis of prostate cancer when medically necessary and consistent with good professional practice. Under existing law, the application of a deductible or copayment for those services is not prohibited. This bill would instead require that coverage when medically necessary and consistent with nationally recognized, evidence-based clinical guidelines. The bill would prohibit a health care service plan or a health insurance policy issued, amended, renewed, or delivered on or after January 1, 2024, from applying a deductible, copayment, or coinsurance to coverage for prostate cancer screening services for an enrollee or insured who is at a high risk of prostate cancer, consistent with specified guidelines, and is either 55 years of age or older or 40 years of age or older and high risk, as determined by the attending or treating health care provider. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Mike Gipson

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:52 PM
California Association of Health Plans: Oppose

Title
Cancer Prevention Act.

Introduction Date: 2023-02-09

Description

AB 659, as amended, Aguiar-Curry. Cancer Prevention Act. Existing law prohibits the governing authority of a school or other institution from unconditionally admitting any person as a pupil of any private or public elementary or secondary school, childcare center, day nursery, nursery school, family daycare home, or development center, unless prior to their admission to that institution they have been fully immunized. Existing law requires the documentation of immunizations for certain diseases, including, among others, measles, mumps, pertussis, and any other disease deemed appropriate by the State Department of Public Health, as specified. Existing law authorizes certain exemptions from these provisions subject to specified conditions. This bill, the Cancer Prevention Act, would declare that pupils in the state are advised to adhere to current immunization guidelines, as recommended by specified health entities, regarding full human papillomavirus (HPV) immunization before admission or advancement to the 8th grade level of any private or public elementary or secondary school. The bill would, upon a pupil's admission or advancement to the 6th grade level, require the governing authority to submit to the pupil and their parent or guardian a notification containing a statement about that public policy and advising that the pupil adhere to current HPV immunization guidelines before admission or advancement to the 8th grade level, as specified. The bill would require that the notification also include a statement containing certain health information. The bill would incorporate that notification into existing provisions relating to notifications by school districts. By creating new notification duties for school districts, the bill would impose a state-mandated local program. Existing law requires the Trustees of the California State University and, subject to a resolution, the Regents of the University of California to require the first-time enrollees at those institutions who are 18 years of age or younger to provide proof of full immunization against the hepatitis B virus prior to enrollment, with certain exemptions. This bill would declare the public policy of the state that students who are 26 years of age or younger are advised to adhere to current immunization guidelines, as specified, regarding full HPV immunization before first-time enrollment at an institution of the California State University, the University of California, or the California Community Colleges. The bill would make a conforming change to a consultation-related provision. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and... (click bill link to see more).

Primary Sponsors

Cecilia Aguiar-Curry

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:52 PM
California Association of Health Plans: Oppose

Title
Pharmacy: mobile units.

Introduction Date: 2023-02-09

Description

AB 663, as amended, Haney. Pharmacy: mobile units. Existing law, the Pharmacy Law, requires the California State Board of Pharmacy within the Department of Consumer Affairs to license and regulate the practice of pharmacy, including pharmacists, pharmacy technicians, and pharmacies. Existing law authorizes a county, city and county, or special hospital authority, as defined, to operate a mobile unit as an extension of a pharmacy license held by the county, city and county, or special hospital authority to provide prescription medication within its jurisdiction to specified individuals, including those individuals without fixed addresses. Existing law authorizes a mobile unit to dispense prescription medication pursuant to a valid prescription if the county, city and county, or special hospital authority meets prescribed requirements for licensure, staffing, and operations, including a prohibition on carrying or dispensing controlled substances. Existing law, the California Uniform Controlled Substances Act, classifies certain controlled substances into Schedules I to V, inclusive. This bill would instead authorize a county, city and county, or special hospital authority to operate one or more mobile units as an extension of a pharmacy license held by the county, city and county, or special hospital authority, as described above. The bill would require the pharmacist-in-charge to determine the number of mobile units that are appropriate for a particular pharmacy license. The bill would additionally authorize a mobile unit to provide prescription medication within its jurisdiction to city-and-county-operated housing facilities. This bill would exempt from the above-described prohibition on carrying or dispensing controlled substances Schedule III, Schedule IV, or Schedule V controlled substances approved by the United States Food and Drug Administration for the treatment of opioid use disorder. The bill would require any controlled substance for the treatment of opioid use disorder carried or dispensed in accordance with that exemption to be carried in reasonable quantities based on prescription volume and stored securely in the mobile pharmacy unit. Existing law requires a city, city and county, or special hospital authority, at least 30 days before commencing operation of a mobile unit, to notify the board of its intention to operate a mobile unit. Existing law further requires that the board be given notice at least 30 days before discontinuing operation of a mobile unit. This bill would instead require a county, city and county, or special hospital authority to notify the board of its intention to operate a mobile unit as soon as possible, and no later than 5 business days after commencing operation of a mobile unit. ... (click bill link to see more).

Primary Sponsors

Matt Haney

Title
CalFresh: hot and prepared foods.

Introduction Date: 2023-02-13

Description

AB 712, Wendy Carrillo. CalFresh: hot and prepared foods. Existing law establishes various public social services programs, including, among others, the California Work Opportunity and Responsibility to Kids (CalWORKs) program, CalFresh, and the Medi-Cal program. Existing federal law provides for the federal Supplemental Nutrition Assistance Program (SNAP), known in California as CalFresh, under which supplemental nutrition assistance benefits allocated to the state by the federal government are distributed to eligible individuals by each county. This bill would require the State Department of Social Services to seek all available federal waivers and approvals to maximize food choices for CalFresh recipients, including hot and prepared foods ready for immediate consumption.

Primary Sponsors

Wendy Carrillo

Organizational Notes

Last edited by Joanne Campbell at Jun 6, 2023, 3:17 PM
California Association of Food Banks (co-sponsor), GRACE/End Child Poverty CA (co-sponsor)

Title

Ground medical transportation.

Introduction Date: 2023-02-13

Description

AB 716, Boerner. Ground medical transportation. Existing law creates the Emergency Medical Services Authority to coordinate various state activities concerning emergency medical services. Existing law requires the authority to report specified information, including reporting ambulance patient offload time twice per year to the Commission on Emergency Medical Services. This bill would require the authority to annually report the allowable maximum rates for ground ambulance transportation services in each county, including trending the rates by county, as specified. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law requires that health care service plan contracts and health insurance policies provide coverage for certain services and treatments, including medical transportation services, and requires a policy or contract to provide for the direct reimbursement of a covered medical transportation services provider if the provider has not received payment from another source. This bill would delete that direct reimbursement requirement and would require a health care service plan contract or a health insurance policy issued, amended, or renewed on or after January 1, 2024, to require an enrollee or insured who receives covered services from a noncontracting ground ambulance provider to pay no more than the same cost-sharing amount that the enrollee or insured would pay for the same covered services received from a contracting ground ambulance provider. The bill would prohibit a noncontracting ground ambulance provider from sending to collections a higher amount, would limit the amount an enrollee or insured owes a noncontracting ground ambulance provider to no more than the in-network cost-sharing amount, and would prohibit a ground ambulance provider from billing an uninsured or self-pay patient more than the established payment by Medi-Cal or Medicare fee-for-service amount, whichever is greater. The bill would require a plan or insurer to directly reimburse a noncontracting ground ambulance provider for ground ambulance services the difference between the in-network cost-sharing amount and an amount described, as specified, unless it reaches another agreement with the noncontracting ground ambulance provider. Because a willful violation of the bill's requirements relative to a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local ... (click bill link to see more).

Primary Sponsors

Tasha Boerner Horvath

Organizational Notes

Last edited by Joanne Campbell at Jul 14, 2023, 6:35 PM
California Association of Health Plans - Oppose

Title

Medi-Cal: nonmedical and nonemergency medical transportation.

Introduction Date: 2023-02-13

Description

AB 719, Boerner. Medi-Cal: nonmedical and nonemergency medical transportation. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes a schedule of benefits under the Medi-Cal program, including medical transportation and nonmedical transportation for a beneficiary to obtain covered Medi-Cal services. Existing law requires nonmedical transportation to be provided by the beneficiary's managed care plan or by the department for a Medi-Cal fee-for-service beneficiary. This bill would require the department to require Medi-Cal managed care plans that are contracted to provide nonmedical transportation or nonemergency medical transportation to contract with public paratransit service operators who are enrolled Medi-Cal providers for the purpose of establishing reimbursement rates for nonmedical and nonemergency medical transportation trips provided by a public paratransit service operator. The bill would require the rates reimbursed by the managed care plan to the public paratransit service operator to be based on the department's fee-for-service rates for nonmedical and nonemergency medical transportation service, as specified. The bill would condition implementation of these provisions on receipt of any necessary federal approvals and the availability of federal financial participation.

Primary Sponsors

Tasha Boerner Horvath

Organizational Notes

Last edited by Joanne Campbell at Jun 5, 2023, 8:55 PM
Local Health Plans of California, California Association of Health Plans: Oppose

Bill Number
AB 816

Status
Enrolled

Position
Monitor

Title

Minors: consent to medical care.

Introduction Date: 2023-02-13

Description

AB 816, Haney. Minors: consent to medical care. Existing law authorizes a minor who is 12 years of age or older to consent to medical care and counseling relating to the diagnosis and treatment of a drug- or alcohol-related problem. Existing law exempts replacement narcotic abuse treatment, as specified, from these provisions. This bill would authorize a minor who is 16 years of age or older to consent to replacement narcotic abuse treatment that uses buprenorphine at a physician's office, clinic, or health facility, by a licensed physician and surgeon or other health care provider, as specified, whether or not the minor also has the consent of their parent or guardian. The bill would authorize a minor 16 years of age or older to consent to any other medications for opioid use disorder from a licensed narcotic treatment program as replacement narcotic therapy without the consent of the minor's parent or guardian only if, and to the extent, expressly permitted by federal law.

Primary Sponsors

Matt Haney

Bill Number
AB 904

Status
Enrolled

Position
Monitor

Title

Health care coverage: doulas.

Introduction Date: 2023-02-14

Description

AB 904, as amended, Calderon. Health care coverage: doulas. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act's requirements a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan or health insurer to develop a maternal mental health program designed to promote quality and cost-effective outcomes. Existing law encourages a plan or insurer to include coverage for doulas. This bill would require a health care service plan or health insurer, on or before January 1, 2025, to develop a maternal and infant health equity program that addresses racial health disparities in maternal and infant health outcomes through the use of doulas. Under the bill, a Medi-Cal managed care plan would satisfy that requirement by providing coverage of doula services so long as doula services are a Medi-Cal covered benefit. The bill would require the Department of Managed Health Care, in consultation with the Department of insurance, to collect data and submit a report describing the doula coverage and the above-described programs to the Legislature by January 1, 2027. Because a willful violation of the provisions relative to health care service plans would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Lisa Calderon, Sabrina Cervantes

Title
Coverage for PANDAS and PANS.

Introduction Date: 2023-02-14

Description

AB 907, as amended, Lowenthal. Coverage for PANDAS and PANS. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law sets forth specified coverage requirements for health care service plan contracts and health insurance policies, and limits the copayment, coinsurance, deductible, and other cost sharing that may be imposed for specified health care services. This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2024, to provide coverage for the prophylaxis, diagnosis, and treatment of Pediatric Autoimmune Neuropsychiatric Disorder Associated with Streptococcal Infections (PANDAS) and Pediatric Acute-onset Neuropsychiatric Syndrome (PANS) that is prescribed or ordered by the treating physician and surgeon. The bill would prohibit coverage for PANDAS and PANS from being subject to a copayment, coinsurance, deductible, or other cost sharing that is greater than that applied to other benefits. The bill would prohibit a plan or insurer from denying or delaying coverage for PANDAS or PANS therapies because the enrollee or insured previously received treatment for PANDAS or PANS or was diagnosed with or received treatment for the condition under a different diagnostic name. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Josh Lowenthal

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:54 PM
California Association of Health Plans: Oppose

Title

Prior authorization: physical therapy.

Introduction Date: 2023-02-14

Description

AB 931, Irwin. Prior authorization: physical therapy. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law sets forth specified prior authorization limitations for health care service plans and health insurers. This bill would prohibit a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2025, that provides coverage for physical therapy from imposing prior authorization for the initial 12 treatment visits for a new episode of care for physical therapy. The bill would require a physical therapy provider to verify an enrollee's or an insured's coverage and disclose their share of the cost of care, as specified. The bill would require a physical therapy provider to obtain separate written consent for costs that may not be covered by the enrollee's or insured's plan contract or policy, that includes a written estimate of the cost of care for which the enrollee or insured is responsible if coverage is denied or otherwise not applicable. With respect to health care service plans, the bill would specify that its provisions do not apply to Medi-Cal managed care plan contracts. Because a willful violation of this provision by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Jacqui Irwin

Organizational Notes

Last edited by Joanne Campbell at Jun 6, 2023, 7:51 PM
California Association of Health Plans: Oppose Unless Amended

Title
Prescription drugs.

Introduction Date: 2023-02-14

Description

AB 948, Berman. Prescription drugs. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law prohibits the copayment, coinsurance, or any other form of cost sharing for a covered outpatient prescription drug for an individual prescription from exceeding \$250 for a supply of up to 30 days, except as specified. Existing law requires a health care service plan contract or health insurance policy for a nongrandfathered individual or small group product that maintains a drug formulary grouped into tiers, and that includes a 4th tier, to define each tier of the drug formulary, as specified. Existing law defines Tier 4 to include, among others, drugs that are biologics. Existing law repeals these provisions on January 1, 2024. This bill would delete drugs that are biologics from the definition of Tier 4. The bill would require a health care service plan or a health insurer, if there is a generic equivalent to a brand name drug, to ensure that an enrollee or insured is subject to the lowest cost sharing that would be applied, whether or not both the generic equivalent and the brand name drug are on the formulary. The bill also would delete the January 1, 2024, repeal date of the above provisions, thus making them operative indefinitely. Because extension of the bill's requirements relative to health care service plans would extend the existence of a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Marc Berman, Scott Wiener

Title
Dental coverage disclosures.

Introduction Date: 2023-02-14

Description

AB 952, Wood. Dental coverage disclosures. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act's requirements a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law imposes specified coverage and disclosure requirements on health care service plans and health insurers, including specialized plans and insurers, that cover dental services. This bill would require a health care service plan or health insurer that issues, sells, renews, or offers a contract covering dental services, including a specialized health care service plan or specialized health insurer covering dental services, to disclose whether an enrollee's or insured's dental coverage is "State Regulated" through a provider portal, if available, or otherwise upon request, on or after January 1, 2025. The bill would require a plan or insurer to include the statement "State Regulated," if the enrollee's or insured's dental coverage is subject to regulation by the appropriate department, on an electronic or physical identification card, or both if available, for contracts covering dental services issued on or after January 1, 2025. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Jim Wood

Title

Miles Hall Lifeline and Suicide Prevention Act: veteran and military data reporting.

Introduction Date: 2023-02-15

Description

AB 988, as amended, Mathis. Miles Hall Lifeline and Suicide Prevention Act: veteran and military data reporting. Existing federal law, the National Suicide Hotline Designation Act of 2020, designates the 3-digit telephone number "988" as the universal number within the United States for the purpose of the national suicide prevention and mental health crisis hotline system operating through the 988 Suicide and Crisis Lifeline, maintained by the Assistant Secretary for Mental Health and Substance Use, and the Veterans Crisis Line, which is maintained by the Secretary of Veterans Affairs. Existing law creates a separate surcharge, beginning January 1, 2023, on each access line for each month, or part thereof, for which a service user subscribes with a service supplier. Existing law sets the 988 surcharge for the 2023 and 2024 calendar years at \$0.08 per access line per month and beginning January 1, 2025, at an amount based on a specified formula not to exceed \$0.30 per access line per month. Existing law authorizes the 911 and 988 surcharges to be combined into a single-line item, as described. Existing law provides for specified costs to be paid by the fees prior to distribution to the Office of Emergency Services. Existing law, the Miles Hall Lifeline and Suicide Prevention Act, creates the 988 State Suicide and Behavioral Health Crisis Services Fund and requires the fees to be deposited along with other specified moneys into the fund. Existing law provides that, upon appropriation by the Legislature, the funds be used for specified purposes and in accordance with specified priorities. Existing law requires the Office of Emergency Services to require an entity seeking moneys available through the fund to annually file an expenditure and outcomes report containing specified information, including, among other things, the number of individuals served and the outcomes for individuals served, if known. This bill would require an entity seeking moneys from the fund to also include the number of individuals who used the service and self-identified as veterans or active military personnel in its annual expenditure and outcomes report.

Primary Sponsors

Devon Mathis, Buffy Wicks

Title
Medi-Cal: housing support services.

Introduction Date: 2023-02-15

Description

AB 1085, as amended, Maienschein. Medi-Cal: housing support services. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law, subject to implementation of the California Advancing and Innovating Medi-Cal (CalAIM) initiative, authorizes a Medi-Cal managed care plan to elect to cover community supports approved by the department as cost effective and medically appropriate in a comprehensive risk contract that are in lieu of applicable Medi-Cal state plan services. Under existing law, community supports that the department is authorized to approve include, among other things, housing transition navigation services, housing deposits, and housing tenancy and sustaining services. Existing law, subject to an appropriation, requires the department to complete an independent analysis to determine whether network adequacy exists to obtain federal approval for a covered Medi-Cal benefit that provides housing support services. Existing law requires that the analysis take into consideration specified information, including the number of providers in relation to each region's or county's number of people experiencing homelessness. Existing law requires the department to report the outcomes of the analysis to the Legislature by January 1, 2024. This bill would delete the requirement for the department to complete that analysis, and instead would make housing support services for specified populations a covered Medi-Cal benefit when the department has begun a specified evaluation required under the CalAIM Waiver Special Terms and Conditions, and the Legislature has made an appropriation for purposes of the housing support services. The bill would require the department to seek federal approval for the housing support services benefit, as specified. Under the bill, subject to an appropriation by the Legislature, a Medi-Cal beneficiary would be eligible for those services if they either experience homelessness or are at risk of homelessness. Under the bill, the services would include housing transition and navigation services, housing deposits, and housing tenancy and sustaining services, as defined. The bill would authorize the department to implement, interpret, or make specific this section, in whole or in part, by means of all-county letters, plan letters, provider bulletins, information notices, or similar instruction, and to enter into exclusive or nonexclusive contracts, or amend existing contracts for its purposes, as specified. The bill would authorize these provisions to be modified by... (click bill link to see more).

Primary Sponsors
Brian Maienschein

Title

Medi-Cal: health care services data: children and pregnant or postpartum persons.

Introduction Date: 2023-02-16

Description

AB 1202, as amended, Lackey. Medi-Cal: health care services data: children and pregnant or postpartum persons. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services through various health care delivery systems, including managed care pursuant to Medi-Cal managed care plan contracts. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes, until January 1, 2026, certain time or distance and appointment time standards for specified Medi-Cal managed care covered services, consistent with federal regulations relating to network adequacy standards, to ensure that those services are available and accessible to enrollees of Medi-Cal managed care plans in a timely manner, as specified. Existing law sets forth various limits on the number of miles or minutes from the enrollee's place of residence, depending on the type of service or specialty and, in some cases, on the county. This bill would require the department, no later than January 1, 2025, to prepare and submit a report to the Legislature that includes certain information, including an analysis of the adequacy of each Medi-Cal managed care plan's network for pediatric primary care, including the number and geographic distribution of providers and the plan's compliance with the above-described time or distance and appointment time standards. Under the bill, the report would also include data, disaggregated as specified, on the number of children and pregnant or postpartum persons who are Medi-Cal beneficiaries receiving certain health care services during the 2021–22, 2022–23, and 2023–24 fiscal years. The report would also include additional information regarding the department's efforts to improve access to pediatric preventive care, as specified. The bill would require that the report be made publicly available through its posting on the department's internet website. The bill would repeal these reporting provisions on January 1, 2029.

Primary Sponsors

Tom Lackey

Title
Medi-Cal: telehealth.

Introduction Date: 2023-02-16

Description

AB 1241, Weber. Medi-Cal: telehealth. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Under existing law, in-person, face-to-face contact is not required when covered health care services are provided by video synchronous interaction, audio-only synchronous interaction, remote patient monitoring, or other permissible virtual communication modalities, when those services and settings meet certain criteria. Existing law requires a provider furnishing services through video synchronous interaction or audio-only synchronous interaction, by a date set by the department, no sooner than January 1, 2024, to also either offer those services via in-person contact or arrange for a referral to, and a facilitation of, in-person care, as specified. This bill would instead require, under the above-described circumstance, a provider to maintain and follow protocols to either offer those services via in-person contact or arrange for a referral to, and a facilitation of, in-person care. The bill would specify that the referral and facilitation arrangement would not require a provider to schedule an appointment with a different provider on behalf of a patient.

Primary Sponsors

Akilah Weber

Title

Health care coverage: Medication-assisted treatment.

Introduction Date: 2023-02-16

Description

AB 1288, Rendon. Health care coverage: Medication-assisted treatment. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law authorizes health care service plans and health insurers that cover prescription drugs to utilize reasonable medical management practices, including prior authorization and step therapy, consistent with applicable law. This bill would prohibit a medical service plan and a health insurer from subjecting a naloxone product, or another opioid antagonist approved by the United States Food and Drug Administration, a buprenorphine product, methadone, or long-acting injectable naltrexone for detoxification or maintenance treatment of a substance use disorder to prior authorization or step therapy. Because a willful violation of these provisions by a health care service plan would be a crime, this bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Anthony Rendon

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:56 PM
California Association of Health Plans: Oppose

Title
Medi-Cal: serious mental illness.

Introduction Date: 2023-02-17

Description
AB 1437, Irwin. Medi-Cal: serious mental illness. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law sets forth a schedule of benefits under the Medi-Cal program, including specialty and nonspecialty mental health services through different delivery systems, in certain cases subject to utilization controls, such as prior authorization. Under existing law, prior authorization is approval of a specified service in advance of the rendering of that service based upon a determination of medical necessity. Existing law sets forth various provisions relating to processing, or appealing the decision of, treatment authorization requests, and provisions relating to certain services requiring or not requiring a treatment authorization request. After a determination of cost benefit, existing law requires the Director of Health Care Services to modify or eliminate the requirement of prior authorization as a control for treatment, supplies, or equipment that costs less than \$100, except for prescribed drugs, as specified. Under this bill, a prescription refill for a drug for serious mental illness would automatically be approved for a period of 365 days after the initial prescription is dispensed. The bill would condition the above-described provisions on the prescription being for a person 18 years of age or over, and on the person not being within the transition jurisdiction of the juvenile court, as specified.

Primary Sponsors
Jacqui Irwin, Sharon Quirk-Silva

Title

Urgent and emergency mental health and substance use disorder treatment.

Introduction Date: 2023-02-17

Description

AB 1451, Jackson. Urgent and emergency mental health and substance use disorder treatment. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan or health insurer that provides hospital, medical, or surgical coverage shall provide coverage for medically necessary treatment of mental health and substance use disorders, under the same terms and conditions applied to other medical conditions, as specified. Existing law also includes requirements for timely access to care, including mental health services, including a requirement that a health care service plan or health insurer provide or arrange for the provision of covered health care services in a timely manner appropriate for the nature of the enrollee's or insured's condition consistent with good professional practice. This bill would require a health care service plan contract or health insurance policy issued, amended, renewed, or delivered on or after January 1, 2024, to provide coverage for treatment of urgent and emergency mental health and substance use disorders. The bill would require the treatment to be provided without preauthorization, and to be reimbursed in a timely manner, pursuant to specified provisions. The bill's provisions would only be implemented upon appropriation by the Legislature for administrative costs of the departments. The bill would clarify that it would not relieve a health plan or insurer of existing obligations, as specified. Because a violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Corey Jackson

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:56 PM
California Association of Health Plans: Oppose

Title

Medi-Cal: behavioral health services: documentation standards.

Introduction Date: 2023-02-17

Description

AB 1470, as amended, Quirk-Silva. Medi-Cal: behavioral health services: documentation standards. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services, including behavioral health services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law establishes the California Advancing and Innovating Medi-Cal (CalAIM) initiative, subject to receipt of any necessary federal approvals and the availability of federal financial participation, in order to, among other things, improve quality outcomes and reduce health disparities. The bill, as part of CalAIM, and with respect to behavioral health services provided under the Medi-Cal program, would require the department to standardize data elements relating to documentation requirements, including, but not limited to, medically necessary criteria, and would require the department to develop standard forms containing information necessary to properly adjudicate claims pursuant to CalAIM Terms and Conditions. The bill would require the department to consult with representatives of specified associations and programs for purposes of implementing these provisions. The bill would require the department to conduct, on or before July 1, 2025, regional trainings for personnel and provider networks of applicable entities, including county mental health plans, Medi-Cal managed care plans, and entities within the fee-for-service delivery system, on proper completion of the standard forms. The bill would require each applicable entity to distribute the training material and standard forms to its provider networks, and to commence, no later than July 1, 2025, using the standard forms. The bill would require providers of applicable entities to use those forms, as specified. The bill would authorize the department to restrict the imposition of additional documentation requirements beyond those included on standard forms, as specified. The bill would require the department to conduct an analysis on the status of utilization of the standard forms by applicable entities, and on the status of the trainings and training material, in order to determine the effectiveness of implementation of the above-described provisions. The bill would require the department to prepare a report containing findings from the analysis no later than July 1, 2026, and a followup report no later than July 1, 2028, and to submit each report to the Legislature and post it on the department's internet website.

Primary Sponsors

Sharon Quirk-Silva

Title
Health care coverage: cost sharing.

Introduction Date: 2023-02-17

Description

AB 1645, as amended, Zbur. Health care coverage: cost sharing. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a group or individual nongrandfathered health care service plan contract or health insurance policy to provide coverage for, and prohibits a contract or policy from imposing cost-sharing requirements for, specified preventive care services and screenings. This bill would prohibit a group or individual health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2024, from imposing a cost-sharing requirement for office visits for the above-described preventive care services and screenings and for items or services that are integral to their provision. The bill would prohibit large group contracts and policies issued, amended, or renewed on or after January 1, 2024, and an individual or small group health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2025, from imposing a cost-sharing requirement, utilization review, or other specified limits on a recommended sexually transmitted infections screening, and from imposing a cost-sharing requirement for any items and services integral to a sexually transmitted infections screening, as specified. The bill would require a plan or insurer to directly reimburse a nonparticipating provider or facility of sexually transmitted infections screening that meets specified criteria for screening tests and integral items and services rendered, as specified, and would prohibit a nonparticipating provider from billing or collecting a cost-sharing amount for a sexually transmitted infections screening from an enrollee or insured. Because a violation of the bill's requirements by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Rick Zbur

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:57 PM
California Association of Health Plans: Oppose

Title

Health care coverage: insulin affordability.

Introduction Date: 2023-01-17

Description

SB 90, Wiener. Health care coverage: insulin affordability. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act's requirements a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract or disability insurance policy issued, amended, delivered, or renewed on or after January 1, 2000, that covers prescription benefits to include coverage for insulin if it is determined to be medically necessary. This bill would prohibit a health care service plan contract or a disability insurance policy, as specified, issued, amended, delivered, or renewed on or after January 1, 2024, or a contract or policy offered in the individual or small group market on or after January 1, 2025, from imposing a copayment, coinsurance, deductible, or other out-of-pocket expense of more than \$35 for a 30-day supply of an insulin prescription drug, and would prohibit a high deductible health plan from imposing a deductible, coinsurance, or other cost sharing on an insulin prescription drug, as specified. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Scott Wiener

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:58 PM
California Association of Health Plans: Oppose

Title

Health care coverage: diagnostic imaging.

Introduction Date: 2023-01-30

Description

SB 257, Portantino. Health care coverage: diagnostic imaging. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract issued, amended, delivered, or renewed on or after January 1, 2000, or an individual or group policy of disability insurance or self-insured employee welfare benefit plan to provide coverage for mammography for screening or diagnostic purposes upon referral by specified professionals. Under existing law, mammography performed pursuant to those requirements or that meets the current recommendations of the United States Preventive Services Task Force is provided to an enrollee or an insured without cost sharing. This bill would require a health care service plan contract, a policy of health insurance that provides hospital, medical, or surgical coverage, or a self-insured employee welfare benefit plan issued, amended, or renewed on or after January 1, 2025, to provide coverage without imposing cost sharing for, among other things, screening mammography and medically necessary diagnostic breast imaging, including diagnostic breast imaging following an abnormal mammography result and for an enrollee or insured indicated to have a risk factor associated with breast cancer, except as specified. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that no reimbursement is required by this act for a specified reason.

Primary Sponsors

Anthony Portantino

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 5:58 PM
California Association of Health Plans: Oppose

Title
Medi-Cal: Part A buy-in.

Introduction Date: 2023-02-06

Description

SB 311, Eggman. Medi-Cal: Part A buy-in. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law requires the department, to the extent required by federal law, for Medi-Cal recipients who are qualified Medicare beneficiaries, to pay the Medicare premiums, deductibles, and coinsurance for certain elderly and disabled persons. Existing federal law authorizes states to pay for Medicare benefits for specified enrollees pursuant to either a buy-in agreement to directly enroll and pay premiums or a group payer arrangement to pay premiums. This bill would require the department to enter into a Medicare Part A buy-in agreement, as defined, for qualified Medicare beneficiaries with the federal Centers for Medicare and Medicaid Services by submitting a state plan amendment. Under the bill, the buy-in agreement would be effective on January 1, 2025, or the date the department communicates to the Department of Finance in writing that systems have been programmed for implementation of these provisions, whichever date is later. The bill would authorize the department to implement these provisions through all-county letters or similar instructions until regulations are adopted. Under the bill, these provisions would be implemented only to the extent that any necessary federal approvals are obtained and that federal financial participation is available and is not otherwise jeopardized. To the extent that the bill would increase duties for counties, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Primary Sponsors

Susan Eggman

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 6:24 PM
Local Health Plans of California: Support L.A. Care: Support

Title
The Behavioral Health Services Act.

Introduction Date: 2023-02-07

Description

SB 326, as amended, Eggman. The Behavioral Health Services Act. (1) Existing law, the Mental Health Services Act (MHSA), an initiative measure enacted by the voters as Proposition 63 at the November 2, 2004, statewide general election, funds a system of county mental health plans for the provision of mental health services. Existing law authorizes the MHSA to be amended by a 2/3 vote of the Legislature if the amendments are consistent with and further the intent of the MHSA. Existing law authorizes the Legislature to add provisions to clarify procedures and terms of the MHSA by majority vote.If approved by the voters at the March 5, 2024, statewide primary election, this bill would recast the MHSA by, among other things, renaming it the Behavioral Health Services Act (BHSA), expanding it to include treatment of substance use disorders, changing the county planning process, and expanding services for which counties and the state can use funds. The bill would revise the distribution of MHSA moneys, including allocating up to \$36,000,000 to the department for behavioral health workforce funding. The bill would authorize the department to require a county to implement specific evidence-based practices.This bill would require a county, for behavioral health services eligible for reimbursement pursuant to the federal Social Security Act, to submit the claims for reimbursement to the State Department of Health Care Services (the department) under specific circumstances. The bill would require counties to pursue reimbursement through various channels and would authorize the counties to report issues with managed care plans and insurers to the Department of Managed Health Care or the Department of Insurance.The MHSA establishes the Mental Health Services Oversight and Accountability Commission and requires it to adopt regulations for programs and expenditures for innovative programs and prevention and early intervention programs established by the act. Existing law requires counties to develop plans for innovative programs funded under the MHSA.This bill would rename the commission the Behavioral Health Services Oversight and Accountability Commission and would change the composition and duties of the commission, as specified. The bill would delete the provisions relating to innovative programs and instead would require the counties to establish and administer a program to provide housing interventions. The bill would provide that "low rent housing project," as defined, does not apply to a project that meets specified criteria.This bill would make extensive technical and conforming changes.(2) Existing law, the Bronzan-McCorquodale Act, contains provisions governing the operation and financing of community mental health servi... (click bill link to see more).

Primary Sponsors
Susan Eggman

Title
Pupil meals.

Introduction Date: 2023-02-08

Description

SB 348, Skinner. Pupil meals. (1) Existing law establishes a system of public elementary and secondary schools in this state. This system is composed of local educational agencies throughout the state that provide instruction to pupils in kindergarten and grades 1 to 12, inclusive, at schoolsites operated by these agencies. Existing law, commencing with the 2022–23 school year, requires each school district and county superintendent of schools maintaining kindergarten or any of grades 1 to 12, inclusive, and each charter school to provide 2 nutritiously adequate school meals free of charge during each schoolday, regardless of the length of the schoolday, to any pupil who requests a meal without consideration of the pupil’s eligibility for a federally funded free or reduced-price meal, as specified, with a maximum of one free meal for each meal service period. Existing law requires the department to develop and maintain nutrition guidelines for school lunches and breakfasts, and for all food and beverages sold on public school campuses. Existing law requires a school district, county superintendent of schools, or charter school to provide each needy pupil with one nutritionally adequate free or reduced-price meal during each schoolday, except as provided. This bill would revise and recast provisions regarding school meals for needy pupils by, among other things, instead requiring each school district, county superintendent of schools, and charter school to make available a nutritionally adequate breakfast, as defined, and a nutritionally adequate lunch, as defined, free of charge during each schoolday, as defined, to any pupil who requests a meal, without consideration of the pupil’s eligibility for a federally funded free or reduced-price meal, as provided. The bill would require each school district, county office of education, or charter school that offers independent study to meet the above meal requirements for any pupil on any schoolday that the pupil is scheduled for educational activities, as provided. The bill would require the State Department of Education to submit a waiver request to the United States Department of Agriculture to allow for one meal to be provided during a schoolday lasting 4 hours or less to be served in a noncongregate manner. The bill would authorize each school district, county superintendent of schools, and charter school to make available either a nutritionally adequate breakfast or a nutritionally adequate lunch, as defined, in a noncongregate manner, as provided, if the State Department of Education receives approval for the federal noncongregate waiver. The bill would require each school district, county superintendent of schools, and charter school to provide pupils with adequate time ... (click bill link to see more).

Primary Sponsors

Nancy Skinner

Organizational Notes

Last edited by Joanne Campbell at Apr 17, 2023, 3:56 PM
L.A. Care, Local Health Plans of California: Support

Title
Biomarker testing.

Introduction Date: 2023-02-14

Description

SB 496, as amended, Limón. Biomarker testing. (1) Existing law, the Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene Act) provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract or health insurance policy issued, amended, delivered, or renewed on or after July 1, 2000, to provide coverage for all generally medically accepted cancer screening tests, and prohibits that contract or policy issued, amended, delivered, or renewed on or after July 1, 2022, from requiring prior authorization for biomarker testing for certain enrollees or insureds. Existing law applies the provisions relating to biomarker testing to Medi-Cal managed care plans, as prescribed. This bill would require a health care service plan contract or health insurance policy issued, amended, or renewed on or after July 1, 2024, to provide coverage for medically necessary biomarker testing, as prescribed, including whole genome sequencing, for the purposes of diagnosis, treatment, appropriate management, or ongoing monitoring of an enrollee's or insured's disease or condition to guide treatment decisions, as prescribed. The bill would specify that it does not require a health care service plan or health insurer to cover biomarker testing for screening purposes unless otherwise required by law. The bill would subject restricted or denied use of biomarker testing for the purpose of diagnosis, treatment, or ongoing monitoring of a medical condition to state and federal grievance and appeal processes. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. (2) Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services pursuant to a schedule of benefits. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law includes Rapid Whole Genome Sequencing as a covered benefit for any Medi-Cal beneficiary who is one year of age or younger and is receiving inpatient hospital services in an intensive care unit. Subject to the extent that federal financial participation is available and not otherwise jeopardized, and any necessary federal approvals have been obtained, this bill, by July 1, 2024, would expand the Medi-Cal schedule of benefits to include biomarker testing, as prescribed, for the purposes of diagnosis, treatment, appropriate man... (click bill link to see more).

Primary Sponsors

Monique Limon

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 6:00 PM
California Association of Health Plans: Oppose

Title

Medi-Cal: children: mobile optometric office.

Introduction Date: 2023-02-14

Description

SB 502, Allen. Medi-Cal: children: mobile optometric office. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions, with specified coverage for eligible children and pregnant persons funded by the federal Children’s Health Insurance Program (CHIP). Existing federal law authorizes a state to provide services under CHIP through a Medicaid expansion program, a separate program, or a combination program. Existing federal CHIP provisions require federal payment to a state with an approved child health plan for expenditures for health services initiatives (HSI) under the plan for improving the health of children, as specified. As part of limitations on expenditures not used for Medicaid or health insurance assistance, existing federal law, with exceptions, prohibits the amount of payment that may be made for a fiscal year for HSI expenditures and other certain costs from exceeding 10% of the total amount of CHIP expenditures, as specified. Pursuant to existing state law, the department established a 3-year pilot program, from 2015 through 2017, in the County of Los Angeles that enabled school districts to allow students enrolled in Medi-Cal managed care plans to receive vision care services at the schoolsite through the use of a mobile vision service provider, limited to vision examinations and providing eyeglasses. Existing law authorizes an applicant or provider that meets the requirements to qualify as a mobile optometric office to be enrolled in the Medi-Cal program as either a mobile optometric office or within any other provider category for which the applicant or provider qualifies. Existing law defines “mobile optometric office” as a trailer, van, or other means of transportation in which the practice of optometry is performed and which is not affiliated with an approved optometry school in the state. Under existing law, the ownership and operation of a mobile optometric office is limited to a nonprofit or charitable organization, as specified, with the owner and operator registering with the California State Board of Optometry. This bill would require the department to file all necessary state plan amendments to exercise the HSI option made available under CHIP provisions to cover vision services provided to low-income children statewide through a mobile optometric office, as specified. The bill would condition implementation of these provisions on receipt of any necessary federal approvals and the availability of federal financial participation. Under the bill, the federal financial particip... (click bill link to see more).

Primary Sponsors

Ben Allen

Title

Minimum wages: health care workers.

Introduction Date: 2023-02-14

Description

SB 525, as amended, Durazo. Minimum wages: health care workers. Existing law generally requires the minimum wage for all industries to not be less than specified amounts to be increased until it is \$15 per hour commencing January 1, 2022, for employers employing 26 or more employees and commencing January 1, 2023, for employers employing 25 or fewer employees. Existing law makes a violation of minimum wage requirements a misdemeanor. This bill would establish 3 separate minimum wage schedules for covered health care employees, as defined, depending on the nature of the employer. This bill would require, for any covered health care facility employer, as defined, with 10,000 or more full-time equivalent employees (FTEE), as defined, any covered health care facility employer that is a part of an integrated health care delivery system or a health care system with 10,000 or more FTEEs, a covered health care facility employer that is a dialysis clinic, or a covered health facility owned, affiliated, or operated by a county with a population of more than 5,000,000 as of January 1, 2023, the minimum wage for covered health care employees to be \$23 per hour from June 1, 2024, to May 31, 2025, inclusive, \$24 per hour from June 1, 2025, to May 31, 2026, inclusive, and \$25 per hour from June 1, 2026, and until as adjusted as specified. This bill would require, for any hospital that is a hospital with a high governmental payor mix, an independent hospital with an elevated governmental payor mix, a rural independent covered health care facility, or a covered health care facility that is owned, affiliated, or operated by a county with a population of less than 250,000 as of January 12, 2023, as those terms are defined, the minimum wage for covered health care employees to be \$18 per hour from June 1, 2024, to May 31, 2033, inclusive, and \$25 per hour from June 1, 2033, and until as adjusted as specified. This bill would require, for specified clinics that meet certain requirements, the minimum wage for covered health care employees to be \$21 per hour from June 1, 2024, to May 31, 2026, inclusive, and \$22 per hour from June 1, 2026, to May 31, 2027, inclusive, and \$25 from June 1, 2027, and until as adjusted as specified. This bill would require, for all other covered health care facility employers, the minimum wage for covered health care employees to be \$21 per hour from June 1, 2024, to May 31, 2026, inclusive, \$23 per hour from June 1, 2026, to May 31, 2028, inclusive, and \$25 per hour from June 1, 2028, and until as adjusted as specified. This bill would provide that a covered health care facility that is county owned, affiliated, or operated must implement the appropriate minimum wage schedule described above, as applicable, begin... (click bill link to see more).

Primary Sponsors

Maria Durazo

Title
Health information.

Introduction Date: 2023-02-15

Description

SB 582, as amended, Becker. Health information. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires health care service plans and health insurers to establish and maintain specified application programming interfaces (API), including patient access API, to facilitate patient and provider access to health information and for the benefit of enrollees, insureds, and contracted providers. Existing law authorizes the departments to require a plan or insurer to establish and maintain specified API, including provider access API. This bill would instead require the departments to require the plans and insurers to establish and maintain these specified API. The bill would exclude from the requirements of these provisions dental or vision benefits offered by a plan or insurer, including a specialized plan or insurer. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. Existing law establishes the California Health and Human Services Agency (CHHSA), which includes departments charged with administration of health, social, and human services. Existing law establishes the California Health and Human Services Data Exchange Framework that includes a single data sharing agreement and common set of policies and procedures that govern and require the exchange of health information among health care entities and government agencies in California. Existing law requires specified entities to execute the framework data sharing agreement on or before January 31, 2023. This bill would, contingent on the stakeholder advisory group developing standards for including EHR vendors, as defined, require EHR vendors to execute the framework data sharing agreement. The bill would require any fees charged by an EHR vendor to enable compliance with the framework to comply with specified federal regulations and to be sufficient to include the cost of enabling the collection and sharing of all data required, as specified. The bill would authorize CHHSA to establish administrative oversight and enforcement authority, including fines, if fees charged by EHR vendors to specified entities are not in compliance with federal standards. Existing law generally allows a health care professional to disclose test results electronically if requested by the patient. Existing law prohibits disclosing the results of a positive HIV test, test showing the presence of antigens indicating a h... (click bill link to see more).

Primary Sponsors
Josh Becker

Bill Number
SB 621

Status
Enrolled

Position
Monitor

Title

Health care coverage: biosimilar drugs.

Introduction Date: 2023-02-15

Description

SB 621, Caballero. Health care coverage: biosimilar drugs. Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law authorizes a health care service plan or health insurer that provides coverage for prescription drugs to require step therapy if there is more than one drug that is clinically appropriate for the treatment of a medical condition, but requires a plan or insurer to expeditiously grant a step therapy exception request if specified criteria are met. Existing law does not prohibit a plan, insurer, or utilization review organization from requiring an enrollee or insured to try an AB-rated generic equivalent or interchangeable biological product before providing coverage for the equivalent branded prescription drug. This bill would specify that a plan, insurer, or utilization review organization is also not prohibited from requiring an enrollee or insured to try a biosimilar before providing coverage for the equivalent branded prescription drug, but that the requirement to try biosimilar, generic, and interchangeable drugs does not prohibit or supersede a step therapy exception request.

Primary Sponsors

Anna Caballero

Bill Number
SB 694

Status
Enrolled

Position
Monitor

Title

Medi-Cal: self-measured blood pressure devices and services.

Introduction Date: 2023-02-16

Description

SB 694, Eggman. Medi-Cal: self-measured blood pressure devices and services. Existing law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. Existing law sets forth a schedule of benefits under the Medi-Cal program, including pharmacy benefits (Medi-Cal Rx) and durable medical equipment. The department announced that, effective June 1, 2022, personal home blood pressure monitoring devices, and blood pressure cuffs for use with those devices, are a covered benefit under Medi-Cal Rx as a pharmacy-billed item. This bill would make self-measured blood pressure (SMBP) devices and SMBP services, as defined, covered benefits under the Medi-Cal program subject to utilization controls, as specified. The bill would state the intent of the Legislature that those covered devices and services be no less in scope than the devices and services that are recognized under specified existing billing codes or their successors. The bill would condition implementation of that coverage on receipt of any necessary federal approvals and the availability of federal financial participation.

Primary Sponsors

Susan Eggman

Bill Number
SB 770

Status
Enrolled

Position
Monitor

Title

Health care: unified health care financing.

Introduction Date: 2023-02-17

Description

SB 770, as amended, Wiener. Health care: unified health care financing. Prior state law established the Healthy California for All Commission for the purpose of developing a plan towards the goal of achieving a health care delivery system in California that provides coverage and access through a unified health care financing system for all Californians, including, among other options, a single-payer financing system. This bill would direct the Secretary of the California Health and Human Services Agency to research, develop, and pursue discussions of a waiver framework in consultation with the federal government with the objective of a health care system that incorporates specified features and objectives, including, among others, a comprehensive package of medical, behavioral health, pharmaceutical, dental, and vision benefits, and the absence of cost sharing for essential services and treatments. The bill would further require the secretary to engage specified stakeholders to provide input on topics related to discussions with the federal government and key design issues, as specified. The bill would require the secretary, no later than January 1, 2025, to provide an interim report to specified committees of the Legislature and propose statutory language to the chairs of those committees authorizing the development and submission of applications to the federal government for waivers necessary to implement a unified health care financing system. The bill would require the secretary, no later than June 1, 2025, to complete drafting the waiver framework, make the draft available to the public on the agency's internet website, and hold a 45-day public comment period thereafter. The bill would require the secretary, no later than November 1, 2025, to provide the Legislature and the Governor with a report that communicates the finalized waiver framework, as specified, and sets forth the specific elements to be included in a formal waiver application to establish a unified health care financing system, as specified. The bill would also include findings and declarations of the Legislature related to the implementation of a unified health care financing system.

Primary Sponsors

Scott Wiener, Mike McGuire

Organizational Notes

Last edited by Joanne Campbell at Mar 27, 2023, 6:17 PM
California Association of Health Plans: Oppose

Bill Number
HR 3068

Status
In House

Position
Support

Title

Equal Health Care for All Act

Introduction Date: 2023-05-02

Primary Sponsors

Adam Schiff

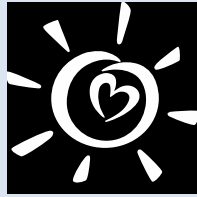
**FY 2022 - 2023
Grants & Sponsorships Report
to the Finance & Budget Committee**

#	Organization Name	Project Description	Grant Approval Date	Grant Category/ Sponsorship	Cumulative Grant Amount*
1	CA Association of Food Banks	Enhances opportunity for low-income families to access fresh and healthy food access through CalFresh enrollment and outreach.	7/27/2023	Grant - Ad Hoc	\$ 1,300,000
2	JWCH Institute, Inc.	Supports new Physician, Medical Assistant, and Behavioral Health Aide to reduce wait time for routine medical appointments at renovated Antelope Valley campus.	8/15/2023	Grant - Ad Hoc	\$ 500,000
3	Liberty Hill Foundation	Supports administrative infrastructure needs for Stay Housed LA Program partners to prevent evictions.	6/30/2023	Grant - Ad Hoc	\$ 500,000
4	St. John's Community Health	Facilitates St. John's efforts in programs aimed at accomplishing goals aligned with the OHI, GAIINS and Tranquada grants.	2/4, 5/8, 7/13	OHI, GAIINS, Tranquada,	\$ 400,000
Total grants and sponsorships approved exceeding annual threshold					\$ 2,700,000

* Organizations with a single grant approval date were awarded for a single grant. Organizations with multiple grant approval dates include multiple grant awards.

**August 2023
Grants & Sponsorships Report
October 2023 Board of Governors Meeting**

#	Organization Name	Project Description	Grant/ Sponsorship Approval Date	Grant Category/ Sponsorship	Grant Amount*	Sponsorship Amount	FY CHIF & Sponsorships Cumulative Total
1	Allies for Every Child	30th Annual Children's Arts Festival	8/22/2023	Sponsorship	\$ -	\$ 5,000	\$ 5,000
2	Central American Resource Center of Los Angeles	CARECEN Celebrates 40 Years	8/3/2023	Sponsorship	\$ -	\$ 10,000	\$ 10,000
3	Esperanza Community Housing	Esperanza's 22nd Annual Dancing Under the Stars Gala	8/28/2023	Sponsorship	\$ -	\$ 5,000	\$ 25,000
4	Greater Los Angeles Zoo Association	Boo at the Zoo 2023	8/28/2023	Sponsorship	\$ -	\$ 30,000	\$ -
5	Northeast Valley Health Corporation	NEVHC's 50th Anniversary Gala	8/22/2023	Sponsorship	\$ -	\$ -	\$ 5,000
6	Patient Care Foundation	Gun Violence Prevention Public Education Campaign	8/3/2023	Sponsorship	\$ -	\$ 25,000	\$ 10,000
7	UCSF Preterm Birth Initiative	2023 California Black Birth Equity Summit	8/25/2023	Sponsorship	\$ -	\$ 10,000	\$ 5,000
8	University of Southern California	5th Annual California Street Medicine Symposium	8/3/2023	Sponsorship	\$ -	\$ 5,500	\$ 30,000
9	Breast Feed LA	To increase access to culturally congruent lactation support with a Black/African American lactation professional for at least 50 additional Black/African American clients	8/8/2023	Ad Hoc	\$ 125,000	\$ -	\$ 125,000
10	JWCH Institute, Inc.	To hire a Physician, Medical Assistant, and Behavioral Health Aide to reduce the average wait time of routine medical appointments in Antelope Valley	8/15/2023	Ad Hoc	\$ 500,000	\$ -	\$ 500,000
Total of grants and sponsorships approved in August 2023					\$ 625,000	\$ 90,500	\$ 715,000



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. BOG 100.1023

Committee:

Chairperson: Alvaro Ballesteros, MBA

Issue: Request to ratify execution of two Agreements related to L.A. Care's Medi-Cal contract (contract number 04-36069) with the Department of Health Care Services (DHCS).

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: L.A. Care received the following Agreements from DHCS:

- 1) Agreement for Disclosure and Use of DHCS Data (2023 Post-Expiration Data Use Agreement) which is related to the Plan's current Medi-Cal Managed Care contract, which is expiring December 31, 2023. The 2023 Post-Expiration Data Use Agreement allows for the exchange of information between DHCS and Managed Care Plans after current contracts expire.
- 2) Agreement for Disclosure and Use of DHCS Data (2024 OR Data Use Agreement) which is related to the 2024 Medi-Cal Managed Care contract, which will be effective 1/1/2024. Because the 2024 contract will not be executed until later in the fall, DHCS is using the DUA as an alternative in order to have adequate time to create all necessary Data Releases prior to the end of the year. The DUA allows the DHCS to initiate and execute the necessary Data Releases ahead of 1/1/24 so that DHCS can share necessary data with the MCPs and provide the teams with adequate time for internal DHCS processes in advance of execution of the 2024 Contract. The 2024 contract will provide terms for all ongoing data sharing requirements once it is executed.

DHCS provided the Plan with a limited time to review the agreements; therefore, Staff is asking for approval of the executed agreements.

Member Impact: Member impact is under investigation.

Budget Impact: Likely no budget impact; internal business units are reviewing.

Motion: To approve execution by L.A. Care Chief Executive Officer, John Baackes, of two Agreements related to the Medi-Cal Contract (04-36069).

DEPARTMENT OF HEALTH CARE SERVICES

AGREEMENT FOR DISCLOSURE AND USE OF DHCS DATA

This Agreement addresses the conditions under which the California Department of Health Care Services (DHCS) will disclose and L.A. Care Health Plan (User) will obtain and use data file(s) as set out in Attachment A. This Agreement supplements any agreements between the parties with respect to the use of information from data and documents and overrides any contrary instructions, directions, agreements, or other understandings in or pertaining to any other prior communication from DHCS or any of its components with respect to the data specified in this Agreement. The terms of this Agreement may be changed only by a written modification to this Agreement or by the parties entering into a new agreement. The parties agree further that instructions or interpretations issued to User concerning this Agreement, and the data and documents specified herein, shall not be valid unless issued in writing by the DHCS point-of-contact specified in Section 2 or the DHCS signatories to this Agreement shown in Section 21.

1. The parties mutually agree that the following named individuals are designated as “Custodians of the Files” on behalf of User and shall be responsible for the observance of all conditions of use and for establishment and maintenance of security arrangements as specified in this Agreement to prevent unauthorized use or disclosure. User agrees to notify DHCS within fifteen (15) days of any change to the custodianship information.

Serge Herrera

(Name of Custodian of Files)

Director, Privacy

(Title/Component)

L.A. Care Health Plan_304

(Company/Organization)

1055 W 7th Street, 10th Floor, Los Angeles, CA 90017

(Company Address)

2. The parties mutually agree that the following named individual will be designated as “point-of-contact” for the Agreement on behalf of DHCS.

Michelle Retke

(Name of Contact)

Chief, Managed Care Operations Division

(Title/Component)

(916) 449-5083/Michelle.Retke@dhcs.ca.gov

(Phone Number/ Email Address)

3. The parties mutually agree that the following specified Attachment is part of this Agreement:
Attachment A: Data Files
4. The parties mutually agree, and in furnishing data files hereunder DHCS relies upon such agreement, that such data file(s) will be used solely for the following purpose:
 - a. DHCS will continue to generate Health Insurance Portability and Accountability Act-compliant 820 premium payment transactions and 834 enrollment and disenrollment transactions, with the 820 and 834 transactions made available to User. DHCS will provide premium payment information allowing User to reconcile payments received against members enrolled during the rate period of the file. Such files will be processed monthly, from January 2024 through 13 months to January 2025. Such files will be processed annually, from the second quarter of 2024 through to the second quarter of Calendar Year (CY) 2027. The 834/820 files will continue to process for 30 months for applicable risk corridors, as described below in Paragraph g, through June 30, 2026.
 - b. Encounter Detail Request files used to support Hospital Directed Payments will continue from DHCS to User through June 30, 2025 and will be sent to User by DHCS quarterly beginning with the end of the first quarter of 2024 through the end of the first quarter of 2025. User must complete and send back files within five (5) or six (6) weeks as decided at the discretion of DHCS.
 - c. DHCS will also send the 820 file associated with the Encounter Detail Request files for Hospital Directed Payments bi-annually, at the end of the first and third quarter of 2024 and 2025.
 - d. Encounter Detail files to support Risk Corridors will continue from DHCS to User through September 30, 2025 and will be sent to User by DHCS in accordance with the timing specified in Attachment A, Section 3.
 - e. DHCS will also send the 820 file associated with Encounter Detail files for Risk Corridors annually, at the end of the fourth quarter of 2024 and 2025, and at the end of the first quarter of 2026.
 - f. Supplemental data requests, including ad-hoc and recurring reporting, will continue through June 30, 2026, for the following risk corridors: Bridge Period COVID-19 risk corridor; ECM risk corridor; MOT risk corridor; Coordinated Care Initiative (CCI) risk corridors; and Proposition 56 or successor program risk corridors for ACE Screenings, Developmental Screenings, and Family Planning, Physician's, and VBP directed payments.
 - g. DHCS requires User to continue to provide necessary encounter data, utilization, cost, or other data, in order to perform risk corridor calculations as described in the User's Medi-Cal managed care contract, and/or applicable All Plan Letters, rate certifications, directed payment preprints approved by the Centers for Medicare and Medicaid Services (CMS), and other guidance issued by DHCS, for rating periods during which User was actively contracted with DHCS. These risk corridor calculations are performed after the rating period to allow adequate claims runout and CMS review of the underlying rates.
 - h. DHCS requires User to continue to provide historical data that is necessary, as determined by DHCS or its actuaries, for the rate development process, including but not limited to

encounter data, utilization, cost, or other data for their members from rating periods during which User was actively contracted with DHCS. User must provide such data through June 30, 2025, in the form and manner requested by DHCS such as the Rate Development Template, Supplemental Data Requests, post-submission discussion guides, and in response to follow-up questions.

- i. User must continue to provide financial monitoring reports such as, but not limited to, quarterly and annual financial reports and associated documents as required in their Medi-Cal managed care contract through April 30, 2024.
- j. User must continue to provide CY 2023 medical loss ratio reporting, in accordance with federal regulations, and as required in their Medi-Cal managed care contract through December 31, 2024.
- k. User must continue to provide Medical Loss Ratio reporting updates for the recalculation of any rating period in which revenue changes, in accordance with 42 CFR Part 438.8(m), and as required in their Medi-Cal managed care contract through December 31, 2027, as applicable.
- l. User must continue to provide encounter data, utilization, cost, or other data, requested by DHCS in relation to a periodic audit of the accuracy, truthfulness, and completeness of the encounter and financial data submitted for their Medi-Cal managed care contract, in accordance with 42 CFR Part 438.602(e), through December 31, 2025, as applicable.
- m. DHCS will continue to provide the Continuity of Care Report also known as Plan transfer report and as needed ad hoc report(s) to the User in order to ensure beneficiaries do not have disruptions to care.

5. Some of the data specified in this Agreement may constitute Protected Health Information (PHI) under federal law and/or personal information (PI) under State law.

- a. The parties mutually agree that the creation, receipt, maintenance, transmittal and disclosure of data from DHCS containing PHI shall be subject to the Health Insurance Portability and Accountability Act of 1996 and its implementing privacy and security regulations at 45 CFR Parts 160 and 164 (collectively and as used in this Agreement, HIPAA.). User agrees to provide the same, or greater, level of security to DHCS data that would be required if User were a Covered Entity under HIPAA, regardless of whether User is or is not a Covered Entity.
- b. User agrees to comply with the privacy and security standards set forth in applicable State or federal laws to the extent such standards provide a greater degree of protection and security than HIPAA or are otherwise more favorable to the individuals whose DHCS data is covered under this Agreement. Examples of laws that provide additional and/or stricter privacy protections include but are not limited to the California Information Practices Act, Civil Code section 1798 – 1798.78, Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2, Welfare and Institutions Code section 5328, and Health and Safety code section 11845.5.

- c. User acknowledges that they must abide by all laws applicable to the privacy and disclosure of PHI and/or PI and agree that User will not use DHCS data for any purpose other than that stated in Section 4 of this Agreement. User also acknowledges they will not use or disclose any DHCS data, by itself or in combination with any other data from any source, whether publicly available or not, to individually identify any person to anyone other than DHCS as provided for in this Agreement.
6. The following definitions shall apply to this Agreement. The terms used in this Agreement, but not otherwise defined, shall have the same meanings as those terms have in the HIPAA regulations or other applicable law. Any reference to statutory or regulatory language shall be to such language as in effect or as amended.
 - a. Breach shall have the meaning given to such term under HIPAA and the California Information Practices Act.
 - b. As used in this Agreement and unless otherwise stated, the term “PHI” refers to and includes both “PHI” as defined at 45 CFR section 160.103 and Personal Information (PI) as defined in the Information Practices Act at California Civil Code section 1798.3(a). PHI includes information in any form, including paper, oral, and electronic.
 - c. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI or PI or of other confidential data that is essential to the ongoing operation of User’s organization and intended for internal use; or interference with system operations in an information system.
 - d. Unsecured PHI shall have the meaning given to such term under HIPAA.
 - e. DHCS data means all data provided by DHCS pursuant to this Agreement as well as all data derived from such data, inclusive of de-identified data.
7. User represents and warrants that, except as DHCS authorizes in writing, User shall not disclose, release, reveal, show, sell, rent, lease, loan, or otherwise grant access to the data covered by this Agreement to any person, company, or organization. User agrees that, within User’s organizations, access to the data covered by this Agreement shall be limited to the minimum number of individuals necessary to achieve the purpose stated in this Agreement and to those individuals on a need-to-know basis only. User shall not use or further disclose the information other than is permitted by this Agreement or as otherwise required by law. User shall not use the information to identify or contact any individuals.
8. User agrees to notify DHCS within 30 days of the completion of the purpose specified in section 4. Upon such completion, User shall destroy all electronic data files with DHCS data by wiping such data using Department of Defense standards or as approved by DHCS. User shall destroy all paper documents with DHCS data by using a confidential method of destruction, such as crosscut shredding or contracting with a company that specializes in confidential destruction of documents. User shall certify the destruction of the file(s) in writing and send a copy of this certification to the DHCS point-of-contact listed in Section 2 within 30 days of the destruction. User agrees that no DHCS data, including but not limited to parts or copies thereof as well as files derived from DHCS data (electronic, hardcopy or otherwise), shall be retained when the

files are destroyed unless authorization in writing for the retention of such files has been received from the DHCS point-of-contact listed in Section 2.

9. Safeguards and Security.

- a. User shall use safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of DHCS data and comply, where applicable, with subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of the information other than as provided for by this Agreement.
- b. User shall, at a minimum, implement security controls consistent with the National Institute of Standards and Technology Special Publication (NIST SP) 800-53 current revision at the moderate-impact level and shall maintain continuous compliance with NIST SP 800-53 Security and Privacy Controls. The current version of NIST SP 800-53, Revision 5, is available online at <https://csrc.nist.gov/publications/detail/sp/800-53/rev-5/final>; updates will be available online at <https://csrc.nist.gov/publications/sp800>.
- c. User shall employ Federal Information Processing Standards (FIPS) 140-3 validated encryption of PHI at rest and in motion unless User determines it is not reasonable and appropriate to do so based upon a risk assessment, and equivalent alternative measures are in place and documented as such. FIPS 140-3 validation can be determined online at <https://csrc.nist.gov/projects/cryptographic-module-validation-program/validated-modules/search>. In addition, User shall maintain, at a minimum, the most current industry standards for transmission and storage of DHCS data and other confidential information.
- d. User shall apply security patches and upgrades, and keep virus software up-to-date, on all systems on which DHCS data may be used.
- e. User shall ensure that all members of its workforce with access to DHCS data sign a confidentiality statement prior to access to such data. The statement must be renewed annually.
- f. User shall, if applicable, notify the DHCS point of contact specified in Section 2 of the security official who is responsible for the development and implementation of the policies and procedures required by 45 CFR Part 164, Subpart C.
- g. Subject to DHCS approval as required by Section 7, User shall ensure that any agents, subcontractors, subawardees, vendors or others (collectively, "agents") that use or disclose DHCS data on behalf of User agree to the same restrictions and conditions that apply to User with respect to DHCS data.

10. Breaches and Security Incidents

- a. User shall implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and take the following steps:
 - i. User shall notify DHCS within 24 hours via the online DHCS Incident Reporting Portal (or by email (or telephone if User is unable to use the DHCS Incident Reporting Portal) of the discovery of:

1. Unsecured DHCS data if the DHCS data is reasonably believed to have been accessed or acquired by an unauthorized person;
 2. Any suspected security incident which risks unauthorized access to DHCS data;
 3. Any intrusion or unauthorized access, use or disclosure of DHCS data in violation of this Agreement; or
 4. Potential loss of DHCS data.
- ii. Notice submitted to the DHCS Incident Reporting Portal shall be provided to the DHCS point-of-contact specified in Section 2, the DHCS Privacy Office, and the DHCS Information Security Office. If providing notice to DHCS via email, use the DHCS contact information at sections 2 and 10.g.
 - iii. Notice shall be made using the DHCS Incident Reporting Portal via the link on the DHCS Data Privacy Website online at <https://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/default.aspx>
 - iv. Notice via email shall be made using the current DHCS “Privacy Incident Reporting Form” and shall include all information known at the time the incident is reported. The form is available online at <https://www.dhcs.ca.gov/formsandpubs/laws/priv/Documents/Privacy-Incident-Report-PIR.pdf>
- b. Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of DHCS data, User shall take:
 - i. Prompt action to mitigate any risks or damages involved with the security incident or breach; and
 - ii. Any action pertaining to such unauthorized disclosure required by applicable federal and State law.
 - c. User shall immediately investigate such security incident or confidential breach.
 - d. User shall provide a complete report of the investigation to DHCS within ten (10) working days of the discovery of the security incident or breach. This complete report must include any applicable additional information not included in the initial submission. The complete report shall include an assessment of all known factors relevant to a determination of whether a breach occurred under HIPAA and other applicable federal and State laws. The report shall also include a full, detailed corrective action plan, including its implementation date and information on mitigation measures taken to halt and/or contain the improper use or disclosure. If DHCS requests information, User shall make reasonable efforts to provide DHCS with such information. DHCS will review and approve or disapprove User’s determination of whether a breach occurred, whether the security incident or breach is reportable to the appropriate entities, if individual notifications are required, and User’s corrective action plan.

- i. If User does not complete a complete report within the ten (10) working day timeframe, User shall request approval from DHCS within the ten (10) working day timeframe of a new submission timeframe for the complete report.
 - e. If the cause of a breach is attributable to User or User's agents, User shall notify individuals accordingly and shall pay all costs of such notifications, as well as all costs associated with the breach. The notifications shall comply with applicable federal and State law. DHCS shall approve the time, manner and content of any such notifications and DHCS review, and approval must be obtained before the notifications are made.
 - f. If the cause of a breach of DHCS data is attributable to User or User's agents, User is responsible for all required reporting of the breach as required by applicable federal and State law.
 - g. DHCS Privacy Office and Information Security Office contact information:
 - i. Privacy Office, c/o Data Privacy Unit, Department of Health Care Services, P.O. Box 997413, MS 4722, Sacramento, CA 95899-7413; Email: incidents@dhcs.ca.gov.
 - ii. Information Security Office, P.O. Box 997413, MS 6400, Sacramento, CA 95899-7413; Email: incidents@dhcs.ca.gov.
- 11. User agrees to train and use reasonable measures to ensure compliance with the requirements of this Agreement by employees who assist in the performance of functions or activities under this Agreement and use or disclose DHCS data, and to discipline such employees who intentionally violate any provisions of this Agreement, including by termination of employment. In complying with the provisions of this section, User shall observe the following requirements:
 - a. User shall provide information privacy and security training, at least annually, at its own expense, to all its employees who assist in the performance of functions or activities under this Agreement and use or disclose DHCS data; and
 - b. User shall require each employee who receives information privacy and security training to sign a certification, indicating the employee's name and the date on which the training was completed.
- 12. From time to time, DHCS may, upon prior written notice and at mutually convenient times, inspect the facilities, systems, books and records of User to monitor compliance with this Agreement. User shall promptly remedy any violation of any provision of this Agreement and shall certify the same to the DHCS Privacy Office in writing. The fact that DHCS inspects, or fails to inspect, or has the right to inspect, User's facilities, systems and procedures does not relieve User of their responsibility to comply with this Agreement.
- 13. User acknowledges that penalties under HIPAA and section 14100.2 of the California Welfare & Institutions Code, including possible fines and imprisonment, may apply with respect to any disclosure of DHCS data that is inconsistent with the terms of this Agreement.

14. Termination.
 - a. This Agreement shall terminate at the time of the completion of the project which is described in Section 4, or December 31, 2027, whichever event occurs sooner, and at that time all data provided by DHCS must be destroyed as set forth in Section 8, above, and a certificate of destruction sent to the DHCS point-of-contact specified in Section 2, unless data has been destroyed prior to the termination date and a certificate of destruction sent to DHCS. All representations, warranties and certifications shall survive termination.
 - b. Upon DHCS' knowledge of a material breach or violation of this Agreement by User, DHCS may provide an opportunity for User to cure the breach or end the violation and may terminate this Agreement if User does not cure the breach or end the violation within the time specified by DHCS. DHCS may terminate this Agreement immediately if User breaches a material term and DHCS determines, in its sole discretion, that cure is not possible or available under the circumstances. Upon termination of this Agreement, User must destroy all DHCS data in accordance with Section 8, above.
 - c. The provisions of this Agreement governing the privacy and security of the DHCS data shall remain in effect until all DHCS data is destroyed or returned to DHCS.
15. Any provision of this Agreement which is in conflict with current or future applicable federal or State laws is hereby amended to conform to the provisions of those laws. Such amendment of this Agreement shall be effective on the effective date of the laws necessitating it and shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties.
16. User agrees that additional data elements may not be added to Attachment A nor transferred from DHCS to User without approval by, as applicable, DHCS's Data and Research Committee and the Committee for the Protection of Human Subjects.
17. This Agreement shall be binding on any and all successor(s)-in-interest of the Parties.
18. This Agreement may be signed in counterpart and all parts taken together shall constitute one agreement.
19. The Custodian, as named in Section 1, hereby acknowledges their appointment as Custodian of the aforesaid file(s) on behalf of User and agrees in a representative capacity to comply with all of the provisions of this Agreement on behalf of User.

Serge Herrera

(Name of Custodian of File(s) – Typed or Printed)

Director, Privacy

(Title/Component)

(Signature)

(Date)

20. On behalf of User, the undersigned individual hereby attests that they authorized to enter into this Agreement and agrees to all the terms specified herein.

John Baackes

(Name – Typed or Printed)

CEO

(Title/Component)

L.A. Care Health Plan_304

(Company/Organization)

1055 W 7th Street, 10th Floor

(Address)

Los Angeles, CA 90017

(City/State/ZIP Code)

(213) 694-1250 ext 4151/jbaackes@lacare.org

(Phone Number and E-Mail Address)

(Signature)

(Date)

21. On behalf of DHCS the undersigned individual hereby attests that they are authorized to enter into this Agreement and agrees to all the terms specified herein.

Michelle Retke

(Name of DHCS Representative – Typed or Printed)

Chief, Managed Care Operations Division

(Title/Component)

(Signature)

(Date)

ATTACHMENT A

1. Enrollment Files

- a. The 820 transaction is a federally mandated ASC X12 standard to provide premium payment information that allows User to reconcile payments received against Members who were enrolled during the Medi-Cal managed care contract term period.
- b. The 834 transaction is a federally mandated ASC X12 standard to provide Member enrollment information during the Medi-Cal managed care contract term period. It includes new enrollments, changes in a Member's enrollment, reinstatement of a Member's enrollment, and disenrollment of Members.
- c. DHCS will send the 834 and 820 files to continue processing for 13 months after the end of the Medi-Cal managed care contract term period, through January 31, 2025.
 - i. DHCS will generate HIPAA compliant 820 premium payment transactions;
 - ii. DHCS will generate 834 enrollment and disenrollment transactions;
 - iii. DHCS will make the 820 and 834 transactions available to User.

2. Encounter Detail Request Files to Support Hospital Directed Payments

- a. DHCS will continue to generate a quarterly Encounter Detail Request file for User for the Enhanced Payment Program and Private Hospital Directed Payment Program. User will receive a file for each phase of a program for the six (6) quarters leading up to the final payment calculations.
- b. User must work with hospitals to supply the contracting status between the two and return the files to DHCS for the final two files for a program phase. DHCS will use these files to calculate directed payments to hospitals and retroactive 820 premium payment transactions to User as described in 42 CFR 438.6(c).
- c. User is required to issue payments based on DHCS direction once retroactive funding has been received.
- d. Encounter Detail Request files to support Hospital Directed Payments will continue through June 30, 2025.

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ATTACHMENT A

e. Encounter Detail Request files will be sent quarterly on the following schedule and must be completed and sent back in 5 or 6 weeks based on DHCS discretion:

i. March 2024

- 1) CY 2022 Phase 2, Dates of Service: July 1, 2022 through December 31, 2022
- 2) CY 2023 Phase 1, Dates of Service: January 1, 2023 through June 30, 2023
- 3) CY 2023 Phase 2, Dates of Service: July 1, 2023 through December 31, 2023

ii. June 2024

- 1) CY 2023 Phase 1, Dates of Service: January 1, 2023 through June 30, 2023
- 2) CY 2023 Phase 2, Dates of Service: July 1, 2023 through December 31, 2023

iii. September 2024

- 1) CY 2023 Phase 1, Dates of Service: January 1, 2023 through June 30, 2023
- 2) CY 2023 Phase 2, Dates of Service: July 1, 2023 through December 31, 2023

iv. December 2024

CY 2023 Phase 2, Dates of Service: July 1, 2023 through December 31, 2023

v. March 2025

CY 2023 Phase 2, Dates of Service: July 1, 2023 through December 31, 2023

f. DHCS will send the 820 file to User on the following schedule:

- i. CY 2022 EPP CAP P2/EPP FFS P1/ PHDP P1/DPH QIP/DMPH QIP: March 2024

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ATTACHMENT A

- ii. CY 2022 EPP FFS P2/PHDP P2/ CY 2023 EPP CAP P1: September 2024
- iii. CY 2023 DHDP P1/EPP CAP P2/EPP FFS P1/ PHDP P1/DPH QIP/DMPH QIP: March 2025
- iv. CY 2023 DHDP P1/EPP FFS P2/PHDP P2: September 2025

3. Encounter Detail Request Files to Support Risk Corridors

- a. DHCS will generate encounter data detail files and provide to User outlining which transactions are qualified to be included in the expenditures of the risk corridor calculations.
- b. Encounter Detail files to support Risk Corridors will continue through September 30, 2025 on a quarterly or other less frequent basis, as specified through applicable DHCS guidance.
- c. Encounter Detail validation files will be sent on the following schedule:
 - i. March 2024 – CY 2022 Adverse Childhood Experiences (ACE) Screenings, Developmental Screening, Proposition 56 Family Planning Services, Proposition 56 Physician’s Services, and Proposition 56 Value Based Payments (VBP)
 - ii. March 2025 – CY 2023 ACE Screenings, Developmental Screenings, Proposition 56 Family Planning Services, and Proposition 56 Physician’s Services
 - iii. June 2025 – CY 2023 Enhanced Case Management (ECM) and Major Organ Transplant (MOT) risk corridors
- d. 820 file will be sent on the following schedule (no later than):
 - i. December 2024 – CY 2022 ACE Screenings, Developmental Screenings, Proposition 56 Family Planning Services, Proposition 56 Physician’s Services, Proposition 56 VBP
 - ii. December 2025 – CY 2023 ACE Screenings, Developmental Screenings, Proposition 56 Family Planning Services, and Proposition 56 Physician’s Services
 - iii. March 2026 – CY 2023 ECM and MOT risk corridors

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ATTACHMENT A

4. Encounter Detail Request Files to Support Skilled Nursing Facility Workforce Quality Incentive Program (SNF WQIP)

- a. DHCS will generate encounter data detail files and provide to User outlining which transactions are qualified to be included in the SNF WQIP program and be paid the uniform dollar add-on.
- b. User must work with their contracted Skilled Nursing Facility partners to provide them with a summary of the encounter detail data provided by DHCS. The specifics of this sharing requirement will be detailed in the forthcoming SNF WQIP APL.

5. Supplemental Data Requests

- a. Supplemental data requests from DHCS to User will continue through June 30, 2026. Supplemental data requests can include ad-hoc and recurring reporting that is applicable to the following risk corridors and interim and final payments:
 - i. The Bridge Period COVID-19 risk corridor;
 - ii. Coordinated Care Initiative (CCI) risk corridors;
 - iii. ECM and MOT risk corridors; and
 - iv. Proposition 56 (or successor) risk corridors for ACE Screenings, Developmental Screenings, Proposition 56 Family Planning Services, Proposition 56 Physician’s Services, and Proposition 56 VBP
 - v. Skilled Nursing Facility (SNF) Workforce & Quality Incentive Program (WQIP)
 - vi. Public Distinct Part Nursing Facility Pass-Through Program
- b. DHCS requires User to provide the following necessary data:
 - i. Encounter data;
 - ii. Utilization data;
 - iii. Cost data; and
 - iv. Other data needed by DHCS to perform risk corridor calculations as described in the following:

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ATTACHMENT A

1. The User's Medi-Cal managed care health plan contract, applicable APLs, rate certifications, CMS-approved directed payment preprints, and other guidance issued by DHCS for rating period(s) during which User had an active Medi-Cal managed care health plan contract with DHCS.
 2. These risk corridor calculations are performed after the rating period to allow adequate claims runout and CMS review of the underlying rates.
- c. The 834 and 820 files must continue processing for 30 months for applicable risk corridors through June 30, 2026.

6. Additional User Reporting

- a. DHCS requires User to provide the following historical data determined necessary by DHCS or its actuaries for the rate development process:
 - i. Encounter data;
 - ii. Utilization data;
 - iii. Cost data; or
 - iv. Other data needed by DHCS.
- b. Through June 30, 2025, User must provide data identified in Paragraph A of Section 5 above in the form and manner requested by DHCS, including the following:
 - i. Rate Development Template;
 - ii. Supplemental Data Requests;
 - iii. Post-submission discussion guides; and
 - iv. In response to follow-up questions from DHCS.
- c. User must continue to provide DHCS with financial monitoring reports such as, but not limited to, quarterly and annual financial reports and associated documents, through April 30, 2024.
- d. User must continue to provide DHCS with CY 2023 Medical Loss Ratio reporting, in accordance with federal regulations, through December 31, 2024.

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ATTACHMENT A

- e. User must continue to provide DHCS with Medical Loss Ratio reporting updates for the recalculation of any rating period in which revenue changes, in accordance with 42 CFR Part 438.8(m), through December 31, 2027.

- f. In order to comply with a periodic audit of the accuracy, truthfulness, and completeness of the encounter and financial data submitted for User Medi-Cal managed care contract, User must continue to provide the following in accordance with 42 CFR Part 438.602(e), through December 31, 2025, as applicable:
 - i. Encounter data;
 - ii. Utilization data;
 - iii. Cost data; and
 - iv. Other data requested by DHCS.

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DEPARTMENT OF HEALTH CARE SERVICES

AGREEMENT FOR DISCLOSURE AND USE OF DHCS DATA

This Agreement addresses the conditions under which the California Department of Health Care Services (DHCS) will disclose and L.A. Care Health Plan (User) will obtain and use data file(s) as set out in Section 3. This Agreement supplements any agreements between the parties with respect to the use of information from data and documents and overrides any contrary instructions, directions, agreements, or other understandings in or pertaining to any other prior communication from DHCS or any of its components with respect to the data specified in this Agreement. The terms of this Agreement may be changed only by a written modification to this Agreement or by the parties entering into a new agreement. The parties agree further that instructions or interpretations issued to User concerning this Agreement, and the data and documents specified herein, shall not be valid unless issued in writing by the DHCS point-of-contact specified in Section 2 or the DHCS signatory to this Agreement shown in Section 20.

1. The parties mutually agree that the following named individuals are designated as “Custodians of the Files” on behalf of User and shall be responsible for the observance of all conditions of use and for establishment and maintenance of security arrangements as specified in this Agreement to prevent unauthorized use or disclosure. User agrees to notify DHCS within fifteen (15) days of any change to the custodianship information.

Serge Herrera

(Name of Custodian of Files)

Director, Privacy

(Title/Component)

L.A. Care Health Plan

(Company/Organization)

1055 W 7th Street, 10th Floor, Los Angeles, CA 90017

(Company Address)

2. The parties mutually agree that the following named individual will be designated as “point-of-contact” for the Agreement on behalf of DHCS.

Michelle Retke

(Name of Contact)

Chief, Managed Care Operations Division

(Title/Component)

(916) 449-5083/Michelle.Retke@dhcs.ca.gov

(Phone Number/ Email Address)

3. The parties mutually agree, and in furnishing data files hereunder DHCS relies upon such agreement, that such data file(s) will be used solely for the following purpose:
 - a. DHCS shall provide User access to Health Insurance Portability and Accountability Act-compliant 820 premium payment transaction and 834 enrollment and disenrollment transaction files so that User can meet operational readiness requirements and provide services to Medi-Cal members, effective January 1, 2024. The parties mutually agree that the transfer of data pursuant to this Agreement is integrated into Contract # 22-20203 through Section 1.0 of Attachment II of Exhibit A of such contract and that the terms of such contract apply to this Agreement. Pursuant to Exhibit G of Contract # 22-20203, User is the business associate of DHCS.
 - b. The list of files to be provided by DHCS pursuant to Section 3.a. of this Agreement shall not be determined to be exhaustive, exclusive, or limiting the ability to DHCS to provide additional file types to User pursuant to this Agreement should DHCS determine that it is necessary and appropriate to do so for User to meet operational readiness requirements and provide services to Medi-Cal members, effective January 1, 2024.
4. Some of the data specified in this Agreement may constitute Protected Health Information (PHI) under federal law and/or personal information (PI) under State law.
 - a. The parties mutually agree that the creation, receipt, maintenance, transmittal and disclosure of data from DHCS containing PHI shall be subject to the Health Insurance Portability and Accountability Act of 1996 and its implementing privacy and security regulations at 45 CFR Parts 160 and 164 (collectively and as used in this Agreement, HIPAA). User agrees to provide the same, or greater, level of security to DHCS data that would be required if User were a Covered Entity under HIPAA, regardless of whether User is or is not a Covered Entity.
 - b. User agrees to comply with the privacy and security standards set forth in applicable State or federal laws to the extent such standards provide a greater degree of protection and security than HIPAA or are otherwise more favorable to the individuals whose DHCS data is covered under this Agreement. Examples of laws that provide additional and/or stricter privacy protections include but are not limited to the California Information Practices Act, Civil Code section 1798 – 1798.78 Confidentiality of Alcohol and Drug Abuse Patient Records, 42 CFR Part 2, Welfare and Institutions Code section 5328, and Health and Safety code section 11845.5.
 - c. User acknowledges that they must abide by all laws applicable to the privacy and disclosure of PHI and/or PI, and agrees that User will not use DHCS data for any purpose other than that stated in Section 3 of this Agreement. User also acknowledges they will not use or disclose any DHCS data, by itself or in combination with any other data from any source, whether publicly available or not, to individually identify any person to anyone other than DHCS as provided for in this Agreement.
5. The following definitions shall apply to this Agreement. The terms used in this Agreement, but not otherwise defined, shall have the same meanings as those terms have in the HIPAA regulations or other applicable law. Any reference to statutory or regulatory language shall be to such language as in effect or as amended.

- a. Breach shall have the meaning given to such term under HIPAA and the California Information Practices Act.
 - b. As used in this Agreement and unless otherwise stated, the term “PHI” refers to and includes both “PHI” as defined at 45 CFR section 160.103 and Personal Information (PI) as defined in the Information Practices Act at California Civil Code section 1798.3(a). PHI includes information in any form, including paper, oral, and electronic.
 - c. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI or PI or of other confidential data that is essential to the ongoing operation of User’s organization and intended for internal use; or interference with system operations in an information system.
 - d. Unsecured PHI shall have the meaning given to such term under HIPAA.
 - e. DHCS data means all data provided by DHCS pursuant to this Agreement as well as all data derived from such data, inclusive of de-identified data.
6. User represents and warrants that, except as DHCS authorizes in writing, User shall not disclose, release, reveal, show, sell, rent, lease, loan, or otherwise grant access to the data covered by this Agreement to any person, company or organization. User agrees that, within User’s organizations, access to the data covered by this Agreement shall be limited to the minimum number of individuals necessary to achieve the purpose stated in this Agreement and to those individuals on a need-to-know basis only. User shall not use or further disclose the information other than is permitted by this Agreement or as otherwise required by law. User shall not use the information to identify or contact any individuals.
7. Safeguards and Security.
- a. User shall use safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of DHCS data and comply, where applicable, with subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of the information other than as provided for by this Agreement.
 - b. User shall, at a minimum implement security controls consistent with the National Institute of Standards and Technology Special Publication (NIST SP) 800-53 current revision at the moderate-impact level and shall maintain continuous compliance with NIST SP 800-53 Security and Privacy Controls. The current version of NIST SP 800-53, Revision 5, is available online at <https://csrc.nist.gov/publications/detail/sp/800-53/rev-5/final>; updates will be available online at <https://csrc.nist.gov/publications/sp800>.
 - c. User shall employ Federal Information Processing Standards (FIPS) 140-3 validated encryption of PHI at rest and in motion unless User determines it is not reasonable and appropriate to do so based upon a risk assessment, and equivalent alternative measures are in place and documented as such. FIPS 140-3 validation can be determined online at <https://csrc.nist.gov/projects/cryptographic-module-validation-program/validated-modules/search>. In addition, User shall maintain, at a minimum, the most current industry standards for transmission and storage of DHCS data and other confidential information.

- d. User shall apply security patches and upgrades, and keep virus software up-to-date, on all systems on which DHCS data may be used.
- e. User shall ensure that all members of its workforce with access to DHCS data sign a confidentiality statement prior to access to such data. The statement must be renewed annually.
- f. User shall, if applicable, notify the DHCS point of contact specified in Section 2 of the security official who is responsible for the development and implementation of the policies and procedures required by 45 CFR Part 164, Subpart C.
- g. Subject to DHCS approval as required by Section 6, User shall ensure that any agents, subcontractors, subawardees, vendors or others (collectively, "agents") that use or disclose DHCS data on behalf of User agrees to the same restrictions and conditions that apply to User with respect to DHCS data.

8. Breaches and Security Incidents

- a. User shall implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and take the following steps:
 - i. User shall notify DHCS within 24 hours via the online DHCS Incident Reporting Portal (or by email or telephone if User is unable to use the DHCS Incident Reporting Portal) of the discovery of:
 - 1. Unsecured DHCS data if the DHCS data is reasonably believed to have been accessed or acquired by an unauthorized person;
 - 2. Any suspected security incident which risks unauthorized access to DHCS data;
 - 3. Any intrusion or unauthorized access, use or disclosure of DHCS data in violation of this Agreement; or
 - 4. Potential loss of DHCS data.
 - ii. Notice submitted to the DHCS Incident Reporting Portal will be sent to the DHCS point-of-contact specified in Section 2 as well as the DHCS Privacy Office and the DHCS Information Security Office. If providing notice to DHCS via email, use the DHCS contact information at section 8.g below (collectively, "DHCS contacts").
 - iii. Notice shall be made using the DHCS Incident Reporting Portal via the link on the DHCS Data Privacy Website online at <https://www.dhcs.ca.gov/formsandpubs/laws/priv/Pages/default.aspx>
 - iv. Notice via email shall be made using the current DHCS "Privacy Incident Reporting Form" and shall include all information known at the time the incident is reported. The form is available online at <https://www.dhcs.ca.gov/formsandpubs/laws/priv/Documents/Privacy-Incident-Report-PIR.pdf>

- b. Upon discovery of a breach or suspected security incident, intrusion or unauthorized access, use or disclosure of DHCS data, User shall take:
 - i. Prompt action to mitigate any risks or damages involved with the security incident or breach; and
 - ii. Any action pertaining to such unauthorized disclosure required by applicable federal and State law.
 - c. User shall immediately investigate such security incident or confidential breach.
 - d. User shall provide a complete report of the investigation to DHCS within ten (10) working days of the discovery of the security incident or breach. This complete report must include any applicable additional information not included in the initial submission. The complete report shall include an assessment of all known factors relevant to a determination of whether a breach occurred under HIPAA and other applicable federal and State laws. The report shall also include a full, detailed corrective action plan, including its implementation date and information on mitigation measures taken to halt and/or contain the improper use or disclosure. If DHCS requests, User shall make reasonable efforts to provide DHCS with such information. DHCS will review and approve or disapprove User's determination of whether a breach occurred, whether the security incident or breach is reportable to the appropriate entities, if individual notifications are required, and User's corrective action plan.
 - i. If User does not complete a final report within the ten (10) working day timeframe, User shall request approval from DHCS within the ten (10) working day timeframe of a new submission timeframe for the complete report.
 - e. If the cause of a breach is attributable to User or User's agents, User shall notify individuals accordingly and shall pay all costs of such notifications, as well as all costs associated with the breach. The notifications shall comply with applicable federal and State law. DHCS shall approve the time, manner and content of any such notifications and DHCS review and approval must be obtained before the notifications are made.
 - f. If the cause of a breach of DHCS data is attributable to User or User's agents, User is responsible for all required reporting of the breach as required by applicable federal and State law.
 - g. DHCS Privacy Office and Information Security Office contact information:
 - i. Privacy Office, c/o Data Privacy Unit, Department of Health Care Services, P.O. Box 997413, MS 4722, Sacramento, CA 95899-7413; Email: incidents@dhcs.ca.gov.
 - ii. Information Security Office, P.O. Box 997413, MS 6400, Sacramento, CA 95899-7413; Email: incidents@dhcs.ca.gov.
9. User agrees to train and use reasonable measures to ensure compliance with the requirements of this Agreement by employees who assist in the performance of functions or activities under

this Agreement and use or disclose DHCS data, and to discipline such employees who intentionally violate any provisions of this Agreement, including by termination of employment. In complying with the provisions of this section, User shall observe the following requirements:

- a. User shall provide information privacy and security training, at least annually, at its own expense, to all its employees who assist in the performance of functions or activities under this Agreement and use or disclose DHCS data; and
 - b. User shall require each employee who receives information privacy and security training to sign a certification, indicating the employee's name and the date on which the training was completed.
10. From time to time, DHCS may, upon prior written notice and at mutually convenient times, inspect the facilities, systems, books and records of User to monitor compliance with this Agreement. User shall promptly remedy any violation of any provision of this Agreement and shall certify the same to the DHCS Privacy Office in writing. The fact that DHCS inspects, or fails to inspect, or has the right to inspect, User's facilities, systems and procedures does not relieve User of their responsibility to comply with this Agreement.
11. User acknowledges that penalties under HIPAA and section 14100.2 of the California Welfare & Institutions Code, including possible fines and imprisonment, may apply with respect to any disclosure of DHCS data that is inconsistent with the terms of this Agreement.
12. Termination.
- a. This Agreement shall terminate the later of either:
 - i. The termination of Contract # 22-20203 between the parties, inclusive of the expiration of such Contract, or
 - ii. 90 days after the execution date of a contract between DHCS and User regarding the provision of services to Medi-Cal members beginning on January 1, 2024.

The parties acknowledge that the business associate relationship between the parties pursuant to Exhibit G of Contract # 22-20203 shall survive the termination of such and that Exhibit G of Contract # 22-20203 shall be deemed to be integrated into this Agreement.

All representations, warranties, and certifications shall survive termination of this Agreement.

- b. Upon DHCS' knowledge of a material breach or violation of this Agreement by User, DHCS may provide an opportunity for User to cure the breach or end the violation and may terminate this Agreement if User does not cure the breach or end the violation within the time specified by DHCS. DHCS may terminate this Agreement immediately if User breaches a material term and DHCS determines, in its sole discretion, that cure is not possible or available under the circumstances.
- c. Upon termination of this Agreement pursuant to Section 12.b. above, User shall destroy all electronic data files with DHCS data by wiping such data using Department of

Defense standards or as approved by DHCS. User shall destroy all paper documents with DHCS data by using a confidential method of destruction, such as crosscut shredding or contracting with a company that specializes in confidential destruction of documents. User shall certify the destruction of the file(s) in writing and send a copy of this certification to the DHCS point-of-contact listed in Section 2 within 30 days of the destruction. User agrees that no DHCS data, including but not limited to parts or copies thereof as well as files derived from DHCS data (electronic, hardcopy or otherwise), shall be retained when the files are destroyed unless authorization in writing for the retention of such files has been received from the DHCS point-of-contact listed in Section 2.

- d. The provisions of this Agreement governing the privacy and security of the DHCS data shall remain in effect until all DHCS data is destroyed or returned to DHCS.
- 13. Any provision of this Agreement which is in conflict with Exhibit G of Contract # 22-20203 shall deemed to be controlling and shall supersede any such conflicting provision of Exhibit G of Contract # 22-20203.
- 14. Any provision of this Agreement which is in conflict with current or future applicable federal or State laws is hereby amended to conform to the provisions of those laws. Such amendment of this Agreement shall be effective on the effective date of the laws necessitating it, and shall be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties.
- 15. User agrees that additional data elements may not be added or transferred from DHCS to User under Section 3 of this Agreement without approval by, as applicable, DHCS or DHCS’s Data and Research Committee and the Committee for the Protection of Human Subjects.
- 16. This Agreement shall be binding on any and all successor(s)-in-interest of the Parties.
- 17. This Agreement may be signed in counterpart and all parts taken together shall constitute one agreement.
- 18. The Custodian, as named in Section 1, hereby acknowledges their appointment as Custodian of the aforesaid file(s) on behalf of User, and agrees in a representative capacity to comply with all of the provisions of this Agreement on behalf of User.

Serge Herrera

(Name of Custodian of File(s) – Typed or Printed)

Director, Privacy

(Title/Component)

(Signature)

(Date)

19. On behalf of User, the undersigned individual hereby attests that they are authorized to enter into this Agreement and agrees to all the terms specified herein.

John Baackes

(Name – Typed or Printed)

CEO

(Title/Component)

L.A. Care Health Plan

(Company/Organization)

1055 W 7th Street, 10th Floor

(Address)

Los Angeles, CA 90017

(City/State/ZIP Code)

(213) 694-1250

ext. 4151/jbaackes@lacare.org

(Phone Number and E-Mail Address)

(Signature)

(Date)

20. On behalf of DHCS the undersigned individual hereby attests that they are authorized to enter into this Agreement and agrees to all the terms specified herein.

Michelle Retke

(Name of DHCS Representative – Typed or Printed)

Chief, Managed Care Operations Division

(Title/Component)

(Signature)

(Date)

**EXECUTIVE
COMMUNITY
ADVISORY
COMMITTEE**



Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. ECA 100.1023

Committee: Temporary Transitional Executive Community Advisory Committee (TTECAC)

Chairperson: Fatima Vazquez

Requesting Department: N/A

Issue: Increase access to differently abled L.A. Care Health Plan members, ensuring accessible exam tables among L.A. Care contracted provider's locations.

Background: In September 13, 2023, the Temporary Transitional Executive Community Advisory Committee (TTECAC) discussed and determined that a motion should be forwarded for consideration by the L.A. Care Health Plan Board of Governors to approve a second round of funding for providers to purchase exam tables.

Member Impact:

Budget Impact: Staff will return with an estimate of budget impact once a response to the attached motion is developed.

Motion: To request L.A. Care make funds available to distribute to providers for the purchase of accessible exam tables. A report of how the funds were distributed and a report of the past funding is also requested.

Board of Governors

Executive Community Advisory Committee

Meeting Minutes – May 10, 2023

1055 W. 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

ECAC Members	RCAC Members/Public	L.A. Care Board of Governors/Senior Staff
<p>Russell Mahler, RCAC 1 Chair Estela Lara, RCAC 2 Chair Cynthia Contreas-Wood, RCAC 3 Chair, ECAC Vice-Chair Silvia Poz, RCAC 4 Chair Maria Sanchez, RCAC 5 Chair Andria McPerson, RCAC 6 Chair Fátima Vázquez, RCAC 7 Chair, ECAC Chair Ana Romo, RCAC 8 Chair Tonya Byrd, RCAC 9 Chair Damares O Hernández de Cordero, RCAC 10 Chair Maria Angel Refugio, RCAC 11 Chair Lluvia Salazar, At-Large Member Deaka McClain, At Large Member</p>	<p>Izmir Coello, Interpreter Isaac Ibarlucea, Interpreter Alex Mendez, Interpreter Estefanie Mendez, Interpreter Katelynn Mory, Interpreter Susana Sanchez, Interpreter</p> <p>Norma Angelica Álvarez, Public Sandra Aramburo, Public Gisela Brigido, Public Elizabeth Cooper, Public Andrea Domingo, Public Olive Ezenda, Public Brigitte Green, Public Adela Guadarrama, Public Janet Henderson, Public Lynnea Johnson, Public Fresia Paz, Public Dazzling Sanchez, Public Maria Tamayo, Public</p>	<p>Hilda Pérez, Member, Board of Governors Layla Gonzalez, Advocate, Board of Governors John Baackes, Chief Executive Office, L.A. Care *** Francisco Oaxaca, Chief of Communication and Community Relations Marina Acosta, Manager, Health Equity, Health Equity Department Miriam Admasu, Department Assistant, CO&E Tyonna Baker, Community Outreach Field Specialist, CO&E Malou Balones, Board Specialist, Board Services *** Cherie Compartore, Senior Director, Government Affairs Department *** Idalia De La Torre, Field Specialist Supervisor, CO&E Johanna Gonzalez, Quality Improvement Project Manager II, Quality Improvement Department *** Hilda Herrera, Community Outreach Field Specialist, CO&E Xin Lee, Quality Improvement Project Manager II, Quality Improvement Department *** Rudy Martinez, Safety & Security Program Manager III, Facilities Services0 Joshua Mendoza, Community Outreach Field Specialist, CO&E Linda Merkens, Senior Manager, Board Services Nicole Moussa, Manager, Technical Information, Pharmacy & Formulary *** Victor Rodriguez, Board Specialist, Board Services Prity Thanki, Local Government Advisor, Government Affairs *** Martin Vicente, Community Outreach Field Specialist, CO&E</p>
<p>* Excused Absent ** Absent *** Via teleconference</p>		

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	<p>Chairperson Fatima Vazquez called the meeting to order at 10:00 a.m.</p> <p>Chairperson Vazquez advised the public to recheck the directions for updates prior to the start of the meeting.</p> <p>“Members of the Executive Community Advisory Committee, L.A. Care staff, and the public can attend the meeting in-person at the address listed above. Public comment can be made live and in-person at the meeting. A form will be available to submit public comments.</p> <p>Accordingly, members of the public should join this meeting via teleconference as follows: https://us06web.zoom.us/j/84483536180</p> <p>Teleconference Call –In information/Site Call-in number: 1-415-655-0002 Participants Access Code: (English) 2498 768 0914 Call-in number: 1-415-655-0002 Participants Access Code: (Spanish) 2488 424 7871</p> <p>For those not attending the meeting in person, public comments on Agenda items can be submitted in writing by email to COEpubliccomments@lacare.org or by calling the CO&E toll- free line at 1-888-522-2732 and leaving a voicemail.</p> <p>Attendees who log on to lacare.zoom using the URL above will be able to use “chat” during the meeting for public comment. You must be logged into Zoom to use the “chat” feature. The log in information is at the top of the meeting Agenda. This is a new function during the meeting so public comments can be made live and direct.</p> <ol style="list-style-type: none"> 1. The “chat” will be available during the public comment periods before each item. 2. To use the “chat” during public comment periods, look at the bottom of your screen for the icon that has the word, “chat” on it. 3. Click on the chat icon. It will open a window. 4. Select “Everyone” in the to: window. 5. Type your public comment in the box. 6. When you hit the enter key, your message is sent and everyone can see it. 7. The chat message, text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates. 8. L.A. Care staff will read the chat messages for up to three minutes during public comment so people who are on the phone can hear the comment. <p>Your comments can also be sent by voicemail or email. If we receive your comments by 10:00 a.m. on May 10, 2023, it will be provided to the members of the Executive Community Advisory Committee at the beginning of the meeting. The chat message,</p>	

voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.

Once the meeting has started, public comments should be submitted prior to the time the Chair announces public comments for each agenda item and staff will read those public comments for up to three (3) minutes. Chat messages submitted during the public comment period for each agenda item will be read for up to three (3) minutes. If your public comment agenda is not related to any of the agenda item topics, your public comment will be read for up to three (3) minutes at item IX Public Comments on the agenda.

Please note that there may be a delay in the digital transmittal of emails and voicemails. The Chair will announce when the public comment period is over for each item. If your public comments are not received on time for the specific agenda item you want to address, your public comments will be read at the public comment section of the agenda.

The purpose of public comment is that it is an opportunity for members of the public to inform the governing body about their views. The Executive Community Advisory Committee appreciates hearing the input as it considers the business on the Agenda. These are extraordinary circumstances, and the process for public comment is evolving and may change at future meetings. We thank you for your patience.

All votes in a teleconferenced meeting shall be conducted by roll call.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act please contact the Community Outreach & Engagement staff prior to the meeting for assistance by calling our toll-free line at 1-888-522-2732 or by email to COEpubliccomments@lacare.org.

SB 1100 was signed by Governor in August 2022, and added a short section to the Brown Act as Govt Code Section 54957.95 to supplement language already part of the Brown Act :

(a) In addition to authority exercised pursuant to Sections 54954.3 and 54957.9, the presiding member of the legislative body conducting a meeting may remove an individual for disrupting the meeting.

(b) As used in this section, “disrupting” means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, both of the following:

(1) A failure to comply with reasonable and lawful regulations adopted by a legislative body pursuant to Section 54954.3 or 54957.9 or any other law.

(2) Engaging in behavior that includes use of force or true threats of force.

(54954.3 contains provisions related to public comment time restrictions, and 54957.9 allows the presider to clear the room if the meeting can’t continue.)

AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION BEFORE THE MEETING AT L.A. Care’s Offices at 1055 W. 7th Street, Los Angeles, CA 90017 through the Reception Area in the Building Lobby.”

<p>APPROVE MEETING AGENDA</p>	<p>Member Maria Sanchez, <i>RCAC 5 Chair</i>, stated that the agenda’s date is incorrect. It should read May 10, 2023.</p> <p>Member Andria McFerson, <i>RCAC 6 Member</i>, stated that Member Russell Mahler, <i>RCAC 1 Chair</i>, asked for more information about the RCAC restructure and thanked staff for doing that. She stated that some of the topics she asked to be on the agenda are not on the agenda. She asked that there be an agenda item about an emergency drill and COVID-19 updates.</p> <p>The Agenda for today’s meeting was approved with the changes mentioned above.</p>	<p>Approved by roll call. 12 AYES (Byrd, Contreas-Wood, Hernandez de Cordero, Lara, Mahler, McClain, McFerson, Poz, Salazar, Sanchez, Refugio, Vazquez)</p>
<p>APPROVE MEETING MINUTES</p>	<p>Member McFerson stated that it basically states in third person and that they make the agenda, this is what it's saying, but she thinks it's more like a “we.” “We make the agenda.” “They are made so that we can speak to each other as far as health goes.” Having a list that they did not agree on amongst especially themselves. She was explaining the fact that the agenda adhere to the necessities of the people that they represent in their community. She wants to reiterate that this is third person and it's not actually what she said specifically. It does say that Mr. Baackes is first, but he was second on there. She thought the things he was saying were very important. But they were not placed on the agenda. He was talking about how ECAC needed to have some sort of structure to where they won't concentrate on the minutes and the agenda, they won't concentrate on the basic instruction you have before and then approving agenda and then approving the minutes.</p> <p>The April 20, 2023 meeting minutes were approved with the changes mentioned above.</p>	<p>Approved by roll call. 12 AYES (Byrd, Contreas-Wood, Hernandez de Cordero, Lara, Mahler, McClain, McFerson, Poz, Salazar, Sanchez, Refugio, Vazquez)</p>
<p>STANDING ITEMS</p>		
<p>UPDATE FROM CHIEF EXECUTIVE OFFICER</p>	<p>John Baackes, <i>Chief Executive Officer</i>, gave a Chief Executive Officer Update.</p> <p>He apologized for not being there in person, he is in Sacramento attending a meeting to increase the amount of money coming into Medi-Cal to expand the providers available. He reported that the Medi-Cal redetermination process has started with mailing of information to those who need to renew eligibility. L.A. Care learned that in the April mailing, 45% of the notifications to the beneficiary that eligibility had been automatically redetermined and the members is eligible for another year. The Department of Public and Social Services (DPSS) receives data on a beneficiary from other agencies which includes enough information to make the eligibility redetermination without a redetermination form. If the number of members automatically redetermined holds steady every month going forward,</p>	

that is a great relief. Because that is 45% of the people that do not need to worry. For that automated process to work for everyone, DPSS has to have the most current information. He encouraged everyone to update the information with DPSS.

California's state budget for 2024 has a huge deficit. In 2023, California had \$100 billion revenue surplus. What effect will it have on Medi-Cal? the service provider in Medi-Cal gets about 50% compared to Medicare was paying and about 30% of payment by commercial health insurance. L.A. Care took a lead in forming a coalition last summer. It is now called the California Safety Net Coalition (CSNC). This organization will attempt to create a tax that will supplement Medi-Cal funding currently provided by the state and the federal governments. The initiative would appear on the ballot in November of 2024. In the meantime, the Governor will announce his revised budget on May 12. The revised May Budget will include a tax from the same source to be implemented in this year's budget starting on July 1. He is confident it might work because for the first time in California, the coalition that L.A. Care put together includes hospitals, doctors, independent doctors, clinics and federally qualified health centers. It also includes the medical groups L.A. Care contracts with and it includes health plans. These have all come together as a coalition that represents the entire system to try to make Medi-Cal work in California. He will keep the committee informed at future meetings.

PUBLIC COMMENT

Elizabeth Cooper, RCAC 2 Member:

Good morning, members of ECAC, Chairperson, and members of ECAC. And good morning, Mr. Baackes. I see some old timers here. Not that they're old but just old timers. Mr. Baackes, I would like to ask you a question. First, I would like to bring to the attention of the ECAC members and Chair, we're not lawyers, when you quote what changes in the Brown Act, there should be someone from the legal department, Mr. Baackes to advise us. I don't know about law. I don't, I'm a simple person. We're not lawyers. We're what the laws are. If I have to follow the rules, I want to know what the rules mean. One thing I would like to bring to your attention, Mr. Baackes I was part of many years ago why wasn't the coalition consists of consumer members? That's what recommend the executive committee the RCAC should have been part of the coalition because as part of their -- they engage the members who will be impacted if providers don't get the service. And finally, Mr. Baackes, I think we need to talk about what the rule, what I hope it cries out and begs your attention regarding changes in the RCAC which I will discuss later. And I thank you for your leadership, Mr. Baackes. These issues -- they cry out for your attention. And also the RCAC should be

involved because providers are not paid. You'll find that piece address I thank you very much.

Mr. Baackes responded that Mr. Oaxaca will report on later in the meeting on the proposed changes in the RCAC structure. He encouraged everyone to listen carefully, because it really is being designed to get new blood into the RCACs and to also provide more forums where members can actually talk about issues, instead of all the formality that we have in these meetings which take up so much time.

Now the CSNC is made up of entities that put up the money to do this. The ballot initiative process is not going to be cheap. And the organizations that are around the table are funding this. L.A. Care is there as a health plan.

Member Russel Mahler, *RCAC 1 Chair*, asked if members can have input on what he is doing in Sacramento and can he provide this information to members of his RCAC. Mr. Baackes responded that he will draft something that can be distributed to the RCACs.

Member McFerson stated that she is glad he is here and appreciates the updates going to Sacramento and they are very beneficial to bring back to the RCACs. She asked him if everyone will be automatically redetermined for Medi-Cal or just people that receive EBT benefits. She asked, "Is it possible that we can vote on keeping the RCACs so we can be a part of different things like that in general?" She if they do not vote on it today if they can vote on it in the future to keep the RCACs for the next six months and beyond. Beginning January 1 2023, the Assembly Bill AB2449 allows individual Board members to participate in meetings locally of course emergency circumstances, their health keeps them from coming to the meeting and they do it virtually and that is basically what they did to change things a little bit as of January 1 and it also says that the Bill 2647 circulation of public meeting materials, it says that the seats have within 72 hours and then also the public, have it within the next business day. She noted it can be from Friday to Monday. Is it possible to have the written agenda items sent to members before, within 72 hours which the assembly bill.

Mr. Baackes responded that when legislation is signed and passed into law, of course L.A. Care will comply. He thanked her for bringing it to his attention, he will make sure Legal Services and CO&E are on the same page. The Medi-Cal redetermination, whether automated or the actual process, is a decision made by DPSS, L.A. Care does not control that. His understanding is that they tap into data in other agencies that helps determine that they are qualified. He would imagine that is income data and, if they are participating in another public social service and DPSS has access to it, that's how the eligibility is automatically redetermined.

**BOARD MEMBERS
REPORT**

Ms. Gonzalez and Ms. Perez gave a Board Member Report.

Ms. Gonzalez thanked all the ECAC and RCAC members for attending the meeting today.

The Board of Governors met on May 4. Meeting minutes can be obtained by contacting Board Services and on L.A. Care's website. The list of motions approved at that board meeting is available from CO&E. She thanked all the RCAC members that joined the Board meeting in person. She and Ms. Perez were happy to see members there and making public comments. Public comment gives Board Members the opportunity to hear from its members and it is greatly valued and helps L.A. Care improve its services for L.A. Care members. The following members attended in person:

1. Gladis Alvarez
2. Fresia Paz
3. Amanda Calzada
4. Ana Rodriguez
5. Celia Hernandez
6. Maria Alvarez
7. Nereyda Ibarra
8. Maria Mendez
9. Andria McFerson
10. Elizabeth Cooper
11. Mary Jo Fernando

Mr. Baackes gave a CEO Report. He gave an update earlier.

Ms. Compartore gave a Government Affairs update. CMS issued two proposed rules for Medicaid and the Children's Health Insurance Programs that include several substantial changes to Medicaid managed care policies, including the establishment of wait times; requiring states to establish secret shopper surveys; new provider directory requirements; and requiring states to disclose provider payment rates in both fee-for-service and managed care. CMS also recently released a proposed rule that impacts DACA recipients (Dreamers). If finalized, the rule would allow DACA recipients to enroll in Medicaid, the Children's Health Insurance Programs (CHIP), and the Affordable Care Act's Health Insurance Marketplaces.

ECAC members and RCAC members as well as the public had an opportunity to make public comments. Fresia Paz, RCAC 10 Member, asked the Board about access to the CalAIM services. Board Member Ghaly responded that there are many different aspects of CalAIM, and almost all of the connections to those services would happen through the primary care provider. Ms. Paz asked if the provider is aware of the programs. Board Member Ghaly responded that many of the components of CalAIM have been

	<p>implemented but providers have differing stages of readiness. She offered to speak to Ms. Paz' specific needs offline. She pointed out that L.A. Care can help facilitate the connection to services. The programs that L.A. Care offers are available. Mr. Baackes offered to have staff talk with Ms. Paz. Board Member Ghaly responded that there are two broad categories, one is Enhanced Case Management (ECM) which is available through the providers. The second category is Community Supports, which connects with services such as housing and other services.</p>	
<p>COMMUNICATIONS AND COMMUNITY RELATIONS DEPARTMENT UPDATE</p>	<p>Mr. Oaxaca gave a Communication and Community Relations Department Update <i>(a copy of the written report can be obtained from CO&E.)</i></p> <p>PUBLIC COMMENT</p> <p>Elizabeth Cooper, RCAC 2 Member: <i>Thank you, Francisco for your presentation. I will -- two board members, Hilda and Layla Gonzalez and. Hilda Perez to please take notice that those members -- I want the two board members to please take notice. This is Ms. Cooper speaking. What happened about 14 years ago, we found out about it. I want to know first Francisco, I want a lawyer. Just a moment, when you said something other than authority and purpose of the advisory committees. You the members for your ECAC, we represent the members, Francisco, it's not that lies are being spread, it's misrepresentation, I feel is being spread. And I would like to know what port of authority did the board approve this? The ECAC, remember, you represent your members, think about this, this is the ballot. The great resource center was to serve the community so what will you do? You'll terminate your rights. It doesn't worry me, I can go to another committee, I gain no financial gain out of this. But I think there are some member who is are present sitting as staff present know what I'm talking about.</i></p> <p><i>Members please take notice because I, Ms. Cooper would like to request that L.A. Care provide a lawyer for me to know my rights as a member under the community. Under the code number 1487966, medicare manage care division policy letter 90901 and I would like to know, Francisco, what was your port of authority change then? Did the board approve this? Did the Board of Governors have to approve? I'm sorry about the time. Public comment. Thank you.</i></p> <p>Brigitte Green, RCAC 6 Member: <i>Shesaid that they were informed at the RCAC 6 meeting there will no longer be RCACs, she asked if they would be voting on it. She asked if it is official that the RCACs will no longer meet and then stated that after listening to the presentation she now understands what is going on.</i></p>	

Mr. Oaxaca responded that as he mentioned in his report and it is important to state the facts, and the fact is that the RCACs are not being eliminated and they will continue. There is no action being taken or action that has been taken by staff. It is a proposal that will eventually go to the Board of Governors for their consideration. Staff is going through an extensive member input process as L.A. Care has always done. Whenever there are any changes to the operation or structure of the advisory committee staff are not proposing anything that is not aligned with the current bylaws regarding the advisory committees or that would require any changes to the enabling legislation that created L.A. Care and set the framework for the advisory committee structure.

Chairperson Vazquez closed the public comment section for this agenda item. She said they will not take questions from the committee and reminded everyone of the meeting guidelines. Member McFerson interrupted the chair and called for point of order. She asked that every chair that raises their hand, including the BOG, be given two minutes to speak and that it not be a dictatorship. They can vote on that decision. Chairperson Vazquez reminded Member McFerson the committee that they must follow the guidelines that were approved by ECAC. They are running short on time. All the presentations and agenda items must be completed.

Member McClain asked Mr. Oaxaca what time the Long Beach Community Resource Center (CRC) grand opening on June 9 will be and she asked if L.A. Care will provide transportation for members that would like to get services at all CRCs. She noted that it is a social determinants issue. She is thankful that L.A. Care is providing help to people that need help with their CalFresh documents. Her issue is that most of them are on fixed income and when it comes to CalFresh they do not get a lot of money. When they had that extra money [inaudible].

Member Salazar asked for an update on her request to have representatives from the CRCs to give reports at ECAC. She noted that it is very important now that all the RCACs are beginning to meet and are not going away. They will still be communicating with the RCACs. She pointed out that she was campaigning in Palmdale and saw an improvement. She spoke to [inaudible] and agreed there should be a representative from every CRC at ECAC. They need to be at ECAC and be familiar with all of them.

Member Mahler thanked Ms. Oaxaca for his update in regards to the RCAC restructure. He is glad that Member Salazar was able to visit them in the Antelope Valley for the first time.

Mr. Oaxaca responded that the grand opening is from 10 am to 12 pm, and an invitation will be going to RCAC and ECAC members. He asked if ECAC will still continue to meet when the RCACs take a break. Mr. Oaxaca responded that they will still meet, ECAC will not change.

Chairperson Vazquez stated that any members that have any questions please write them down so they can be answered by staff. Member McFerson interrupted the chair and called for point of order. She asked Chairperson Vazquez if they can have the opportunity to vote on whether or not they will continue with the new changes regarding the RCACs. Member Salazar asked Mr. Oaxaca to please answer her questions.

Mr. Oaxaca stated that all but two RCACs are meeting at the CRCs. He is making arrangements with the managers so they can be available during the RCAC meetings. They will work directly with the RCACs which ECAC members already attend. CRC staff will take turns attending ECAC. The RCACs will have a regular connection with the CRC and the manager. Member Salazar stated that this needs to happen now, they needed to do that a long time ago. They are late and need to start before the centers open. Mr. Oaxaca responded that they have already started.

Member McFerson called for point of order and asked ECAC if they can vote without any interruption from her on something dire that is changing the RCACs. She said that if Chairperson Vazquez does not honor the point of order she will ask Chairperson Vazquez to step out. She said she has the right to say that. Chairperson Vazquez responded that as the Chair she has a responsibility to continue with the agenda and the meeting. She noted that the motion is not on the agenda and is asking for their cooperation Member McFerson is asking for a point of order. Ms. Gonzalez stated that Member McFerson is being disrespectful to Chairperson Vazquez. She understands that Member McFerson wants to express herself, but she is being disrespectful by talking over Chairperson Vazquez. She thinks that Member McFerson is being extremely rude and it should be brought to everyone's attention. It is in the Brown Act that she not be disrespectful and disruptive to the meeting and adhere to the rules in the Brown Act so they can proceed. Member McFerson stated that have every opportunity to speak if they call "point of order." If they don't agree with the Chair they can call point of order and vote.

Member McClain called for point of order. She would like this meeting to get back on track. She thanked Chairperson Vazquez for doing an awesome job. She understands that they are trying to get through the agenda, but she asked to please allow the rest of those people one minute only and then have them say what they want to say and then continue. Chairperson Vazquez thanked her for her comments and stated that they must continue with the agenda. Member McFerson said that not all of the Chairs are in the room and they did not get a chance to vote. Member Salazar said the Chair must wait for all the Chairs to return.

Member McClain asked if all the members that were not able to speak if they can write down their questions and make sure that their questions are answered.

Ms. De La Torre stated that part of the meeting guidelines is to write down any comments and questions are not made due to time limits. Mr. Oaxaca will then provide a response and it will be included in the meeting minutes. Member McFerson called for point of order and said that they are able to vote on specific words Chair is telling them not to do. They can vote on whether or not the RCACs stay the rest of the year and keep that same protocol. They then send that to the board through their Board seats and they make recommendations because the Board has to change face, they have to vote on whether the RCACs come back but if we don't have any representation and don't tell the board, they are going to make sure that they vote how they think, not how members think. She asked for one more minute for the opportunity to represent RCACs today to speak on the RCAC change that Mr. Oaxaca is announcing. Chairperson Vazquez said [inaudible].

Member McClain called for point of order and asked Mr. Oaxaca for clarification on the RCACs taking a break is a state order to prepare for the transition next year. Mr. Oaxaca asked the Chair if he can responded. He responded that Member McClain she is correct in one sense that some of the changes that staff is purposing is to bring L.A. Care into the new contract with the state in house. Those are immovable objects; L.A. Care has to do certain things to remain in compliance with the new contract. The RCACs will spend a certain number of meetings throughout the year in a transition that will take place and to provide more opportunities for members to give us input on that transition process. The RCACs are not going away. The break is meant to give staff and members time to be able to transition in what is being proposed as a new structure in 2024. Member McClain noted there was a misunderstanding and asked if it would be after this meeting or the RCACs. Member McFerson said June. Member McClain stated that they thought they would not meet after June until next year. Mr. Oaxaca responded that the RCACs will continue to meet as they are. The structure of the meetings will be different, but they will be focused on the transition and on staff getting input from members on the proposed structure as they finalize the structure before it comes to ECAC and then the Board. There will be no changes until the Board considers the changes and takes a vote. [inaudible]. Member McFerson would like the opportunity to speak. She said with that being said the state is not choosing to change things, they have every right to keep the Brown Act and Robert's Rule of Order into the RCACs and not allow staff to change things so that it is just a listening session or change things period. She said she would like to file a motion to continue with the same RCACs as they did before with the right to speak, add things to the agenda, and vote on specific things and advise these two seats right here and to advise the Board so they can adhere to the necessities of people and their health care. Member Russell seconded the motion.

Chairperson Vazquez asked for guidance from CO&Estaff. She said they can't vote on any motion that was not on the agenda. Ms. De La Torre stated that is it part of the ECAC to

have all motions documented on the agenda. The motion is not properly documented and they must move forward with the agenda. Member McFerson called for point of order and said there is a motion on the floor and if they go to any other Board of Governors meeting they can file a motion on the agenda item. The motion is towards that agenda item and staff and the Chair can't delegate it. If Chairs want to file a motion they can. She filed a motion to continue the RCACs with the Brown Act and Robert's Rule of Order. She asked if they can still advise the BOG. Member Mahler seconded the motion. Member McFerson asked Chairperson Vazquez if they can vote. Chairperson Vazquez stated that she can't call for a vote, because the motion is not on the agenda. She can't continue. Member McFerson clarified that she is not able to file a motion in regards to agenda item 4C.Ms. De La Torre stated that in order for the public to be aware of the motions and have the opportunity to discuss and be part of the motion, it must be documented on the agenda for any action to take place. Ms De La Torre said the motion can't move forward. They have to be transparent, because they are public meetings. If any action takes place at ECAC it needs to be documented so that the public can take action and participate in the discussion. Member McFerson stated that it is a formal complaint that a staff member can't filibuster a meeting or tell them how to obtain any structure. Mr. Oaxaca stated that there was never any intent to reduce the ability of numbers to comment or have a structure for the RCACs. The RCACs operate the way the RCACs operate and they are considered Brown Act committees. The intent is to provide an opportunity for those meetings during that transition period to be focused more on discussing and restructuring the maximum. Some of the other topics that they would normally be addressing to pause or take a break on those. Member McFerson thanked him for clarifying that and noted they will still have the Brown Act and Robert's Rule of Order in same practice as every two months. They will still have the right to vote and advise the Board seat and they will advise the full Board. Ms. Oaxaca stated that there are no changes being proposed as to how ECAC operates. Member McFerson asked if this also applies to the RCACs. Mr. Oaxaca responded that there are no changes being proposed to that part of the RCAC structure. One thing that he found is that offering the other opportunities that will not operate under the Brown Act and Roberts', found it creates an opportunity to have more open conversations and have conversations that are more efficient. It gives members to be more engaged during roundtable discussions.

The following questions were not asked at the meeting due to time limitations and were answered by email after the meeting:

Member Contreas-Wood asked, "In light of the idea to have RCAC meetings at the Community Resource Centers, I would like to know the closest Community Resource Center in the San Gabriel Valley?" Mr. Oaxaca responded "I think it is Pomona, which is 27 miles from downtown Pasadena where most of our RCAC 3 members live. El Monte would be the closest center that is currently open. We have a center in Lincoln Heights that

	<p>is under construction and will be completed this year. That will be the closest center to the Pasadena area. Are there any plans to have a Community Resource Center in Pasadena? Mr. Oaxaca responded “There are no plans to open a center in Pasadena.”</p> <p>Member Lara asked, “Can I attend the Grand Opening of Long Beach on June 9, 2023 as a public?” Mr. Oaxaca responded “All ECAC members are being invited to the event.”</p>	
<p>MEMBER ISSUES</p>	<p>Member Lara stated that at her meeting they had a major issue. She noted that each and every committee member will treat each other with respect. She said that there were two Board seat candidates at her meeting and one of the candidates was told that she could not apply for the Board seat because she did not speak English. She found the remark disrespectful, discriminatory, and rude. She noted that L.A. Care provides interpretation for people who do not speak English. They will start the process of removing this member from the committee.</p> <p>Member McFerson stated she feel it's a bit of a distraction to prolong the meeting with basic roadblocks so that Chairs won't be able to openly speak about healthcare because that is why they're there. They are there to discuss member issues regarding health care. As far as Member Lara's comments she thinks it was prejudicial to actually allow her to speak about the RCACs and not member issues specifically and as far as that goes, they cannot ask someone to lead your RCAC. They cannot do that.</p> <p>Member McClain stated that would like to add to Member Lara's comment and say that some people may not think this is an issue but one of their members was attacked with misinformation. She is a representative for people with disabilities, she just wanted to bring this to this table because one of their members that was verbally attacked is disabled and she is their Chair. She apologized to Chairperson Vazquez, but she feels it needs to be said. Due to this member's abusive comments it caused Chairperson Vazquez to be upset and they will both be filing a complaint. She stressed that they be aware of the code of conduct.</p>	
<p>OLD BUSINESS</p>		
<p>BOARD OF GOVERNORS ELECTIONS</p>	<p><i>(Member Ana Romo, RCAC 8 Chair, joined the meeting.)</i></p> <p>Linda Merkens, <i>Senior Manager</i>, gave a Board of Governors Elections update.</p> <p>She thanked the committee and welcomed everybody. She noted that everybody should have gotten the reading materials. Last month she provided ECAC with written talking points, because they were short on time. Staff is asking ECAC to provide additional guidance to make a decision about the election rules that this body approved in February. There is not a valid candidate for the advocate seat. There are two alternatives suggested in the memo that was distributed.</p>	

Member McFerson asked “In order to run for an election, do you have to be a member? Does the consumer advocate have to be a part of a group and receive their recommendations?” She noted that at the last meeting she filled out an application really quickly and she put a member down as the nominee, the President nominated her. Then she was told to scratch that out because she does have, she wants to be a consumer advocate in this election. She said she was distressed that she put the organization that she is with and the person that wants the recommendation letter. After that the person that she put on the application got a call from the staff member, she believes it was Ms. Merkens. They stated that that they have to be a member and they have to have a social security number and get a background check. Now this is what she was told. That is why she was reluctant to do the recommendation letter. She was one of the only persons that filled out that application as a consumer advocate. Her other question is “what is the time limit that somebody has to be a part of another organization or whoever makes the recommendation? Is there a time limit that that person engages in that specific company or organization in order for them to proceed a recommendation letter?” She asked for clarification about her eligibility. Ms. Merkens responded that the rules that were approved by ECAC includes the requirement.

“A volunteer of a community based organization or agency who is recommended by that entity as its representative to L.A. Care and who represents the best interests of and brings forward the issues and concerns of the populations served by L.A. Care.” Member McFerson asked if the candidate must have a letter of recommendation. Ms. Merkens responded that there needs to be a letter of recommendation from a representative of that organization. Member McFerson asked if they need to be a member, she said she received an email from her stating that they must be a member. Ms. Merkens responded that she may be misreading something that was sent to her. Member McFerson said that she will see later, because she recorded the conversation. Ms. Merkens asked if she recorded the conversation without her permission. Member McFerson responded that she didn’t say she recorded the conversation with Ms. Merkens, she meant she recorded a conversation she had with someone.

Member Deaka McClain, *Member At-Large*, suggested that they give people the opportunity to apply, but asked if Ms. Gonzalez was willing to continue on the Board as the Member Advocate. She said the memo states that “if Ms. Gonzalez resigns.” She asked Ms. Gonzalez if she was going to resign or if she would like to continue before they vote to extend the application process.

Ms. Merkens stated that option one states “If there is no new nominee for the Consumer Advocate seat, Ms. Gonzalez can remain in that seat unless she resigns or ECAC takes some other action.”

Member McClain asked for clarification. She would like to know if they have any candidates. Ms. Merkens responded that there are no valid candidates.

Member McClain asked Ms. Gonzalez if she was willing to remain on the Board throughout the extended process. Ms. Gonzalez responded that she is willing to stay until the final replacement, whether it takes a few months or years. She does not want to leave the post if there is no one to replace her. She would like to be sure there is a representative in the post so it's not left alone, but she does not know how long that would take. This election is only to cover the remainder of the current term. She noted that there will be a new election next year for each seat for a four year term. She is willing to stay in her seat until they elect a new Member Advocate.

Ms. Perez asked Ms. Merkens if she could please clarify application requirements for the Member Advocate seat. Ms. Merkens responded that she is unsure what is being asked. She asked members to refer to the application (*The requirements are on page four of the application*). The definitions were created by the original ECAC. Ms. Perez noted that Member McFerson asked “if a person is going to submit an application for the consumer advocate seat, does that person need to be a volunteer with an organization for a certain amount of time? Or the organization can extend or release or provide that person with recommendation?”

Ms. Merkens stated that it is decided by ECAC not by L.A. Care. She noted that these definitions were created by ECAC. That is the definition, is a volunteer of the community-based organization or agency who is recommended. It doesn't say anything about time spent or anything else. This is the definition that we work with to follow the rules that ECAC decided.

Member Estela Lara, *RCAC 2 Chair*, asked for the page number that the Member Advocate definitions are on. Ms. Merkens responded that they are on page four. Member Lara asked if a member can run for the member advocate seat. Ms. Merkens said that the rules do not preclude a member from running as an advocate. Member Lara said that if Ms. Gonzalez must leave her seat for unforeseen circumstances ECAC must set a limit for themselves.

Ms. De La Torre stated that this election is only to finish the current term which ends in October 2024. She noted that Ms. Gonzalez is willing to stay in her seat until someone else is elected. It has been stated that there will be another election next year.

Member Lara asked if the RCAC chairs will also remain until next year. Ms. De La Torre responded that this term limit only applies to the Board seat elections.

Member McFerson asked for clarification about the temporary executive advisory committee (TCAC) and asked if that is this committee. Ms. Merkens responded that the

TCAC (referred to in the application) was a precursor to the ECAC. Originally before L.A. Care received its license and began operations as a health plan, there was a planning body and part of the planning body was the group of L.A. Care members and that group was referred to as the temporary executive committee advisory committee. This was back in the 90s. Once L.A. Care got its license, the group became ECAC.

Member McFerson stated for the record she is still running as a member advocate. She said she wrote down what staff told her. Which was the nominee's name, once she did that, they asked a question. She crossed out the name and put the name of the organization then she received an email saying she must be a member in order to nominate a person and things like that. Everything was up in disarray. Now that it has been clarified she will make sure she gets a letter of recommendation and they carry out the process with her original application date. She thanked Ms. Merkens.

Member Lluvia Salazar, *Member At-large*, stated that she has a question about the recommendation letter. As far as she knows the nonprofit organizations, if they give a recommendation letter, they should have the nonprofit number. "What other information do you require from them?" Since they are a nonprofit organization, they are representing the organization. Confirmation should be more than enough. She asked, "So are you requesting information as far as I know if it's a nonprofit or if the organization corporation is actually the officers of the corporation?"

Ms. Merkens responded that the definition just says community-based organization or agency. It doesn't make any further distinction about the organization. L.A. Care has in the past accepted different groups. Accepted the recommendations from different groups. As long as they share a mission to serve the same people that L.A. Care serves. The same communities that L.A. Care serves.

Advocate Seat Suggested Alternatives Vote

OPTION 1 – Ms. Gonzalez remains in her seat until the next election

Estela Lara, RCAC 2 Chair

Cynthia Contreas-Wood, RCAC 3 Chair, ECAC Vice-Chair

Silvia Poz, RCAC 4 Chair

Maria Sanchez, RCAC 5 Chair

Fátima Vázquez, RCAC 7 Chair, ECAC Chair

Ana Romo, RCAC 8 Chair

Tonya Byrd, RCAC 9 Chair

Damare O Hernández de Cordero, RCAC 10 Chair

Maria Angel Refugio, RCAC 11 Chair

Deaka McClain, At Large Member

	<p>OPTION 2 – Extend the application period for ONLY the Advocate seat Russell Mahler, RCAC 1 Chair Andria McFerson, RCAC 6 Chair Lluvia Salazar, At-Large Member</p> <p>The committee voted in favor of asking Ms. Gonzalez to continue in her seat as the Member Advocate until October 2024.</p> <p>Member Salazar stated she will choose option two because she thinks they should give a chance to whoever is actually running to give them a chance to run. She said that this game of work is not easy, it's a lot of paper work. She said that everyone that voted for Option one is not giving people the opportunity to run.</p> <p>Ms. Merkens stated that currently there is no valid candidate for the Member Advocate seat.</p> <p>Member Ana Romo, <i>RCAC 8 Chair</i>, asked if Member McFerson submitted her application why is she being allowed to run. If she is the only person running she should be automatically in.</p> <p>Ms. Merkens responded that as of April 12, when the nominations were closed by ECAC, there are no completed applications for the Member Advocate seat.</p> <p>Ms. Gonzalez thanked the committee for allowing her to remain in her seat and looks forward to finding more community advocates so they can run for the Member Advocate seat.</p>	
<p>ECAC AD HOIC COMMITTEE MEMBER SURVEY</p>	<p>Member McFerson gave an ECAC ad hoc committee member survey update.</p> <p>Ad-Hoc Committee Purpose: To work on a potential, feasible questionnaire or survey for relative participants of our community needing proper effective healthcare. This questionnaire can also give L.A. Care instructive information about our members. The Ad-Hoc Committee received a presentation from Linda Carberry, Manager of Quality Data, from the Quality Performance Management Department on the different types of surveys that L.A. Care conducts. The Ad-Hoc Committee members where informed that due to State Regulations and requirements, advisory committee members or the community are not allowed to survey L.A. Care members. Based on the presentation received during the ad-hoc meeting, the committee is recommending the following:</p> <ul style="list-style-type: none"> ● Invite Linda Carberry to a future ECAC meeting and educate the ECAC members on how L.A. Care surveys their members. ● Work with Linda Carberry to see if L.A. Care can create a poll survey for our RCAC members that can help document their healthcare experiences. 	

	<p>Member Mahler stated that this is good, but instead of meeting through Zoom they should meet in person to continue these discussions. He wondered if this a possibility.</p> <p>Member Salazar said that is a great idea and said that she has been trouble with her dentist. Her dentist tried to schedule her at odd times like 9:00A M on a Monday.</p> <p>Member McClain asked if they can amend this report. She asked if they can help create the polls. She would like to know if ECAC can come up with the questions that will be on the survey. That is her suggestion.</p> <p>Member Romo said that she would like to give support about the questioner, she would also like a follow-up because of the pandemic. She has a problem with two providers from L.A. Care, one in Downey, and one doctor in the Wilmington area. She would like help obtaining a Specialist and resolving those problems. She noted that there are many problems with those providers and they have been talking about them for two years now and nothing has been resolved.</p> <p>Chairperson Vazquez asked for a vote to continue with the recommendations made by the ad hoc committee.</p> <p>Member McFerson noted the amendments that were made by committee members and they need follow up.</p> <p>Ms. De La Torre noted all the comments that were made by members and suggested that the ad hoc may need to meet again. Chairperson Vazquez stated that the ad hoc committee will meet again.</p>	
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NEW BUSINESS

<p>HEALTH EQUITY: GENDER IDENTITY & SEXUAL ORIENTATION (SOGI) AND GUN VIOLENCE PREVENTION PRESENTATION</p>	<p>Marina Acosta, MPH, Manager of Health Equity, Health Equity Department, gave presentations about Health Equity: Gender Identity (SOGI) and Gun Violence Prevention <i>(a copy of the full reports can be obtained from CO&E.)</i>.</p> <p>PUBLIC COMMENT Elizabeth Cooper, RCAC 2 Member. I think the Brown Act is being violated. There is a motion. So help me, the Brown Act. I would like to, I'm sorry, but a lawyer should have been here today.</p> <p>Member Salazar asked for clarification on the difference between pansexual and queer. Her child asked her and she was not able to give an explanation. Ms. Acosta responded that she would like to have an expert come in and speak on subject matter, but noted that pansexual is someone who open to all genders as a partner. Queer is an umbrella term for anyone that is gay or lesbian.</p>	
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	<p>Member McFerson thanked Ms. Acosta for her presentations. She appreciates her presence and for what she does for the community and what she allows others to do. She is pretty sure there are members in the room that would love to participate in some of the programs she offers to reach out to the community about violence and equal rights. She asked if she can stay and ask any members if they would like to participate. Ms. Acosta thanked her for her comments and is happy to return to an ECAC meeting.</p> <p>Member Lara asked what is the difference between a transsexual and a transvestite. Ms. Acosta responded that transvestite is no longer a valid term it is outdated. Transgender or transsexual are the more appropriate terms and refers to someone that is going through or has gone through a sex change.</p> <p>Ms. Perez thanked her for giving this report. She noted that there is a great need for education on these topics and on how to be respectful of people's sexual orientation. She asked if there are any efforts on putting this information on the social media pages. Ms. Acosta thanked Ms. Perez for her comments and suggestions.</p>	
<p>COLORECTAL INTERVENTION UPDATE</p>	<p>Johanna Gonzalez, <i>Quality Improvement Project Manager, Quality Improvement department</i>, and Xin Lee, <i>Quality Improvement Project Manager</i>, gave a Colorectal Intervention Update (<i>a copy of the full report can be obtained from CO&E.</i>).</p> <p>Member Romo asked if all L.A. Care members will be receiving this information. Ms. Gonzalez said that all members ages 45 and over will receive this information.</p> <p>Member Contreas-Wood thinks it is important to let people know that a colonoscopy is painful and there are no symptoms. She said everyone needs to get this procedure when eligible and very quick.</p>	
FUTURE AGENDA ITEMS		
	<p>Member McFerson said they need to speak about the RCACs at the next meeting before any decisions are made. She noted that Member McClain spoke about having an emergency drill. She would like RCAC members to get the Gun Violence Prevention Presentation.</p> <p>Member Byrd would like clarification on everything. She wants to know if RCACs will continue to have meetings. She would also like to know what is their role as ECAC members and the community in relation to the Community Resource Centers.</p> <p>Chairperson Vazquez said she would like staff to give a presentation about durable medical equipment.</p>	
PUBLIC COMMENTS		
	<p>Elizabeth Cooper, RCAC 2 Member:</p>	

Members of the ECAC I thank you for giving me a chance to listen. But first, I would like to give knowledge to profilers encouraged. But I agree or disagree, I would like to get profile and courage, Andria, she is people of courage. Whenever she speaks, she speaks about the RCAC. Unfortunately, sometimes the people who represent us don't always speak for us. We also, that is a concern that I want to address but I want to say to each of you the Brown Act is very important. What I witnessed today, I feel there was some violations of the Brown Act because in its motion, the public have a right to speak. Any motion that is wrote up, you have to be aware, members of the ECAC, you represent us. You don't just represent yourself. And I would like to bring up another issue. I was present when those marks was made. I didn't agree with them but let the record so reflect, I didn't agree with them because I believe in diversity. And I don't think it was intended that way. But the person who made those remarks has not been very careful, sensitive to members and I feel as a person of color, I have seen not courtesy, not one time have we through our field specialist, I ask many times with the Chair. So I think if you have, if you don't have clean hands, you should never discuss someone else. If you go and speak about how 1 person is treated, let us speak about all. And our Chair that represents, not one time to the best of my knowledge, action that come to do the field special which I request, do you have any concern, and I think of -- to me has been very discourteous, and you would think the meeting is not run. I respect each one of you all and for future talks, I still say, each and every one of you, but for the RCACs, I'm still requesting an outside to look at this and actually fairly. And I do feel that the person who chose to run advocacy should have been chosen according to the rules that imply that I'm disappointed with some people that put their names out there. But one final thing, if a candidate is running for office, anyone sitting at the table, they have the right to speak but they should let the candidate know I'm a candidate for office, I've only seen two candidates and a democracy. I needed to know, I don't know who is running for office and some of you send that for table. If you run for the FRCs or running for the RCAC Chair, you should present that. Thank you.

Janet Henderson, RCAC 2 Member:

I'll reiterate some of what Ms. Cooper said and as far as -- I'm not going to name people because I'm not good at beating around the bush. Our RCAC, Estela, she said something that someone said and that person is not even around to defend themselves and I was sitting right next to her. That is not what she said. And I think it should have been discussed with her around. She is also a person of color. And as far as being kind as Ms. Cooper so astutely put it, your hands also

	<p><i>need to be clean. She speaks to us as members so poorly and I get no response from what I write on the comment paper. Nothing. So I think it would be great if we all spoke on ourselves before we point fingers at the way other people talk to each other.</i></p> <p>Elizabeth Cooper, RCAC 2 Chair: <i>Thank you for considering me. I'm trying to advocate for all of you. I'm a single parent of a developmentally disabled son and I care for him very much like I care for all of you. But I want you all to remember, some of the programs that you receive and now. The ECAC as we see, we fought for them. When I was the advise Chair, please don't just ignore what we say. We are the RCAC members and we come here to listen to what you all are doing on our behalf and I respect you, madame Chair, and I respect everybody here at the table but I'm here as an advocate and I was an advocate for I became. And I'm an advocate with my federal, state, and local official. So that is why I listen and I'm going to advise my representative for my legislative department to come and see. See how we end to end. And I just want to thank each and every one of you for giving me the opportunity to speak and those of you who listen to me. Thank you to our veterans.</i></p>	
ADJOURNMENT	<p><i>The candidates running for the Consumer Board Seat presented themselves to the committee.</i></p> <p>Chairperson Vasquez thanked the interpreters, L.A. Care staff, and the public for attending. The meeting was adjourned at 1:33 p.m.</p>	

RESPECTFULLY SUBMITTED BY:

Victor Rodriguez, *Board Specialist II, Board Services*
Malou Balones, *Board Specialist III, Board Services*
Linda Merkens, *Senior Manager, Board Services*

APPROVED BY

Fatima Vasquez, *ECAC Chair*

Date

Fatima Vasquez
9/13/2023

Board of Governors

Executive Community Advisory Committee

Meeting Minutes – June 14, 2023

1055 W. 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

ECAC Members	RCAC Members/Public	L.A. Care Board of Governors/Senior Staff
<p>Russell Mahler, RCAC 1 Chair Estela Lara, RCAC 2 Chair Cynthia Contreas-Wood, RCAC 3 Chair, ECAC Vice-Chair * Silvia Poz, RCAC 4 Chair ** Maria Sanchez, RCAC 5 Chair Andria McFerson, RCAC 6 Chair Fátima Vázquez, RCAC 7 Chair, ECAC Chair Ana Romo, RCAC 8 Chair ** Tonya Byrd, RCAC 9 Chair Damares O Hernández de Cordero, RCAC 10 Chair Maria Angel Refugio, RCAC 11 Chair Lluvia Salazar, At-Large Member Deaka McClain, At Large Member</p>	<p>Izmir Coello, Interpreter Pablo De La Puente, Interpreter Isaac Ibarlucea, Interpreter Eduardo Kogan, Interpreter Alex Mendez, Interpreter Estefanie Mendez, Interpreter Katelynn Mory, Interpreter Sina New, Interpreter Bo Uce, Interpreter</p> <p>Elizabeth Cooper, Public Rosa Fuentes, Public Reyna Hernandez, Public Maritza Lebron, Public Demetria Saffore, Public Arun Tes Yang, Public</p>	<p>Hilda Pérez, Member, Board of Governors *** Layla Gonzalez, Advocate, Board of Governors John Baackes, Chief Executive Office, L.A. Care Alex Li, MD, Chief Health Equity Officer, L.A. Care *** Francisco Oaxaca, Chief of Communication and Community Relations *** Miriam Admasu, Department Assistant, CO&E Tyonna Baker, Community Outreach Field Specialist, CO&E Malou Balones, Board Specialist, Board Services *** Kristina Chung, Community Outreach Field Specialist, CO&E Idalia De La Torre, Field Specialist Supervisor, CO&E Auleria Eakins, Manager, CO&E Hilda Herrera, Community Outreach Field Specialist, CO&E Rudy Martinez, Safety & Security Program Manager III, Facilities Services Christopher Maghar, Community Outreach Field Specialist, CO&E Joshua Mendoza, Community Outreach Field Specialist, CO&E Linda Merkens, Senior Manager, Board Services Frank Meza, Community Outreach Field Specialist, CO&E Nicole Moussa, Manager, Technical Information, Pharmacy & Formulary *** Alison Patsy, Quality Improvement Project Manager, Quality Improvement Department *** Cindy Pozos, Community Outreach Field Specialist, CO&E Victor Rodriguez, Board Specialist, Board Services Farid Seyed, Lead Unified Communication Engineer, IT Operations and Infrastructure Prity Thanki, Local Government Advisor, Government Affairs ***</p>
<p>* Excused Absent ** Absent *** Via teleconference</p>		

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	<p>Member Andria McFerson, <i>RCAC 6 Chair</i>, motioned to have her motion discussed before Mr. Baackes speaks. Mr. Baackes stated that the meeting has not been called to order and he is speaking outside of the official meeting. Mr. Baackes stated that he was glad to be here and said he wanted to speak about the most important issue, which is the redetermination process. He noted that the process has begun again and the first month was June. If Medi-Cal Members do not fill out their forms, they will lose coverage on July 1. Forty-five percent of the people who were eligible to be renewed were renewed automatically. That meant they got a letter that said defendant of public social services and Department of Health care services have determined that you are eligible for another year of coverage. Because they were able to access other databases available to them. Mostly, of course, to make sure the income met was below the ceiling and other data. The 55 percent of the people to which the 20-page form was mailed, need to complete the redetermination process. That has to be completed no later than June 30. L.A. Care distributed that list to its providers and have made calls to those people, 127,000 robo calls. It just alerts them that you should have received this package. It should be completed by June 30. L.A. Care is available to help get the process done through its call center and community resource centers. In the event that a person does not complete it by June 30, they will be dropped from Medi-Cal coverage, and put on hold for 90 days. There is a 90-day grace period for the beneficiary to complete the requalification form. He asked that they reach out to their communities and inform them of the redetermination. L.A. Care has gotten reports from other states that they started doing this redetermination process in April. In addition, 80 percent of the people who are losing their coverage are losing it over procedural issues, meaning completing the form or they did not complete the form correctly. He emphasized enough how important it is that you get the package with the full redetermination form that is completed and returned by the due date.</p> <p>Mr. Baackes spoke about the work that L.A. Care has been doing through the California safety net coalition. The coalition was started in June of last year. L.A. Care called it the Los Angeles county safety net coalition and its goal was to bring together hospitals, doctors, clinics, and all health plans to say, the amount of money that we have in Medi-Cal for providers is not adequate to keep them in the program and we needed an increase. He noted that Medi-Cal operates about 60 percent of the revenue and about 30 percent of the revenue are commercially insured person so we thought to come together as an ecosystem, providers and plans went to the state and said look we do not have adequate</p>	

resources. Once the taxes are established, the coalition will get a proposition on the generalization ballot November 2024 to permanently to have this tax proceeds directed for Medi-Cal.

Mr. Baackes mentioned that L.A. Care opened its twelfth community resource center last Friday in Long Beach on Atlantic avenue. He said that many of you were there and I was so delighted to see so many of the RCAC members in person.

Chairperson Fatima Vazquez called the meeting to order at 10:27 a.m.

Members of the Executive Community Advisory Committee, L.A. Care staff, and the public can attend the meeting in-person at the address listed above. Public comment can be made live and in-person at the meeting. A form will be available to submit public comments.

Accordingly, members of the public should join this meeting via teleconference as follows: <https://us06web.zoom.us/j/87295442661>

Teleconference Call –In information/Site

Call-in number: 1-415-655-0002 Participants Access Code: 2493 960 6832 (English)

Call-in number: 1-415-655-0002 Participants Access Code: 2481 767 1812 (Spanish)

For those not attending the meeting in person, public comments on Agenda items can be submitted in writing by email to COEpubliccomments@lacare.org or by calling the CO&E toll- free line at 1-888-522-2732 and leaving a voicemail.

Attendees who log on to [lacare.zoom](https://lacare.zoom.us) using the URL above will be able to use “chat” during the meeting for public comment. You must be logged into Zoom to use the “chat” feature. The log in information is at the top of the meeting Agenda. This is a new function during the meeting so public comments can be made live and direct.

1. The “chat” will be available during the public comment periods before each item.
2. To use the “chat” during public comment periods, look at the bottom of your screen for the icon that has the word, “chat” on it.
3. Click on the chat icon. It will open a window.
4. Select “Everyone” in the to: window.
5. Type your public comment in the box.
6. When you hit the enter key, your message is sent and everyone can see it.
7. The chat message, text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.
8. L.A. Care staff will read the chat messages for up to three minutes during public comment so people who are on the phone can hear the comment.

Board of Governors, Member Representatives

Layla Gonzalez

L.A. Care Health Plan, Member Advocate

Hilda Perez

L.A. Care Health Plan, Member Representative

Your comments can also be sent by voicemail or email. If we receive your comments by 10:00 a.m. on June 14, 2023, it will be provided to the members of the Executive Community Advisory Committee at the beginning of the meeting. The chat message, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.

Once the meeting has started, public comments should be submitted prior to the time the Chair announces public comments for each agenda item and staff will read those public comments for up to three (3) minutes. Chat messages submitted during the public comment period for each agenda item will be read for up to three (3) minutes. If your public comment agenda is not related to any of the agenda item topics, your public comment will be read for up to three (3) minutes at item IX Public Comments on the agenda.

Please note that there may be a delay in the digital transmittal of emails and voicemails. The Chair will announce when the public comment period is over for each item. If your public comments are not received on time for the specific agenda item you want to address, your public comments will be read at the public comment section of the agenda.

The purpose of public comment is that it is an opportunity for members of the public to inform the governing body about their views. The Executive Community Advisory Committee appreciates hearing the input as it considers the business on the Agenda.

These are extraordinary circumstances, and the process for public comment is evolving and may change at future meetings. We thank you for your patience.

All votes in a teleconferenced meeting shall be conducted by roll call.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act please contact the Community Outreach & Engagement staff prior to the meeting for assistance by calling our toll-free line at 1-888-522-2732 or by email to COEpubliccomments@lacare.org.

SB 1100 was signed by Governor in August 2022, and added a short section to the Brown Act as Government Code Section 54957.95 to supplement language already part of the Brown Act :

(a) In addition to authority exercised pursuant to Sections 54954.3 and 54957.9, the presiding member of the legislative body conducting a meeting may remove an individual for disrupting the meeting.

(b) As used in this section, “disrupting” means engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, both of the following:

(1) A failure to comply with reasonable and lawful regulations adopted by a legislative body pursuant to Section 54954.3 or 54957.9 or any other law.

(2) Engaging in behavior that includes use of force or true threats of force.

(54954.3 contains provisions related to public comment time restrictions, and 54957.9 allows the presider to clear the room if the meeting can't continue.)
AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION BEFORE THE MEETING AT L.A. Care's Offices at 1055 W. 7th Street, Los Angeles, CA 90017 through the Reception Area in the Building Lobby.

Ms. Haydel stated that she has two issues she would like to respond to from Chairperson Ballesteros and from Mr. Baackes about public comments that were made at the June 1 Board Meeting. During Public Comment at the June 1 Board meeting, Member McFerson referred to a "motion on the floor" at the May ECAC meeting about the election for Board Seats and that because of the motion, the validity of the Consumer Seat on the Board of Governors election process could be negatively impacted. Her understanding is that Member McFerson did make a motion during the discussion of the restructure process concerning the restructure process. Member McFerson's motion could not be discussed at the May ECAC meeting because it was not on the agenda. The motion is on today's agenda and will be discussed later today. The only motion related to the election during the May ECAC meeting was to accept staff's recommendation to effectively suspend the election for the Advocate Seat on the Board of Governors until 2024, approved by 10 voting members of ECAC. Staff will continue reviewing other concerns raised during public comment at the June 1 board meeting, which did not relate to the Consumer Seat election but rather related to RCAC and ECAC meeting processes.

Agenda and Packet Distribution Process

Clarify that provisions in the Brown Act related to the timing of distribution of meeting materials:

The Brown Act specifies the timing for sending materials to those who request them. The requirements do not specify the timing for receipt of the materials by those who requested them. The agenda or meeting packet should be mailed no later than the time the agenda is posted or delivered to members of the legislative body, and a website link those materials must be provided if requested. Failure by any requestor to receive the agenda does not constitute grounds to invalidate actions taken at a meeting

There was a concern expressed that the Brown Act indicates that holidays or weekends are excluded in calculating the 72 hour requirement for sending materials prior to a meeting. . This is incorrect. Holidays and weekends are included in counting the 72 hours, unless the posted agenda is not accessible to the public. L.A. Care's posted agenda is accessible to the public.

Member Russel Mahler, *RCAC 1 Chair*, stated that there is a motion on the floor and needs to be voted on.

	<p>Member McFerson stated that any conversation that staff is having should be heard by everyone.</p> <p>Member Deaka McClain, <i>Member At-Large</i>, called for Point of Order and asked Member McFerson if she has any questions for Ms. Haydel because she is waiting.</p> <p>Ms. Haydel stated that the motion is on today's agenda. Her understanding is the motion Ms. McFerson made concerning restructure at the May meeting was not on that Agenda and therefore could not be taken up for action and that is why it's offered on today's agenda.</p> <p>Member McFerson stated that she can file a motion on the agenda. So when that agenda item was spoken about, I didn't file the motion. So it was that motion actually on the floor right then and there.</p> <p>Ms. Haydel said that she will try to reclarify, there is a Brown Act provision that allows a Board member to attend a meeting based on emergency circumstances where they had initially intended to be on site but needed to be remote under certain circumstances. That is not the same emergency circumstance that allows other kinds of motion to be put on agenda without prior notice to the public. The motion Ms. McFerson made in May was made under a motion of emergency. She is not understanding the use of the rule.</p> <p>Member McFerson stated that it means the next meeting for concerns of the welfare of the group while another Chair is speaking, you can file a motion basically concerning the welfare of the group. And that motion was basically so that we cannot take away the RCACs. Ms. Haydel asked that she please send her an email with her concerns. Member McFerson responded that she would do so.</p>	
<p>APPROVE MEETING AGENDA</p>	<p>Member McFerson asked that the motion she placed on the agenda as a standing item 4A.</p> <p>Member Maria Sanchez, <i>RCAC 5 Chair</i>, stated that she would like the time allotted for each agenda item to be respected.</p> <p>Member Estela Lara, <i>RCAC 2 Chair</i>, stated that the agenda item be limited if the time goes over.</p> <p>The Agenda for today's meeting was approved with the changes mentioned above.</p>	<p>Approved by roll call. 7 AYES (Byrd, Cordero, Mahler, McClain, McFerson, Salazar, Sanchez)</p> <p>1 NAY Lara</p> <p>2 ABSTENTIONS (Refugio, Vazquez)</p>

<p>APPROVE MEETING MINUTES</p>	<p>The May 10, 2023 meeting minutes were not approved because the minutes were not distributed to Spanish speaking members in to time to review. They will be placed on the agenda for the July meeting.</p>	
<p>STANDING ITEMS</p>		
<p>UPDATE FROM CHIEF EXECUTIVE OFFICER</p>	<p><i>This Chief Executive Officer update was given before the meeting was called to order.</i></p>	
<p>ECAC MOTION</p>	<p>Member McFerson presented the following motion:</p> <p><i>Motion: To continue with the same RCACs as they did before with the right to speak, add things to the agenda, and vote on specific things and advise these two seats right here and to advise the Board so they can adhere to the necessities of the people and their health care.</i></p> <p>Member McFerson amended the motion:</p> <p><i>To Continue Regional Community Advisory Committee meetings as agreed upon initially by all relative parties with all future plans made only by those in congruent with The Brown Act, including all relative stakeholders, so that all RCAC meetings continue throughout the year and with any changes made only by official Robert's Rules of Order and the Brown Act procedural practices.</i></p> <p><u>PUBLIC COMMENT</u></p> <p>Submitted by Elizabeth Cooper, RCAC 2 Member: <i>First, she would like to thank the motion for being presented and for those who voted for it. She is extremely disappointed in the no vote from RCAC 2 Chair without any consultation with RCAC 2. She does represent RCAC 2, but is disappointed in the no vote. She is a former RCAC 2 Chair and signed her name on the Knox Keene License. This is a great legislative matter under legislation. For someone who has been there since the beginning she supported the ECAC. She is sure the members know the consequences of this, should the RCACs be dissolved. This will affect culture participation and she has seen Afro American participation.</i></p> <p>Member McClain asked for clarification. She asked Member McFerson if she is asking for a vote on this new motion and asking the RCACs not take a break. Member McFerson said that they have time, but they have to get on it right now. They have to make sure they speak as a group and get funding for the RCACs.</p>	

	<p>Member McClain said she was under the impression that ECAC could not vote to extend the RCACs. She is confused that they could even have the vote.</p> <p>Member Mahler said he agreed with Member McFerson and they should vote on the motion so the RCACs know what is going on.</p> <p>Dr. Eakins stated that she would like to correct the misinformation that has been provided to members. Staff went to members and gave them the opportunity to ask questions, some they were able to answer, some they were not able to answer. They questions that were not answered were noted so they could be answered later. People could ask their questions on an answer sheet. To say staff did not give information is wrong to say members did not have the opportunity to ask questions or give input in a thoughtful or meaningful way is incorrect. It's not true. In response to Member McClain, she said she is correct. Staff put the motion at the table. It gives them the opportunity to hear and share and to give you updates. That was a given. Since the motion and the conversation is kind of out of order but staff does its best to be transparent and open with the conversations that have been had.</p> <p>The motion was not approved.</p>	<p>Approved by roll call. 3 AYES (Cordero, Mahler, McFerson, Refugio, Salazar)</p> <p>2 ABSTENTIONS (Byrd, Lara, McClain, Sanchez, Vazquez)</p>
<p>GOVERNMENT AFFAIRS DEPARTMENT UPDATE</p>	<p>Prity Thanki, <i>Local Government Advisor III, Government Affairs</i>, gave a Government Affairs Update (<i>a copy of the written report can be obtained from CO&E.</i>).</p> <p>STATE BUDGET UPDATE</p> <p>On May 12th, Governor Gavin Newsom released a \$306 billion budget proposal for the 2023-24 fiscal year. Known as the “May Revise” – it contains updated spending/revenue estimates and updated priorities to the proposed state budget that the Governor released in January 2023.</p> <p>Governor Newsom is projecting a \$31.5 billion deficit. After years of a budget surplus, his Administration is forecasting a downturn in funding due to combination of capital gains and losses and delayed tax filings due to severe winter storms. The May Revise reflects a \$37.2 billion in total budgetary reserves and additional funds from the Managed Care Organization (MCO) tax.</p> <p>The Legislature has until June 15th to pass the main budget bill. The budget spending plan is generally spread out across multiple bills, including “trailer bills” which contain many budget provisions and details. There is no deadline for the budget trailer bills. So this adds a level of complexity and uncertainty to the budget process. The Governor must sign the main budget bill by June 30 and then it goes into effect on July 1. The budget year runs from July 1 through June 30.</p> <p>Highlights of the May Revise impacting L.A. Care Members: Medi-Cal Caseload Estimates</p>	

The May Revise assumes that Medi-Cal caseload will peak at 14.2 million residents in 2023-24, which represents a 1.4% decrease. This reflects the impact of California's Public Health Emergency unwinding plan and continuous coverage requirements that were not included in Governor Newsom's January Budget.

Medi-Cal Redeterminations

Medi-Cal beneficiaries will begin losing coverage beginning in July 2023. The Medi-Cal caseload is projected to grow through June 2023 and then decline to a projected 12.8 million beneficiaries by July 2024 following the redetermination activities. L.A. Care is working with the County of Los Angeles and the State to help qualified members that lose Medi-Cal benefits transition to its L.A. Care Covered™ (Covered California product line) product where most people will have a zero or low premiums.

Expansion of Coverage

The May Revise maintains full funding to expand full-scope Medi-Cal eligibility to all income eligible adults ages 26-49 regardless of immigration status on January 1, 2024. It also includes increases for previous expansions for adults 50 and older and ages 26-49 .

Managed Care Organization (MCO) Tax

The May Revise proposes a bigger MCO tax with an earlier start date. This results in \$19.4 billion in total funding, including \$3.4 billion for 2023-24. The funding is proposed to support Medi-Cal investments that improve access, quality, and equity over an 8- to10-year period. These investments include rate increases to at least 87.5% of Medicare for primary care, obstetric care, and outpatient non-specialty mental health providers and the remainder will be put into a special fund reserve for future consideration.

Distressed Hospital Loan Program

The May Revise includes \$150 million General Fund one-time to provide interest-free cashflow loans to not-for-profit and public hospitals in significant financial distress or to governmental entities representing a closed hospital, for purposes of preventing the closure of, or facilitating the reopening of, those hospitals.

Housing & Homelessness

The May Revise preserves the full \$3.7 billion in funding for homelessness programs, as committed in previous budgets, including \$1 billion for the Homeless Housing, Assistance and Prevention grant program.

Supplemental Security Income/State Supplementary Payment (SSI/SSP)

The May Revise continues to include an 8.6% increase in funding for the SSI/SSP and Cash Assistance for Immigrants (CAPI) program. This allocation provides recipients with an increase in grant levels to \$1,134 per month and \$1,928 per month for couples.

	<p>California Food Assistance Program (CFAP) Expansion Update The May Revise moves up the issuance of food benefits for older undocumented immigrants to start October 2025, instead of the January Proposal that delayed it until 2027.</p> <p>Government Affairs will continue to monitor and provide key updates on the budget process as it related to RCAC Members.</p> <p>Member McClain asked when the services for undocumented people will begin and asked if L.A. Care is advocating for this. Ms. Thanki stated that they will begin October 2025 and noted that there are advocates that are pushing for this program.</p> <p>Member Mahler asked if anyone has thought about the expenditures of families that are already receiving these services. Ms. Thanki responded the tax is funding being used to cover those services.</p> <p>Ms. Gonzalez thanked Ms. Thanki for her presentation. She noted that the report mentions “older”, but would like to what age. Ms. Thanki responded that she will need to clarify that, but thinks it refers to 65 and older.</p>	
<p>HOUSING AND HOMELESS INITIATIVE PROGRAMS UPDATE</p>	<p>Mr. Calhoun gave a Housing and Homeless Initiative Programs Update <i>(a copy of the written report can be obtained from CO&E.)</i></p> <p>PUBLIC COMMENT</p> <p>Submitted by Elizabeth Cooper, RCAC 2 Member: <i>The reason I stand here is the reason with rent and all the others, all the homeless people, even there what I wonder the biggest problems first, I would like to make a request to the director. Make sure that hopefully you have diverse staff because some people who are holding these programs might not be diverse. And I hear so many people of color who said very hard to enter the program. So I as a person, is going to help. As a member of the RCAC, too -- I want to make sure that these programs are funded by the public fund and that the people who you hire and who implement the program are deserve it. Because that is what each and every taxpayer who supported this and giving you the opportunity, I would like to ask you what about the tenants, is it a program that you can develop where tenants can be educated? Quickly and that is one of the most important things. If your credit is good how to implement, some people at risk now being evicted because they don't know their rights. And please sir, can you do something about that? Thank you. Thank you, madame Chair. Didn't mean to go over time.</i></p> <p>Mr. Calhoun thanked Ms. Cooper for her comments. He said that that is a priority for the initiative and in regards to the diversity, a priority within the CalAIM housing programs is</p>	

educating newly recently housed members on the requirements of tenancy and the lease. There are three housing release programs: housing navigation, housing deposits and housing tenancy services. The last program is for members who have recently been housed or are ex homeless and found housing, and it is essentially tenant case management. One of the case management focuses for this work is in educating individuals about their responsibilities and about the requirements of them in rent payments, the lease stipulations and the requirements of the lease. It's a very important point. He is glad she made it and that is definitely the focus of one of our core housing-related programs under CalAIM.

Submitted by Maritza LeBron, RCAC 7 Member:

Good morning, everybody. Thank you for this opportunity because every time I'm here in the meeting, we are always listening with audio phones and everybody is participating. Now, I feel the same experience that being able to like a family like we are because we live in California. And we have to -- we have empathy one to another, me as a Hispanic person and I'm from Puerto Rico. So I have blood -- Black blood, Hispanic, Indian. And as a single mother, because when you don't have your kids anymore -- to do many things. I'm not sick enough to get approved for different programs. And I'm not disabled to qualify for other help. You end up on the street and I was talking to Fatima on my way over here that many people before 65 years old, they already on the street. But all the agencies, they want to help only people with kids. Or people that are disabled completely. And they ended up raped, abused, because of the system. With whom we don't qualify due to the connection of agency. They put too many barriers for people. For people who have some disability and limitations, we don't qualify. Until I ended up in an ambulance with many different things that they could mean a lot to me. And cry enough to see if they could help me. And I would like to be inclusion for everybody. To have programs for everybody. So you can, if you go to the streets and give flowers but you don't give it to anybody and you don't help anybody and then we end up being the same. We have to be equal. Thank you.

Mr. Calhoun responded that were excellent points made about challenges to the provision of services. Particularly, he appreciated the point that she made about barriers to accessing services. The work that L.A. Care is trying to do is meant to address those barriers. He mentioned one of L.A. Care's priority orders is for improved data sharing between L.A. Care and other service provider agencies. This week, L.A. Care will be completing its second data exchange and that is an excellent example in trying to reduce barriers. Because if one agency providing services can't communicate and share information with the other, then it will manifest in terms of extra work for L.A. Care members to receive services as they have

	<p>to go back and forth from one agency to the other to understand how best to receive services.</p> <p>Ms. Gonzalez asked what is L.A. Care going to contribute to this collaboration. Mr. Calhoun responded that L.A. Care conceived and structured the investments that he talked about. L.A. Care will support the creation of four assessment teams under the ideal expansion program throughout the county</p> <p>Ms. Perez asked Mr. Calhoun if members have questions about this initiative if he will be able to answer them in the future. Mr. Calhoun responded that he will be available to answer questions in the future.</p>	
<p>MEMBER ISSUES</p>	<p><u>PUBLIC COMMENT</u></p> <p>Demetria Saffore: <i>She wanted to discuss the following issue. I'm a member that is a senior and a person with disabilities. I've been having issues with getting access to care. I have children. I had a referral back in October of last year. Where I was refused access to an oncologist. My kidney specialist put in a request for me to see the onologist because they're concerned that I might have cancer. And I had a referral to, all of you, all of you don't see people with insurance. So I called member services while they were full still active when I ask that they change the provider to somebody that they contract with. Or they told me I had to start all over with my doctor that referred me. And I'm not understanding. That doesn't make any sense if the referral is still active, they should give me a provider, so I filed a grievance about that and I have yet to hear about the grievance. And then my next referral -- sleep apnea treatment for the last 4 years and the whole time I have been on treatment for that, I'm having issues getting my supplies. And it's been to once a year where I receive my supplies which is not enough. I'm supposedly to receive a sleep mask every 3 months, not once a year. And so there are problems with that, I dealt with it yesterday, the health navigator, the issue is not being resolved and they're blaming my physician and I don't know why they want to file a grievance against my doctor when my doctor did their part. They did all the paper work for the referral. It's just when it gets in L.A. Care's hands, it just gets lost. And I don't know what else to do. So that's why I came here to discuss it here.</i></p> <p>Member Mahler stated that L.A. Care has been stalling on members getting care in a timely fashion. He had a friend who had a son that came down with valley fever, he was shifted to Las Vegas, when he came back, his mother would get an in-home nurse to help out with the day-to-day basis. L.A. Care approved it but then they never received it and this past Friday</p>	

	<p>he passed away because of that negligence. He wants to know why L.A. Care approves something but then they don't get services right away.</p> <p>Member McClain stated that she was denied services for a hospital bed. She was told she had to go through a third party to pay for it. She is waiting for a denial letter so she can take it to a third party for payment.</p>	
<p>COMMUNICATIONS AND COMMUNITY RELATIONS DEPARTMENT UPDATE</p>	<p>Mr. Oaxaca gave a Communication and Community Relations Department Update <i>(a copy of the written report can be obtained from CO&E.)</i>.</p> <p>Ms. Haydel thanked Mr. Oaxaca for his report and stated that she was asked by Chairperson Ballesteros and Mr. Baackes to respond to some public comments from the June 1 Board meeting. This is the second portion of her report. The first portion of the report was about the packet distribution process. This report is about the Board election process. During public comment Member McFerson referred to a motion concerning the election for board seats and because of the motion, the validity of the consumer seat on the Board of Governors election process could be negatively impacted. Her understanding is that Member McFerson did make a motion during the discussion concerning the restructure process. Ms. McFerson's motion could not be discussed in the ECAC May meeting, because it was not on the agenda but was discussed earlier today. The motion was on today's agenda and it's already been discussed. Member McFerson, proposed a motion on restructure, not on the election process. Member McFerson thanked Ms. Haydel for the clarification. She said a motion made during the May ECAC meeting was on a staff recommendation to effectually suspend the election for one seat and it was approved by members of ECAC.</p> <p>PUBLIC COMMENT</p> <p>Elizabeth Cooper, RCAC 2 Member:</p> <p>She thanked Mr. Oaxaca for his presentation. Very briefly she has listened to him and number one, her concern with him has culturally sensitive. She said she would like a report sent to her legislators. This committee did not vote for it. The RCACs did that. Our Chairs did not vote the staff gave them 75 minutes and feels that's unconstitutional. She would like all information sent to her so she can send it to Governor Newsom and legislators. This is very important. As a person for democracy who fought for this program, it doesn't matter if it comes and goes. It's always an opportunity. I will appeal to the Governor.</p> <p>Member McFerson said she would like to give Ms. Cooper nothing but respect as a cofounder. They all have rights here and actually, they can have the power to state if we even want RCACs, she means the staff members to stay. They cannot form a formal investigation of the budgeting plan. They can ask a formal investigation of each staff member in this room. There are some staff member that are doing a great job. And she'll</p>	

	<p>show nothing but love to them and she is honest, but there are some staff members that take over the meeting that use coercion while a motion is on the floor. They can't speak unless the Chair allows them to speak and specifically someone calls you out and then once they vote on that motion, of course, it's going to be different. She asked Ms. Haydel if ECAC can have Mr. Oaxaca and all the different people that go under his direction, which is Ms. De La Torre, Dr. Eakins, and Mr. Rodriguez. All of these three people have impeded on a meeting while we're speaking.</p> <p>Ms. Haydel responded that she can file a grievance against an individual with Board Services or Compliance and will be assigned to the appropriate staff and investigate.</p>	
<p>BOARD MEMBERS REPORT</p>	<p>Ms. Gonzalez gave the Board Report:</p> <p>She would like to thank all the ECAC and RCAC members here today.</p> <p>The Board of Governors met on June 1. Meeting minutes can be obtained by contacting Board Services and packets are available on L.A. Care's website.</p> <p>The list of motions approved at that board meeting is available from CO&E. She thanked the RCAC members that joined the Board meeting in person or virtually. They were happy to see members there in person and those who spoke up with public comments. Public comment gives Board Members the opportunity to hear from members. It is greatly valued and helps L.A. Care better its service for members. The following members attended in person:</p> <ol style="list-style-type: none"> 1. Estela Lara 2. Andria McPerson 3. Damares O Hernández de Cordero 4. Fátima Vazquez 5. Elizabeth Cooper 6. Maria Toscano 7. Rosario Moreno 8. Maria Sanchez 9. Marina Garcia <p>Mr. Baackes gave a CEO Report. He spoke about Medi-Cal Redeterminations, L.A. Care's relationship with hospitals and the forums L.A. Care is hosting to help improve patient transfers, the new Provider Relations Advisory Committee, the California Safety Net Coalition, the advisory committee restructure, and the 15th anniversary of the L.A. Care CRC at Plaza Mexico in Lynwood. He gave a CEO update earlier today.</p> <p>In his Chief Medical Officer Report, Dr. Amin provided an update on CalAIM. There is a significant effort at L.A. Care to provide more resources to members to manage their care</p>	

and to make sure transitions in care (hospital to another level of care or home) are managed for the benefit of the member. He views care management as a continuum of care involving many levels:

- Enhanced Care Management, which is the most intense form of care management and often happening by way of vendors in the community and provider groups doing this work
- Complex Case Management, the next grouping of high-risk members, that is done by the health plan, case managers, care coordinators and community health workers, and
- General Case Management, which is usually done by providers in their offices for the lowest-risk members.
- He is conducting a full assessment of roles, technology and processes and incorporating information from DHCS in policy guides. In reviewing care management, Dr. Amin has found some great opportunities in data integrity, payment model, clinical oversight, network, regulatory notification staffing, and documentation. Complex Case Management will engage more members as L.A. Care increases the number of community health workers and services for members.

Ms. Compartore gave a Government Affairs update at the board meeting and Ms. Thanki gave us an update earlier today.

Chairperson Ballesteros adjourned the meeting in honor of past Board Member and former Los Angeles County Supervisor Gloria Molina, who passed away last month. He appreciated the important work that Supervisor Molina has done on behalf of the community. She was always there for individuals that were underserved and always there for communities in need.

PUBLIC COMMENT

Elizabeth Cooper, RCAC 2 Member:

She thanked the Chair for her courtesy. She asked Ms. Gonzalez to inquire about the resource centers that are being defunded. No changing the RCAC, no changes in the fund, no changes for the ECAC. And this has not been discussed. She would like this before she goes to the legislator and also when the CCI Councils were disbanded, they made it possible for all the RCAC members who were interested to come to the meeting for the Board of Governors. She asked they will be able to provide child care like they did for the CCI. She asked that that be brought up as an emergency request. She asked and appealed to them because they've been very gracious in times and returned her calls. She noted that she has been a good advocate and asked that they get back to her, because this is an emergency.

Member McFerson thanked them and said they definitely enjoyed that whole experience of the ribbon cutting for Long Beach and appreciated all RCAC members that came. She said

	<p>they missed all the members that did not make it. She said they do want to continue with RCACs. She asked Ms. Gonzalez and Ms. Perez if they talk about the RCACs and how they did need input from the RCACs and is there anyway that they can have an emergency request to have them vote on the three RCAC meetings that the 11 RCACs are suppose to have within the rest of the year. That's from June to December. Ms. Gonzalez asked for clarification, she would like to know if she meant an emergency meeting so the RCACs will continue. She noted that they will not be disbanded so she is unsure if it will be necessary. Ms. Gonzalez that they have to abide by the new rules and regulations, the RCACs will continue, which was made clear, the RCAC meetings will continue, and RCAC members have to reapply. That was very clear. There will not be a discontinuation of the RCACs. People will have to reapply and they can choose to attend whatever information meeting they wish.</p>	
OLD BUSINESS		
DIABETES INTERVENTION UPDATE	This item was not discussed due to time limitations.	
HEALTH EQUITY AND DISPARITIES MITIGATION	This item was not discussed due to time limitations.	
FUTURE AGENDA ITEMS		
	<p>Member Byrd stated that she would like the committee to discuss Black history month, which is February of next year, but thinks they should get an early start.</p> <p>Member McPerson noted that L.A. Care spends \$100,000 to support African Americans and would like to see a presentation on how the funds are used.</p> <p>Member McClain would like a discussion about food insecurity placed on the agenda.</p> <p>Member Lara thanked staff for all their help and efforts.</p>	
PUBLIC COMMENTS		
	<p>Submitted by Elizabeth Cooper, RCAC 2 Member:</p> <p>She thanked the Chair. She has always respected the staff. She was there when they were booming the finding for staff and has always acknowledged their support of the staff. Dr. Eakins has been helpful to her in so many ways when she had a crisis. She respects her even though they have different points of view. She said to look at her records since she has been a member of the RCACs and how she has supported the staff in acknowledgment of all their work, but when they disagree, it doesn't mean you don't like them, because they are here to advocate.</p>	

ADJOURNMENT	Chairperson Vazquez thanked the interpreters, L.A. Care staff, and the public for attending. The meeting was adjourned at 1:22 p.m.	

RESPECTFULLY SUBMITTED BY:
 Victor Rodriguez, *Board Specialist II, Board Services*
 Malou Balones, *Board Specialist III, Board Services*
 Linda Merkens, *Senior Manager, Board Services*

APPROVED BY
 Fatima Vasquez, *ECAC Chair* 
 Date 9/13/2023

EXECUTIVE COMMITTEE



LEGAL SERVICES

September 15, 2023

TO: L.A. Care Board of Governors

FROM: Augustavia Haydel, *General Counsel*
Nadia Grochowski, *Associate Counsel III*

SUBJECT: **DMHC Enforcement Matter Report**

INTRODUCTION:

This report is provided for the Board's information. The Board has delegated authority to the CEO up to \$250,000 under L.A. Care's policy LS-010 to settle threatened litigation matters, including DMHC Enforcement Matters, without Board approval. The policy does require the CEO to report the settlement to the Executive Committee and/or to the Board, but it could be either before or after the settlement. The settlement amounts listed below are within the CEO's delegated authority.

DMHC Enforcement Matter 22-697 (received 6/21/23)

- Allegation: Plan's delegate used inaccurate information to process the member's claims and thereby failed to properly process claims for service; in addition, the Plan failed to adequately consider and rectify the enrollee's grievance (enrollee is an L.A. Care Covered member).
- Violations: The Plan, through its capitated provider, improperly processed claims for service in connection with the enrollee's care. (Cal. Code Regs., tit. 28, § 1300.71, subd. (d)(1).) The Plan failed to adequately consider and rectify the enrollee's grievance. (Health & Safety Code §1368, subd. (a)(1).)
- Settlement Offer: \$30,000 (no Corrective Action Plan required); Letter of Agreement has been partially executed.



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. EXE 101.1023

Committee: Executive

Chairperson: Alvaro Ballesteros, MBA

Requesting Department: Safety Net Initiatives

Issue: Add \$50 million in funding for workforce development and other community and safety net needs.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted in** N/A

Background: L.A. Care has made a significant financial commitment to supporting safety net workforce needs. In May 2018, L.A. Care’s Board of Governors approved an initial five-year \$155 million commitment in Board Designated Funds for its Elevating the Safety Net initiative, which covered a range of programs including medical school scholarships, provider loan repayment, provider recruitment grants to clinics and practices, and other workforce programs. In May 2022, the Board approved a five-year extension to continue investing the remaining \$61 million in some of the programs under Elevating the Safety Net through FY 2026-27.

Much good has come from our Elevating the Safety Net investments, including 48 students receiving medical school scholarships, 152 new physicians hired, 173 physicians awarded loan repayment assistance, 44 new residents added, 54 Community Health Workers trained and employed, among other achievements. However, additional community and safety net needs continue to emerge.

The new Medi-Cal contract that begins on January 1, 2024 requires health plans to dedicate a percentage of annual net income to community investments. L.A. Care has consistently exceeded the required percentage. However, in the spirit of the State requirement and to further L.A. Care’s longstanding commitment to strengthening the safety net, this motion requests Board approval to add \$50 million from unassigned reserves to the initial Board Designated Fund of \$155 million for workforce development. This will assure continuity of funding through the five-year expansion commitment that the Board approved in May 2022 and will provide flexibility to address other safety net and community needs that arise in the interim.

Member Impact: L.A. Care’s past workforce investments have targeted increasing the supply of physicians serving the Medi-Cal population, with the goal of achieving a stable workforce and shorter wait times for services. The investment also furthers L.A. Care’s equity goal, as the majority of physicians or future physicians benefitting from the investment have been racially and ethnically diverse, closer to the racial and ethnic make-up of L.A. Care’s membership. Research indicates that provider concordance, where patients can choose the provider of the racial or ethnic background with which they feel the most comfortable, leads to improved health outcomes.

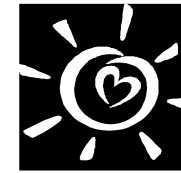
Budget Impact: This funding is being requested to come from unassigned reserves to the Board Designated Fund.

Motion: **To authorize adding \$50 million from unassigned reserves to the Board Designated Fund for workforce development to address emerging safety net and community needs through FY 2026-27.**

BOARD OF GOVERNORS
Executive Committee

Meeting Minutes – August 23, 2023

1055 West 7th Street, 10th Floor, Los Angeles, CA 90017



L.A. Care
 HEALTH PLAN

Members

Al Ballesteros, *Chairperson*
 Ilan Shapiro MD, MBA, FAAP, FACHE, *Vice Chairperson**
 Stephanie Booth, MD, *Treasurer*
 John G. Raffoul, *Secretary*
 Hilda Perez **

* *Absent*

** *Via Teleconference*

Management/Staff

John Baackes, *Chief Executive Officer*
 Sameer Amin, MD, *Chief Medical Officer*
 Terry Brown, *Chief of Human Resources*
 Augustavia Haydel, *General Counsel*
 Jeff Ingram, *Deputy Chief Financial Officer*
 Tom MacDougall, *Chief Technology & Information Officer*
 Thomas Mapp, *Chief Compliance Officer*
 Noah Paley, *Chief of Staff*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>CALL TO ORDER</p>	<p>Alvaro Ballesteros, <i>Chairperson</i>, called to order the regular meetings of the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee regular meetings at 2:27 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings.</p> <ul style="list-style-type: none"> • For those who provided public comment for this meeting by voice message or in writing, L.A. Care is glad that they provided input today. The Committee will hear their comments and the Committee also needs to finish the business on the Agenda today. • For people who have access to the internet, the meeting materials are available at the lacare.org website. If anyone needs information about how to locate the meeting materials, they can reach out to L.A. Care staff. • Information for public comment is on the Agenda available on the web site. Staff will read the comment received in writing from each person for up to three minutes. • Public comment will be heard before the Committee discusses an item. If the comment is not on a specific agenda item, it will be read at the general Public Comment. <p>He provided information on how to submit a comment in-person, or using the “chat” feature.</p>	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
APPROVE MEETING AGENDA	The Agenda for today’s meeting was approved.	Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Perez, Raffoul, and Shapiro)
PUBLIC COMMENT	There were no public comments.	
APPROVE MEETING MINUTES	The minutes of the June 28, 2023 meeting were approved as submitted.	Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Perez, Raffoul, and Shapiro)
CHAIRPERSON’S REPORT	There was no report from the Chairperson.	
CHIEF EXECUTIVE OFFICER REPORT	John Baackes, <i>Chief Executive Officer</i> , reported that L.A. Care now has two months’ data for the eligibility redetermination for Medi-Cal. Approximately 40% of the redeterminations were completed automatically using information from existing databases. Approximately 18% did not complete the process, some of those beneficiaries will reapply and some may have moved outside of Los Angeles County. State officials are providing a dashboard with data about redeterminations. New enrollment (58,000) in L.A. Care’s Medi-Cal product are nearly equal to the number of procedural disenrollment (57,000 in two months). L.A. Care continues working closely with the Los Angeles County Department of Public and Social Services. There is some concern around the state that some counties, other than Los Angeles, may be understaffed and unable to keep up with the redetermination process. L.A. Care will continue to carefully monitor the eligibility redetermination process.	
<ul style="list-style-type: none"> Government Affairs Update 	Cherie Compartore, <i>Senior Director, Government Affairs</i> , reported: A lawsuit has been filed in the State of Florida by two consumer advocacy groups: a national health law program and the Florida Help Justice project. It alleges that beneficiaries did not receive proper notice of the Medicaid redetermination, the process was confusing for members, and the State did not go far enough in ensuring that the beneficiaries were still eligible for Medicaid. Florida contends proper 90-day notice was given and the beneficiaries were determined not eligible.	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>The California Legislature is back in session and will hold appropriation committee hearings. Most of the bills were briefly presented this week and were placed in a suspense file in appropriations. Some of these bills will die but some will make it to the next step.</p> <p>Proposition 63, the Mental Health Services Act, was enacted a few years ago to levy a 1% tax on personal income for \$1 million or more, to fund substance abuse programs. The funds represent about 30% of the California’s behavioral health system funding and most of the funds go directly to Counties for programs.</p> <p>SB 326, sponsored by Senator Susan Eggman, is making its way through the legislature and is proposing to provide more flexibility in the Prop 63 funding and reduce the amount that is provided to counties, with the funding to be used for other programs, such as housing for those with substance abuse issues. There is opposition from counties because of the reduction in funding for county programs by approximately \$720 million. There were amendments to replace the funding along with proposals for other types of funding. There may be other amendments based on input from counties and children’s advocacy groups. SB 326 works in tandem with AB 531, which would enact the Behavioral Health Infrastructure Bond Act to issue bonds of about \$5 billion to fund the overhaul. It is anticipated it will pass and will be on the ballot in March 2024. The initiative is endorsed by the Governor. Both bills are expected to easily pass out of the Legislature.</p> <p>The Budget Committees for the California Assembly and the Senate will also hold hearings next week. A budget bill is expected along with 10-20 single subject budget trailer bills. L.A. Care staff will be seeking more information and will engage in the conversations where issues might affect L.A. Care. State Legislature will adjourn on September 14, 2023.</p> <p>L.A. Care Government Affairs staff will continue to monitor the status and engage legislative staff on legislation that may affect L.A. Care and is within the legislative priorities approved by the Board.</p>	
COMMITTEE ISSUES		
Delegation of authority to L.A. Care Chief Executive Officer, John Baackes, to	Augustavia Haydel, <i>General Counsel</i> , introduced a motion to authorize execution of a contract with the California Department of Health Care Services (DHCS). L.A. Care received amendment A40 from DHCS in July. This is the final version of draft	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>negotiate and make any substantive changes to Amendment A40 to Contract 04-36069, between L.A. Care Health Plan and the California Department of Health Care Services (EXE 100)</p>	<p>amendment 2022-D. She introduced Nadia Grochowski, <i>Associate Counsel III Senior Director Health Care Legal Services</i>.</p> <p>Ms. Grochowski described the amendment containing technical changes as well as updates to the following:</p> <ul style="list-style-type: none"> • Subcontract Network Certification • Updated Reporting Requirements • Community Health Care Workers Services • Cognitive Health, Behavioral Health services • Monthly Grievance and Appeals reporting • Asthma Preventive Services <p>The due date for submission of the executed amendment to DHCS is September 11, 2023.</p> <p>Board member Booth noted there seemed to be a large number of additional tasks involved with the current contract amendment. She does not have a complete understanding of DHCS’s requirements listed in the amendment, or the effort that will be required of LA Care to meet the requirements. She noted it would be helpful to know 1) what DHCS’s goals were that prompted writing the new requirements, as well as 2) the value of the intended work product related to LA Care’s Mission. The contract amendment seems to require a lot of work by health plans and she wonders if the value of the result is equivalent to the value of work needed to be completed to achieve the result. She hopes someone could explain to her whether, and how, the results might justify the effort required.</p> <p>She does not have a great understanding of what DHCS is asking, but it seems like a lot to ask health plans to do and maybe the benefits would not be that great. Noah Paley, <i>Chief of Staff</i>, addressed the subnetwork certification requirements, noting that L.A. Care is in process of configuring its current systems to comply with the requirements. All provider data management and network operations are working to that end. The provider target state initiative discussed by Tom MacDougall, <i>Chief Information Officer</i>, earlier today is designed to automate L.A. Care’s ability to provide the subnetwork certifications and verifications that will be required by DHCS. Board Member Booth asked if there are requirements for physicians in all areas, in order to complete the provider network accessibility within distance and time guidelines. Mr. Paley responded</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>that the subnetwork certification relates to the volume of members assigned, geographic accessibility, primary care provider capacity and the availability of core specialty care.</p> <p><u>Motion EXE 100.0923</u> To delegate authority to L.A. Care Chief Executive Officer, John Baackes, to negotiate and make any substantive changes to Amendment A40 to Contract 04-36069, between L.A. Care Health Plan and the California Department of Health Care Services, which may be made or negotiated by the Chief Executive Officer and/or his designees, and to execute Amendment A40.</p>	<p>Approved unanimously by roll call. 4 AYES (Ballesteros, Perez, Raffoul, and Shapiro), 1 NAY (Booth)</p> <p><i>The Committee approved including this motion on the Consent Agenda for the September 7, 2023 Board of Governors meeting.</i></p>
<p>Housing & Homelessness Incentive Program Investment agreement with the Los Angeles County Department of Public Health (EXE 101)</p>	<p>Sameer Amin, <i>Chief Medical Officer</i>, introduced a motion regarding the Housing and Homelessness Incentive Program (HHIP) environmental investments. He asked Karl Calhoun, <i>Director, Housing Initiatives, Safety Net Initiatives</i>, to present the motion.</p> <p>Mr. Calhoun stated that with this HHIP investment, Los Angeles County Department of Public Health (DPH) will implement three initiatives:</p> <ol style="list-style-type: none"> 1. Environmental assessments of encampments: Field-based street medicine services delivered to unsheltered people experiencing homelessness in their lived environments. The services will be coordinated with other homeless outreach and street medicine teams. 2. Disease control services for unsheltered people experiencing homelessness, such as environmental assessments of encampments to address unsanitary or safety issues that arise due to the condition of the encampment and the environment. 3. Medi-Cal redetermination and application assistance for people experiencing homelessness. Services will be delivered by adding staff to DPH Community Health Outreach Initiative grantees who will conduct field-based outreach and enrollment help for people experiencing homelessness. <p>The cumulative funding request is \$2.4 million from L.A. Care, with Health Net providing an additional 30% for a total of \$3.4 million. The breakdown is \$300,000 for the encampment assessment, \$1.1 million for field and street medicine and approximately \$1 million for redetermination. This was approved in the most recent budget for HHIP. These initiatives will enable L.A. Care to achieve points and eventually, funding, for the second measurement period for HHIP, which is completed on October 31, 2023.</p> <p>Board Member Booth commented that it sounds like a great use of funds.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN																				
	<p>Board Member Shapiro agrees with Board Member Booth that this is the type of initiative and incentive needed in the community. He asked how long the program would run. Mr. Calhoun responded that the initiatives will last one to three years, with the environmental assessment of the shortest duration and the street outreach services for three years.</p> <p><u>Motion EXE 101.0923</u> To authorize staff to execute an HHIP investment agreement in the amount of up to \$2,500,000 with the Los Angeles County Department of Public Health to perform field-based clinical services, Medi-Cal enrollment work and environmental assessments of homeless encampments for a twenty four month period.</p>	<p>Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Perez, Raffoul, and Shapiro)</p> <p><i>The Committee approved including this motion on the Consent Agenda for the September 7, 2023 Board of Governors meeting.</i></p>																				
<p>Human Resources Policies (EXE A)</p>	<p>Terry Brown, <i>Chief Human Resources Officer</i>, summarized a motion to approve three policies with minor revisions and to retire one policy, to comply with changes to regulatory, legislative and judicial changes, and reflect changes in L.A. Care’s practices.</p> <table border="1" data-bbox="493 722 1583 1263"> <thead> <tr> <th>Policy Number</th> <th>Policy</th> <th>Section</th> <th>Description of Modification</th> </tr> </thead> <tbody> <tr> <td>HR-103</td> <td>Employee Assistance Program</td> <td>Benefits</td> <td>Updated and Review, clarify Eligible Employee Definition</td> </tr> <tr> <td>HR-104</td> <td>Employee Benefit General Statement</td> <td>Benefits</td> <td>Review, clarified temporary staff benefits and variable hour employees.</td> </tr> <tr> <td>HR-109</td> <td>Jury Duty and Witness Subpoenas</td> <td>Benefits</td> <td>Updated Reporting section to standard verbiage</td> </tr> <tr> <td>HR-207</td> <td>Employee Communications</td> <td>Employee Relations</td> <td>Retire policy, HR-209 Internal Organizational Communication Systems was recently approved BOG, replaced by policies HR 207 and COMM 203.</td> </tr> </tbody> </table> <p><u>Motion EXE A.0823</u> To approve revisions to the Human Resources Policies as presented.</p>	Policy Number	Policy	Section	Description of Modification	HR-103	Employee Assistance Program	Benefits	Updated and Review, clarify Eligible Employee Definition	HR-104	Employee Benefit General Statement	Benefits	Review, clarified temporary staff benefits and variable hour employees.	HR-109	Jury Duty and Witness Subpoenas	Benefits	Updated Reporting section to standard verbiage	HR-207	Employee Communications	Employee Relations	Retire policy, HR-209 Internal Organizational Communication Systems was recently approved BOG, replaced by policies HR 207 and COMM 203.	<p>Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Perez, Raffoul, and Shapiro)</p> <p><i>The Committee approved including this motion on the Consent Agenda for the September 7, 2023 Board of Governors meeting.</i></p>
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HR-103	Employee Assistance Program	Benefits	Updated and Review, clarify Eligible Employee Definition																			
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AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>Process for public comment at all meetings</p>	<p>Committee Member Booth described that the intent is that the public have a better understanding of the rules for public comment. The input from public comment is definitely appreciated and is absolutely necessary. There are times when the rules are not followed and not enforced at public meetings. There are repetitive public comments at meetings which are not relevant to the topic on the Agenda. In the interest of respecting everyone’s time, the rules should be enforced. At the last meeting, she raised this issue and subsequently, those making public comment tried very hard to follow the rules, which she very much appreciated. There is respect for the rules.</p> <p>Chairperson Ballesteros suggested that more information could be provided to those who wish to make public comment. Members of the public who attend meetings wish to comment on topics that are important to them. L.A. Care should provide guidance on how their comments can be made during the meeting. He suggested that information also be provided to inform presiders at the meeting about how to set parameters when a meeting is significantly over the time frame. There is not a desire to limit public comment, but the timing for the meeting should be taken into consideration, with respect to everyone’s time commitments. He suggested more information about how to keep the meetings on track.</p> <p>Board Member Raffoul noted that it is a balancing act in allowing leeway for public comment while conducting the meeting in a timely manner. He observed that a few people consume the time on most agenda items. He suggested working with individuals to help them understand the rules and focus their comments on the agenda items. Dr. Amin suggested helping members consolidate their comments within the rules. Chairperson Ballesteros asked that the recommendations be brought back for consideration. He asked if there is an opportunity for staff to assist members at the meetings.</p> <p>Board Member Shapiro noted there may be opportunities to help people with public comment so they can be heard and the messages are clearly communicated and are relevant to the agenda items. He suggested clear direction for the presider at the meeting and for those making public comment so that the time limit is clear for all.</p> <p>Board Member Raffoul agreed that some comments made have not been relevant to the agenda item, and those making public comment could be better informed about the rules. We value public feedback.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Chairperson Ballesteros expressed a desire to also get guidance from the consumer representatives. He directed staff to provide additional information. Board Member Booth noted that it will be helpful to remind those making public comments about the rules. Chairperson Ballesteros asked staff to provide more information and advise the best way to continue the review.</p> <p>Committee Member Perez noted that she has advocated for some time for more staff for the Community Outreach & Engagement department (CO&E). If there is a need for staff to mentor members about public comment, more help is needed in that department. There may be many people attending future meetings to express their opinions about the changes being discussed for the advisory committee structure. Members have not had the time to digest all of the information that is being presented, and they will want their comments to be heard by the Board. Listening sessions are being held for advisory committee members by CO&E staff to inform members about the changes. There is a lot of information for them to understand. Members sometimes feel they are not being heard when they reach out with questions. She noted that it is the role of the Chairperson to guide people with comments that do not pertain to the agenda topic.</p>	
Approve Consent Agenda	<p>Approve the list of items that will be considered on a Consent Agenda for the September 7, 2023 Board of Governors Meeting.</p> <ul style="list-style-type: none"> • July 27, 2023 Board of Governors Meeting Minutes • Delegation of authority to L.A. Care Chief Executive Officer, John Baackes, to negotiate and make any substantive changes to Amendment A40 to Contract 04-36069, between L.A. Care Health Plan and the California Department of Health Care Services • Housing and Homelessness Incentive Program (HHIP) investment agreement in the amount of up to \$2,500,000 with the Los Angeles County Department of Public Health to perform field-based clinical services, Medi-Cal enrollment work and environmental assessments of homeless encampments for a twenty four month period. • Quarterly Investment Report • Consolidated Allocation of Funds for Non-Travel Meals and Catering & Other Expenses 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • ixLayer, Inc. Contract to provide at-home test kits to members for diabetes A1c tests, colorectal cancer screenings and kidney health evaluations • Collective Medical Technologies Contract to provide Care & Utilization Optimization (Acute Care), Member Activity Visibility (Acute & SNF Encounters) and Post-Acute Care Management, Enhanced Care Management (ECM) with PAC Management • Provider Relations Advisory Committee Members • Provider Relations Advisory Committee Charter • Children’s Health Consultant Advisory Committee Membership 	<p>Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Perez, Raffoul, and Shapiro)</p>
PUBLIC COMMENTS	There were no public comments.	
ADJOURN TO CLOSED SESSION	<p>The Joint Powers Authority Executive Committee meeting adjourned at 3:13 pm.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i> announced the items to be discussed in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 3:13 pm.</p> <p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> • Plan Partner Rates • Provider Rates • DHCS Rates • Plan Partner Services Agreement <p>REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: <i>June 2025</i></p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> • L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable) <p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act: Four Potential Cases</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> • Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680 • Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF <p>PUBLIC EMPLOYEE PERFORMANCE EVALUATION Pursuant to Section 54957 of the Ralph M. Brown Act Title: Chief Executive Officer</p> <p>CONFERENCE WITH LABOR NEGOTIATOR Pursuant to Section 54957.6 of the Ralph M. Brown Act Agency Designated Representative: Alvaro Ballesteros, MBA Unrepresented Employee: John Baackes</p>	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 4:15 pm. No reportable actions were taken during the closed session.	
ADJOURNMENT	The meeting adjourned at 4:16 pm.	

Respectfully submitted by:
Linda Merkens, *Senior Manager, Board Services*
Malou Balones, *Board Specialist III, Board Services*
Victor Rodriguez, *Board Specialist II, Board Services*

APPROVED BY:

Alvaro Ballesteros, MBA, *Board Chairperson*
Date: _____

**FINANCE
&
BUDGET
COMMITTEE**



Financial Update

Board of Governors Meeting

October 5, 2023

Agenda

Financial Performance – July 2023 YTD

- Membership
- Consolidated Financial Performance
- Operating Margins by Segment
- Key Financial Ratios
- Tangible Net Equity & Days of Cash On-Hand Comparison

Financial Informational Updates

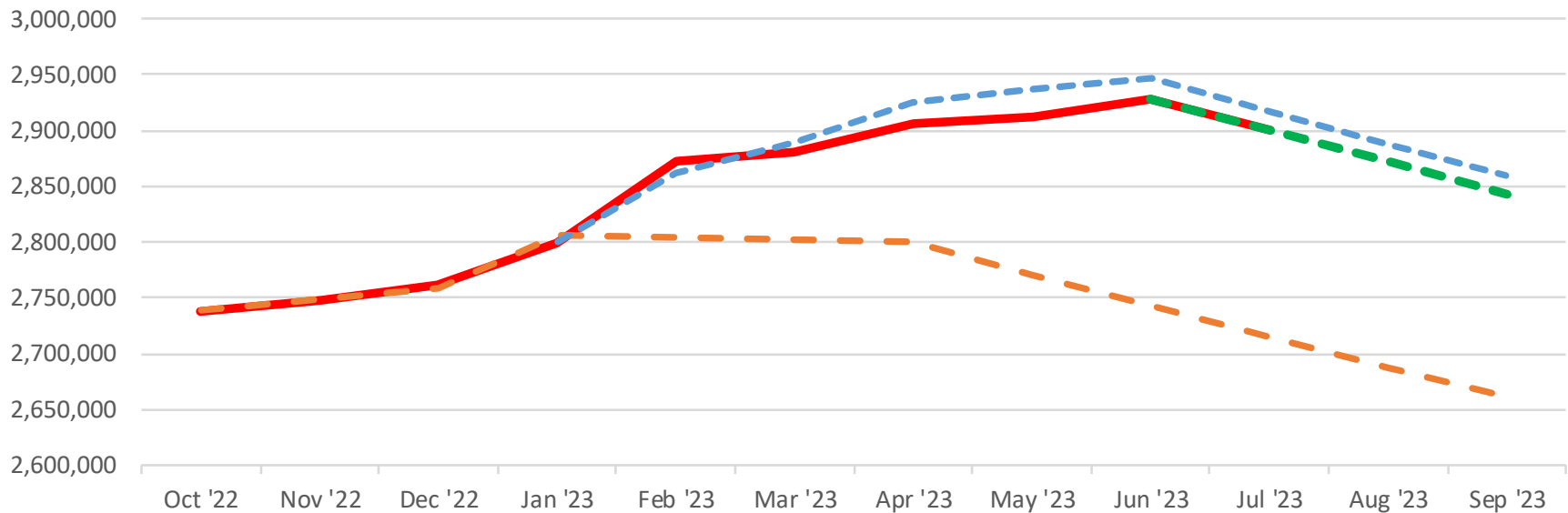
- Investment Transactions

Membership

for the 10 months ended July 2023

Sub-Segment	July 2023			Year-to-Date		
	Actual	9+3 FCST	Variance	Actual	9+3 FCST	Variance
Medi-Cal	2,723,990	2,723,022	968	26,685,037	26,684,069	968
CMC	-	-	-	51,321	51,321	-
D-SNP	18,278	18,280	(2)	125,517	125,519	(2)
LACC	126,343	128,315	(1,972)	1,217,671	1,219,643	(1,972)
PASC	49,121	49,095	26	494,293	494,267	26
*Elimination	(18,278)	(18,280)	2	(125,517)	(125,519)	2
Consolidated	2,899,454	2,900,432	(978)	28,448,322	28,449,300	(978)

*D-SNP members included in MCLA membership under CCI beginning in January 2023



Consolidated Financial Performance

for the month of July 2023

(\$ in Thousands)	Actual	9+3 FCST	Variance
Member Months	2,899,454	2,900,432	(978)
Total Revenues	\$993,613	\$967,423	\$26,190
Total Healthcare Expenses	\$849,709	\$886,272	\$36,563
Operating Margin	\$143,905	\$81,152	\$62,753
<i>Operating Margin (excl HHIP/IPP)</i>	\$143,905	\$85,390	\$58,514
Total Admin Expenses	\$45,483	\$43,284	(\$2,199)
Income/(Loss) from Operations	\$98,422	\$37,868	\$60,554
Non-Operating Income (Expense)	\$9,039	\$1,473	\$7,566
Net Surplus	\$107,461	\$39,341	\$68,120
<i>Net Surplus (excl HHIP/IPP)</i>	<i>\$108,054</i>	<i>\$43,735</i>	<i>\$64,319</i>

Consolidated Financial Performance

for the 10 months ended July 2023

(\$ in Thousands)	Actual	9+3 FCST	Variance
Member Months	28,448,322	28,449,300	(978)
Total Revenues	\$9,416,565	\$9,390,375	\$26,190
Total Healthcare Expenses	\$8,569,454	\$8,606,017	\$36,563
Operating Margin	\$847,111	\$784,358	\$62,753
<i>Operating Margin (excl HHIP/IPP)</i>	\$737,204	\$678,689	\$58,514
Total Admin Expenses	\$435,414	\$433,215	(\$2,199)
Income/(Loss) from Operations	\$411,697	\$351,143	\$60,554
Non-Operating Income (Expense)	\$45,730	\$38,164	\$7,566
Net Surplus	\$457,426	\$389,307	\$68,120
<i>Net Surplus (excl HHIP/IPP)</i>	\$348,732	\$284,413	\$64,319

Operating Margin by Segment

for the 10 months ended July 2023

(\$ in Thousands)

	Medi-Cal	CMC	D-SNP	LACC	PASC	Total	Total (excl HHIP/IPP)
Revenue	\$8,476,054	\$77,337	\$188,135	\$385,475	\$156,188	\$9,416,565	\$9,283,190
Healthcare Exp.	\$7,837,326	\$82,936	\$150,768	\$337,542	\$147,528	\$8,569,454	\$8,545,986
Operating Margin	\$638,729	(\$5,599)	\$37,366	\$47,933	\$8,660	\$847,111	\$737,204
MCR %	92.5%	107.2%	80.1%	87.6%	94.5%	91.0%	92.1%
9+3 FCST	93.0%	108.2%	82.5%	87.9%	96.2%	91.6%	92.7%

Key Financial Ratios

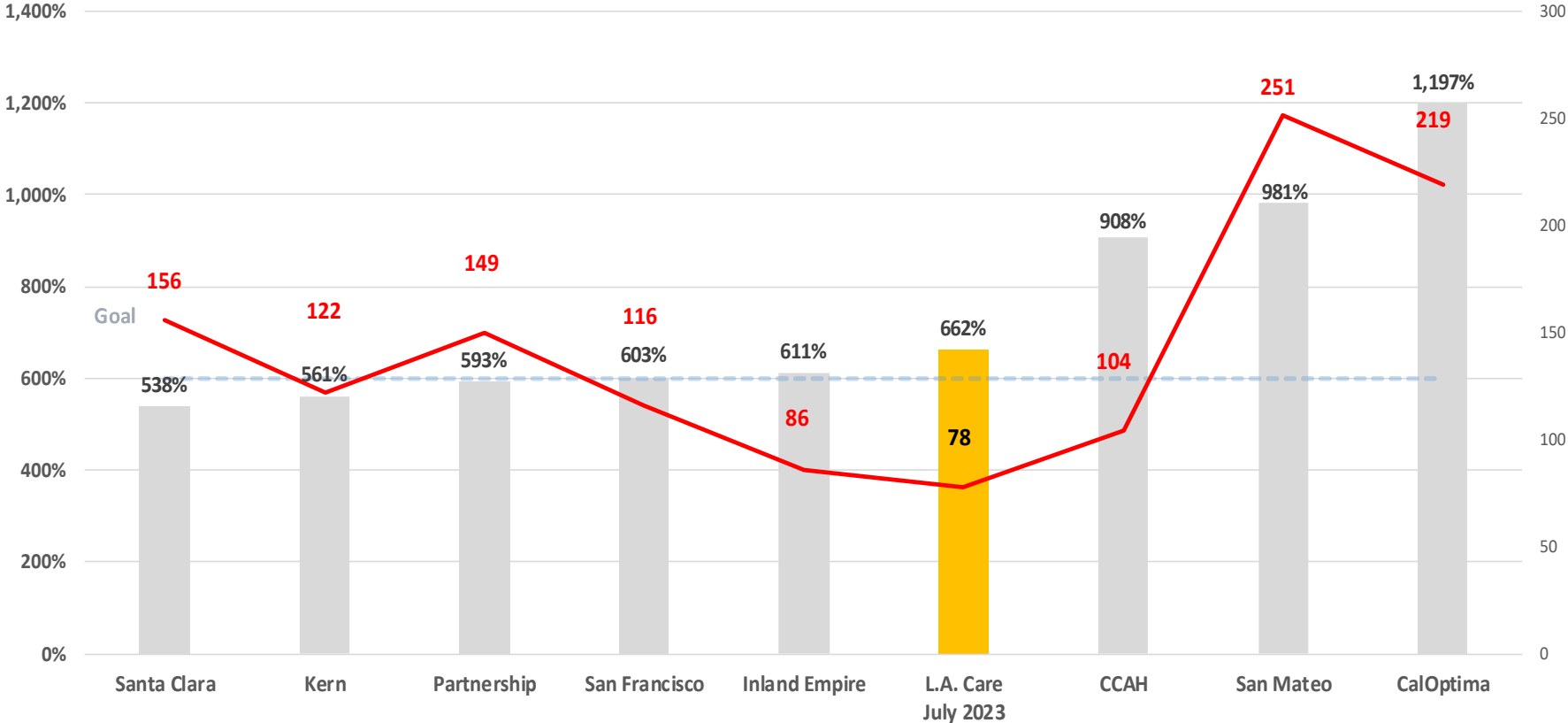
for the 10 months ended July 2023

(Excl. HHIP/IPP)	Actual	9+3 FCST	
MCR	92.1%	vs. 92.7%	✓
Admin Ratio	4.7%	vs. 4.7%	✓

	Actual	Benchmark	
Working Capital	1.32	vs. 1.00+	✓
Cash to Claims	0.72	vs. 0.75+	✗
Tangible Net Equity	6.62	vs. 1.30+	✓

Tangible Net Equity & Days of Cash On-Hand

for the 10 months ended July 2023



• As of June 2023 Quarterly filings, unless noted otherwise.

Questions & Consideration

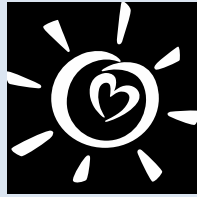
Motion FIN 108

- To accept the Financial Reports for the ten months ended July 31, 2023, as submitted.

Informational Items

Investment Transactions

- As of July 31, 2023, L.A. Care's total investment market value was \$2.7B
 - \$2.6B managed by Payden & Rygel and New England Asset Management (NEAM)
 - \$35M in Local Agency Investment Fund
 - \$79M in Los Angeles County Pooled Investment Fund



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: October 5, 2023

Motion No. FIN 108.1023

Committee: Finance & Budget

Chairperson: Stephanie Booth, MD

Requesting Department: Finance & Accounting Services

New Contract Amendment Sole Source RFP/RFQ was conducted

Issue: Acceptance of the Financial Reports for July 2023.

Background: N/A

Member Impact: N/A

Budget Impact: N/A

Motion: To accept the Financial Reports for July 2023, as submitted.



L.A. Care
HEALTH PLAN®

Financial Performance
July 2023
(Unaudited)



Financial Performance Results Highlights - Year-to-Date

July 2023

Overall

The combined member months are 28.4 million year-to-date, which is 978 unfavorable to the 9+3 forecast. The performance is a surplus of \$457.4 million or 4.9% of revenue and is \$68.1 million favorable to the forecast. The favorable surplus is driven by prior period program reconciliation adjustments, prior period revenue rate and RAF adjustments, lower inpatient and outpatient claims and lower skilled nursing facility costs. Higher interest income, higher unrealized investment gains and timing in grant spending also contributed to higher surplus. Overall favorability is offset by higher pharmacy costs and higher operating and capitation expenses. Operating expenses will likely be higher than the 9+3 forecast for the remainder of the fiscal year.

Medi-Cal

Medi-Cal consists of members through our contracted providers and our contracted health plans ("Plan Partners"). The member months are 26.7 million, which is 968 favorable to the forecast. The performance is a surplus of \$361.2 million and is \$53.3 million favorable to the forecast. The favorable surplus is driven by prior period program reconciliation adjustments, prior period revenue rate and RAF adjustments, lower inpatient and outpatient claims and lower skilled nursing facility costs. Also contributed to the favorable variance in surplus is lower non-operating expenses as discussed in the Overall section above. Overall favorability is offset by higher operating expenses and higher capitation expenses due to prior January 2023 adjustments for Plan Partners.

Cal MediConnect (CMC)

Effective January 1, 2023, members enrolled in CMC have been transitioned to our D-SNP plan. The member months are 51,321, which aligns with the forecast. The performance is a deficit of \$8.5 million, which is favorable to the forecast by \$0.8 million. The net deficit of \$8.5 million is primarily driven by the shared risk adjustment and operating expenses incurred through YTD December 2022 prior to the transition.

D-SNP

January 2023 was the first month of the D-SNP plan as the CMC members were transitioned into this product. For YTD July 2023, the member months are 125,517, which is 2 unfavorable to the forecast. The performance is a surplus of \$26.5 million, which is \$5.1 million favorable to the forecast driven by higher revenue due to RAF and risk share adjustments, better than forecasted capitation expenses and timing in provider incentives and shared risk.

Commercial

L.A. Care Commercial consists of LACC and PASC-SEIU. The member months are 1.7 million, which is 1,946 unfavorable to the forecast. The performance is a deficit of \$13.4 million and is \$3.9 million favorable to the forecast driven by higher outpatient claims and higher pharmacy costs, but offset by lower capitation expenses and lower inpatient claims.

Incentive Programs

L.A. Care Incentive Programs consist of CalAIM Incentive Payment Program (IPP) and Housing and Homelessness Incentive Program (HHIP). The YTD surplus of \$108.7 million, which is \$3.8 million favorable to the forecast, is driven by the recognition of revenue for the submission of our investment plan to DHCS and revenue earned from measurement periods 1 and 2.



Consolidated Operations Income Statement (\$ in thousands)

July 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
2,899,454		2,900,432		(978)							
						Membership					
						Member Months	28,448,322	28,449,300	(978)		
						Revenue					
\$ 993,613	\$ 342.69	\$ 967,423	\$ 333.54	\$ 26,190	\$ 9.15	Capitation	\$ 9,416,565	\$ 331.01	\$ 9,390,375	\$ 330.07	\$ 26,190 \$ 0.93
\$ 993,613	\$ 342.69	\$ 967,423	\$ 333.54	\$ 26,190	\$ 9.15	Total Revenues	\$ 9,416,565	\$ 331.01	\$ 9,390,375	\$ 330.07	\$ 26,190 \$ 0.93
						Healthcare Expenses					
\$ 524,376	\$ 180.85	\$ 515,773	\$ 177.83	\$ (8,603)	\$ (3.03)	Capitation	\$ 4,985,244	\$ 175.24	\$ 4,976,641	\$ 174.93	\$ (8,603) \$ (0.31)
\$ 97,527	\$ 33.64	\$ 125,954	\$ 43.43	\$ 28,427	\$ 9.79	Inpatient Claims	\$ 1,226,994	\$ 43.13	\$ 1,255,421	\$ 44.13	\$ 28,427 \$ 1.00
\$ 97,453	\$ 33.61	\$ 114,152	\$ 39.36	\$ 16,699	\$ 5.75	Outpatient Claims	\$ 1,116,484	\$ 39.25	\$ 1,133,183	\$ 39.83	\$ 16,699 \$ 0.59
\$ 93,773	\$ 32.34	\$ 97,904	\$ 33.76	\$ 4,132	\$ 1.41	Skilled Nursing Facility	\$ 933,729	\$ 32.82	\$ 937,861	\$ 32.97	\$ 4,132 \$ 0.14
\$ 13,547	\$ 4.67	\$ 12,090	\$ 4.17	\$ (1,457)	\$ (0.50)	Pharmacy	\$ 115,999	\$ 4.08	\$ 114,542	\$ 4.03	\$ (1,457) \$ (0.05)
\$ 13,430	\$ 4.63	\$ 11,608	\$ 4.00	\$ (1,822)	\$ (0.63)	Provider Incentives and Shared Risk	\$ 107,269	\$ 3.77	\$ 105,447	\$ 3.71	\$ (1,822) \$ (0.06)
\$ 9,603	\$ 3.31	\$ 8,789	\$ 3.03	\$ (814)	\$ (0.28)	Medical Administrative Expenses	\$ 83,737	\$ 2.94	\$ 82,923	\$ 2.91	\$ (814) \$ (0.03)
\$ 849,709	\$ 293.06	\$ 886,272	\$ 305.57	\$ 36,563	\$ 12.51	Total Healthcare Expenses	\$ 8,569,454	\$ 301.23	\$ 8,606,017	\$ 302.50	\$ 36,563 \$ 1.27
85.5%		91.6%		6.1%		MCR(%)	91.0%	91.6%	0.6%		
\$ 143,905	\$ 49.63	\$ 81,152	\$ 27.98	\$ 62,753	\$ 21.65	Operating Margin	\$ 847,111	\$ 29.78	\$ 784,358	\$ 27.57	\$ 62,753 \$ 2.21
\$ 45,483	\$ 15.69	\$ 43,284	\$ 14.92	\$ (2,199)	\$ (0.76)	Total Operating Expenses	\$ 435,414	\$ 15.31	\$ 433,215	\$ 15.23	\$ (2,199) \$ (0.08)
4.6%		4.5%		-0.1%		Admin Ratio(%)	4.6%	4.6%	0.0%		
\$ 98,422	\$ 33.95	\$ 37,868	\$ 13.06	\$ 60,554	\$ 20.89	Income (Loss) from Operations	\$ 411,697	\$ 14.47	\$ 351,143	\$ 12.34	\$ 60,554 \$ 2.13
\$ (3,023)	\$ (1.04)	\$ (3,632)	\$ (1.25)	\$ 609	\$ 0.21	Other Income/(Expense), net	\$ (37,897)	\$ (1.33)	\$ (38,505)	\$ (1.35)	\$ 609 \$ 0.02
\$ 10,671	\$ 3.68	\$ 5,105	\$ 1.76	\$ 5,566	\$ 1.92	Interest Income, net	\$ 77,122	\$ 2.71	\$ 71,556	\$ 2.52	\$ 5,566 \$ 0.20
\$ (32)	\$ (0.01)	\$ -	\$ -	\$ (32)	\$ (0.01)	Realized Gain / Loss	\$ (1,593)	\$ (0.06)	\$ (1,562)	\$ (0.05)	\$ (32) \$ (0.00)
\$ 1,423	\$ 0.49	\$ -	\$ -	\$ 1,423	\$ 0.49	Unrealized Gain / Loss	\$ 8,098	\$ 0.28	\$ 6,675	\$ 0.23	\$ 1,423 \$ 0.05
\$ 9,039	\$ 3.12	\$ 1,473	\$ 0.51	\$ 7,566	\$ 2.61	Total Non-Operating Income (Expense)	\$ 45,730	\$ 1.61	\$ 38,164	\$ 1.34	\$ 7,566 \$ 0.27
\$ 107,461	\$ 37.06	\$ 39,341	\$ 13.56	\$ 68,120	\$ 23.50	Net Surplus (Deficit)	\$ 457,426	\$ 16.08	\$ 389,307	\$ 13.68	\$ 68,120 \$ 2.39
10.8%		4.1%		6.7%		Margin(%)	4.9%	4.1%	0.7%		



Total Medi-Cal Income Statement (\$ in thousands)

July 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM
2,723,990		2,723,022		968	
\$ 902,995	\$ 331.50	\$ 885,750	\$ 325.28	\$ 17,246	\$ 6.22
\$ 902,995	\$ 331.50	\$ 885,750	\$ 325.28	\$ 17,246	\$ 6.22
\$ 497,611	\$ 182.68	\$ 484,734	\$ 178.01	\$ (12,877)	\$ (4.66)
\$ 89,768	\$ 32.95	\$ 110,467	\$ 40.57	\$ 20,699	\$ 7.61
\$ 84,871	\$ 31.16	\$ 102,995	\$ 37.82	\$ 18,124	\$ 6.67
\$ 92,743	\$ 34.05	\$ 97,904	\$ 35.95	\$ 5,162	\$ 1.91
\$ (1)	\$ (0.00)	\$ -	\$ -	\$ 1	\$ 0.00
\$ 4,162	\$ 1.53	\$ 5,341	\$ 1.96	\$ 1,179	\$ 0.43
\$ 8,709	\$ 3.20	\$ 7,787	\$ 2.86	\$ (922)	\$ (0.34)
\$ 777,864	\$ 285.56	\$ 809,229	\$ 297.18	\$ 31,364	\$ 11.62
86.1%		91.4%		5.2%	
\$ 125,131	\$ 45.94	\$ 76,521	\$ 28.10	\$ 48,610	\$ 17.84
\$ 36,900	\$ 13.55	\$ 34,720	\$ 12.75	\$ (2,180)	\$ (0.80)
4.1%		3.9%		-0.2%	
\$ 88,231	\$ 32.39	\$ 41,801	\$ 15.35	\$ 46,430	\$ 17.04
\$ 11,485	\$ 4.22	\$ 4,625	\$ 1.70	\$ 6,860	\$ 2.52
\$ 99,715	\$ 36.61	\$ 46,426	\$ 17.05	\$ 53,289	\$ 19.56
11.0%		5.2%		5.8%	

	YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
	\$	PMPM	\$	PMPM	\$	PMPM
Membership						
Member Months	26,685,037		26,684,069		968	
Revenue						
Capitation	\$ 8,476,054	\$ 317.63	\$ 8,458,809	\$ 317.00	\$ 17,246	\$ 0.63
Total Revenues	\$ 8,476,054	\$ 317.63	\$ 8,458,809	\$ 317.00	\$ 17,246	\$ 0.63
Healthcare Expenses						
Capitation	\$ 4,693,528	\$ 175.89	\$ 4,680,650	\$ 175.41	\$ (12,877)	\$ (0.48)
Inpatient Claims	\$ 1,067,908	\$ 40.02	\$ 1,088,607	\$ 40.80	\$ 20,699	\$ 0.78
Outpatient Claims	\$ 1,001,873	\$ 37.54	\$ 1,019,997	\$ 38.22	\$ 18,124	\$ 0.68
Skilled Nursing Facility	\$ 921,483	\$ 34.53	\$ 926,644	\$ 34.73	\$ 5,162	\$ 0.19
Pharmacy	\$ 400	\$ 0.01	\$ 401	\$ 0.02	\$ 1	\$ 0.00
Provider Incentives and Shared Risk	\$ 73,785	\$ 2.77	\$ 74,963	\$ 2.81	\$ 1,179	\$ 0.04
Medical Administrative Expenses	\$ 78,350	\$ 2.94	\$ 77,428	\$ 2.90	\$ (922)	\$ (0.03)
Total Healthcare Expenses	\$ 7,837,326	\$ 293.70	\$ 7,868,690	\$ 294.88	\$ 31,364	\$ 1.19
MCR(%)	92.5%		93.0%		0.6%	
Operating Margin	\$ 638,729	\$ 23.94	\$ 590,119	\$ 22.12	\$ 48,610	\$ 1.82
Total Operating Expenses	\$ 347,713	\$ 13.03	\$ 345,533	\$ 12.95	\$ (2,180)	\$ (0.08)
Admin Ratio(%)	4.1%		4.1%		0.0%	
Income (Loss) from Operations	\$ 291,015	\$ 10.91	\$ 244,585	\$ 9.17	\$ 46,430	\$ 1.74
Total Non-Operating Income (Expense)	\$ 70,199	\$ 2.63	\$ 63,340	\$ 2.37	\$ 6,860	\$ 0.26
Net Surplus (Deficit)	\$ 361,214	\$ 13.54	\$ 307,925	\$ 11.54	\$ 53,289	\$ 2.00
Margin(%)	4.3%		3.6%		0.6%	



CMC Income Statement (\$ in thousands)

July 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
-				-							
Membership											
Member Months											
						51,321		51,321		-	
Revenue											
Capitation											
\$ 19	N/A	\$ -	#DIV/0!	\$ 19	N/A	\$ 77,337	\$ 1,506.93	\$ 77,319	\$ 1,506.57	\$ 19	\$ 0.36
\$ 19	\$ -	\$ -	#DIV/0!	\$ 19	\$ -	\$ 77,337	\$ 1,506.93	\$ 77,319	\$ 1,506.57	\$ 19	\$ 0.36
Total Revenues											
Healthcare Expenses											
Capitation											
\$ (4)	N/A	\$ -	#DIV/0!	\$ 4	N/A	\$ 31,435	\$ 612.53	\$ 31,439	\$ 612.60	\$ 4	\$ 0.07
\$ (1,005)	N/A	\$ -	#DIV/0!	\$ 1,005	N/A	\$ 23,904	\$ 465.77	\$ 24,909	\$ 485.36	\$ 1,005	\$ 19.59
\$ (107)	N/A	\$ -	#DIV/0!	\$ 107	N/A	\$ 10,797	\$ 210.38	\$ 10,904	\$ 212.46	\$ 107	\$ 2.08
\$ 180	N/A	\$ -	#DIV/0!	\$ (180)	N/A	\$ 7,387	\$ 143.95	\$ 7,208	\$ 140.44	\$ (180)	\$ (3.51)
\$ 43	N/A	\$ -	#DIV/0!	\$ (43)	N/A	\$ (3,731)	\$ (72.70)	\$ (3,775)	\$ (73.55)	\$ (43)	\$ (0.85)
\$ -	N/A	\$ -	#DIV/0!	\$ -	N/A	\$ 11,174	\$ 217.72	\$ 11,174	\$ 217.72	\$ -	\$ -
\$ 176	N/A	\$ -	#DIV/0!	\$ (176)	N/A	\$ 1,970	\$ 38.39	\$ 1,795	\$ 34.97	\$ (176)	\$ (3.42)
\$ (717)	\$ -	\$ -	#DIV/0!	\$ 717	\$ -	\$ 82,936	\$ 1,616.03	\$ 83,653	\$ 1,630.00	\$ 717	\$ 13.97
-3836.2%		0.0%		3836.2%		107.2%		108.2%		1.0%	
\$ 736	\$ -	\$ -	#DIV/0!	\$ 736	#DIV/0!	\$ (5,599)	\$ (109.09)	\$ (6,334)	\$ (123.43)	\$ 736	\$ 14.34
\$ 340	\$ -	\$ -	#DIV/0!	\$ (340)	\$ -	\$ 5,969	\$ 116.30	\$ 5,628	\$ 109.67	\$ (340)	\$ (6.63)
1821.0%		#DIV/0!		#DIV/0!		7.7%		7.3%		-0.4%	
\$ 395	\$ -	\$ -	#DIV/0!	\$ 395	#DIV/0!	Total Operating Expenses					
\$ 439	N/A	\$ -	#DIV/0!	\$ 439	N/A	Admin Ratio(%)					
						7.7%		7.3%		-0.4%	
Income (Loss) from Operations											
\$ 395	\$ -	\$ -	#DIV/0!	\$ 395	#DIV/0!	\$ (11,568)	\$ (225.40)	\$ (11,963)	\$ (233.10)	\$ 395	\$ 7.70
Total Non-Operating Income (Expense)											
\$ 834	N/A	\$ -	#DIV/0!	\$ 834	N/A	\$ 3,085	\$ 60.10	\$ 2,646	\$ 51.55	\$ 439	\$ 8.55
4464.2%		#DIV/0!		#DIV/0!		Net Surplus (Deficit)					
						\$ (8,483)	\$ (165.29)	\$ (9,317)	\$ (181.55)	\$ 834	\$ 16.26
						-11.0%		-12.1%		1.1%	
Margin(%)											



D-SNP Income Statement (\$ in thousands)

July 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast		YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
18,278		18,280		(2)							
\$ 29,916	\$ 1,636.71	\$ 25,342	\$ 1,386.34	\$ 4,574	\$ 250.38	\$ 188,135	\$ 1,498.88	\$ 183,561	\$ 1,462.42	\$ 4,574	\$ 36.46
\$ 29,916	\$ 1,636.71	\$ 25,342	\$ 1,386.34	\$ 4,574	\$ 250.38	\$ 188,135	\$ 1,498.88	\$ 183,561	\$ 1,462.42	\$ 4,574	\$ 36.46
\$ 10,158	\$ 555.76	\$ 11,058	\$ 604.94	\$ 900	\$ 49.18	\$ 69,622	\$ 554.68	\$ 70,522	\$ 561.84	\$ 900	\$ 7.16
\$ 6,967	\$ 381.18	\$ 6,411	\$ 350.72	\$ (556)	\$ (30.46)	\$ 45,621	\$ 363.46	\$ 45,065	\$ 359.03	\$ (556)	\$ (4.44)
\$ 2,432	\$ 133.07	\$ 2,748	\$ 150.32	\$ 316	\$ 17.25	\$ 18,552	\$ 147.81	\$ 18,868	\$ 150.32	\$ 316	\$ 2.51
\$ 742	\$ 40.60	\$ -	\$ -	\$ (742)	\$ (40.60)	\$ 3,656	\$ 29.13	\$ 2,914	\$ 23.22	\$ (742)	\$ (5.91)
\$ 1,079	\$ 59.06	\$ 1,284	\$ 70.27	\$ 205	\$ 11.21	\$ 7,358	\$ 58.62	\$ 7,563	\$ 60.25	\$ 205	\$ 1.63
\$ 692	\$ 37.89	\$ 925	\$ 50.60	\$ 232	\$ 12.71	\$ 4,818	\$ 38.39	\$ 5,051	\$ 40.24	\$ 232	\$ 1.85
\$ 116	\$ 6.33	\$ 477	\$ 26.07	\$ 361	\$ 19.74	\$ 1,141	\$ 9.09	\$ 1,502	\$ 11.97	\$ 361	\$ 2.87
\$ 22,187	\$ 1,213.88	\$ 22,903	\$ 1,252.92	\$ 716	\$ 39.03	\$ 150,768	\$ 1,201.18	\$ 151,484	\$ 1,206.86	\$ 716	\$ 5.68
74.2%		90.4%		16.2%		80.1%		82.5%		2.4%	
\$ 7,728	\$ 422.83	\$ 2,439	\$ 133.42	\$ 5,290	\$ 289.41	\$ 37,366	\$ 297.70	\$ 32,077	\$ 255.55	\$ 5,290	\$ 42.15
\$ 1,506	\$ 82.42	\$ 1,484	\$ 81.17	\$ (23)	\$ (1.25)	\$ 10,823	\$ 86.23	\$ 10,800	\$ 86.04	\$ (23)	\$ (0.18)
5.0%		5.9%		0.8%		5.8%		5.9%		0.1%	
\$ 6,222	\$ 340.41	\$ 955	\$ 52.25	\$ 5,267	\$ 288.16	\$ 26,544	\$ 211.47	\$ 21,277	\$ 169.51	\$ 5,267	\$ 41.96
\$ -	\$ -	\$ 163	\$ 8.91	\$ (163)	\$ (8.91)	\$ -	\$ -	\$ 163	\$ 1.30	\$ (163)	\$ (1.30)
\$ 6,222	\$ 340.41	\$ 1,118	\$ 61.16	\$ 5,104	\$ 279.25	\$ 26,544	\$ 211.47	\$ 21,440	\$ 170.81	\$ 5,104	\$ 40.67
20.8%		4.4%		16.4%		14.1%		11.7%		2.4%	

Membership
Member Months

Revenue
Capitation
Total Revenues

Healthcare Expenses

Provider Incentives and Shared Risk
Medical Administrative Expenses

Total Healthcare Expenses

Operating Margin

Total Operating Expenses

Income (Loss) from Operations

Total Non-Operating Income (Expense)

Net Surplus (Deficit)

Margin(%)



Commercial Income Statement (\$ in thousands)

July 2023

Current Actual		Current Forecast		Fav(Unfav) Forecast	
\$	PMPM	\$	PMPM	\$	PMPM
175,464		177,410		(1,946)	
\$ 53,415	\$ 304.42	\$ 54,659	\$ 308.10	\$ (1,245)	\$ (3.68)
\$ 53,415	\$ 304.42	\$ 54,659	\$ 308.10	\$ (1,245)	\$ (3.68)
\$ 16,610	\$ 94.66	\$ 19,145	\$ 107.91	\$ 2,535	\$ 13.25
\$ 1,797	\$ 10.24	\$ 9,076	\$ 51.16	\$ 7,278	\$ 40.91
\$ 10,252	\$ 58.43	\$ 7,522	\$ 42.40	\$ (2,730)	\$ (16.03)
\$ 108	\$ 0.61	\$ -	\$ -	\$ (108)	\$ (0.61)
\$ 12,425	\$ 70.81	\$ 10,806	\$ 60.91	\$ (1,619)	\$ (9.90)
\$ 1,306	\$ 7.44	\$ 1,215	\$ 6.85	\$ (91)	\$ (0.60)
\$ 602	\$ 3.43	\$ 466	\$ 2.62	\$ (136)	\$ (0.81)
\$ 43,100	\$ 245.63	\$ 48,229	\$ 271.85	\$ 5,129	\$ 26.22
80.7%		88.2%		7.5%	
\$ 10,315	\$ 58.79	\$ 6,430	\$ 36.25	\$ 3,884	\$ 22.54
\$ 6,327	\$ 36.06	\$ 6,696	\$ 37.75	\$ 370	\$ 1.69
11.8%		12.3%		0.4%	
\$ 3,988	\$ 22.73	\$ (266)	\$ (1.50)	\$ 4,254	\$ 24.23
\$ 0	\$ 0.00	\$ 317	\$ 1.79	\$ (317)	\$ (1.79)
\$ 3,988	\$ 22.73	\$ 51	\$ 0.29	\$ 3,937	\$ 22.44
7.5%		0.1%		7.4%	

	YTD Actual		YTD Forecast		Fav(Unfav) Forecast	
	\$	PMPM	\$	PMPM	\$	PMPM
Membership						
Member Months	1,711,964		1,713,910		(1,946)	
Revenue						
Capitation	\$ 541,663	\$ 316.40	\$ 542,908	\$ 316.77	\$ (1,245)	\$ (0.37)
Total Revenues	\$ 541,663	\$ 316.40	\$ 542,908	\$ 316.77	\$ (1,245)	\$ (0.37)
Healthcare Expenses						
Capitation	\$ 190,659	\$ 111.37	\$ 193,193	\$ 112.72	\$ 2,535	\$ 1.35
Inpatient Claims	\$ 89,087	\$ 52.04	\$ 96,366	\$ 56.23	\$ 7,278	\$ 4.19
Outpatient Claims	\$ 85,252	\$ 49.80	\$ 82,523	\$ 48.15	\$ (2,730)	\$ (1.65)
Skilled Nursing Facility	\$ 1,202	\$ 0.70	\$ 1,095	\$ 0.64	\$ (108)	\$ (0.06)
Pharmacy	\$ 111,968	\$ 65.40	\$ 110,349	\$ 64.38	\$ (1,619)	\$ (1.02)
Provider Incentives and Shared Risk	\$ 4,662	\$ 2.72	\$ 4,571	\$ 2.67	\$ (91)	\$ (0.06)
Medical Administrative Expenses	\$ 2,238	\$ 1.31	\$ 2,102	\$ 1.23	\$ (136)	\$ (0.08)
Total Healthcare Expenses	\$ 485,070	\$ 283.34	\$ 490,199	\$ 286.01	\$ 5,129	\$ 2.67
MCR(%)	89.6%		90.3%		0.7%	
Operating Margin	\$ 56,593	\$ 33.06	\$ 52,709	\$ 30.75	\$ 3,884	\$ 2.30
Total Operating Expenses	\$ 70,853	\$ 41.39	\$ 71,223	\$ 41.56	\$ 370	\$ 0.17
Admin Ratio(%)	13.1%		13.1%		0.0%	
Income (Loss) from Operations	\$ (14,260)	\$ (8.33)	\$ (18,514)	\$ (10.80)	\$ 4,254	\$ 2.47
Total Non-Operating Income (Expense)	\$ 848	\$ 0.50	\$ 1,165	\$ 0.68	\$ (317)	\$ (0.18)
Net Surplus (Deficit)	\$ (13,412)	\$ (7.83)	\$ (17,350)	\$ (10.12)	\$ 3,937	\$ 2.29
Margin(%)	-2.5%		-3.2%		0.7%	



Comparative Balance Sheet

(Dollars in thousands)	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23
ASSETS												
CURRENT ASSETS												
Total Current Assets	\$4,820,099	\$5,663,469	\$5,084,708	\$5,172,416	\$5,211,120	\$5,469,816	\$5,452,064	\$7,027,117	\$5,699,958	\$5,932,683	\$5,763,647	\$5,701,638
Capitalized Assets - net	\$104,591	\$98,723	\$98,849	\$98,849	\$92,230	\$95,333	\$96,465	\$99,515	\$100,173	\$99,824	\$102,476	\$105,432
NONCURRENT ASSETS	\$2,230	\$2,129	\$2,006	\$1,946	\$1,946	\$1,531	\$1,033	\$1,556	\$1,401	\$1,288	\$1,191	\$1,088
TOTAL ASSETS	\$4,926,919	\$5,833,900	\$5,255,144	\$5,342,529	\$5,377,377	\$5,635,100	\$5,616,811	\$7,193,822	\$5,865,711	\$6,096,530	\$5,928,393	\$5,869,282
LIABILITIES AND FUND EQUITY												
CURRENT LIABILITIES												
Total Current Liability	\$3,857,575	\$4,746,546	\$4,148,776	\$4,249,831	\$4,253,401	\$4,493,204	\$4,388,975	\$5,909,168	\$4,500,566	\$4,680,664	\$4,493,604	\$4,322,838
Long Term Liability	\$2,476	\$0	(\$9)	\$38	(\$2,775)	(\$2,781)	(\$2,731)	(\$2,681)	(\$2,575)	(\$2,524)	(\$2,530)	\$445
Total Liabilities	\$3,860,051	\$4,746,546	\$4,148,767	\$4,249,869	\$4,250,626	\$4,490,424	\$4,386,245	\$5,906,488	\$4,497,992	\$4,678,140	\$4,491,073	\$4,323,283
FUND EQUITY												
Invested in Capital Assets, net of related debt	\$104,591	\$98,723	\$98,849	\$98,849	\$92,230	\$95,333	\$96,465	\$99,515	\$100,173	\$99,824	\$102,476	\$105,432
Restricted Equity	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600
Minimum Tangible Net Equity	\$204,247	\$207,029	\$206,981	\$206,981	\$208,364	\$212,637	\$214,911	\$218,383	\$219,432	\$230,007	\$234,133	\$233,508
Board Designated Funds	\$106,837	\$104,822	\$113,719	\$107,669	\$106,809	\$103,706	\$100,888	\$98,646	\$94,807	\$92,624	\$98,903	\$96,657
Unrestricted Net Assets	\$650,594	\$676,180	\$686,228	\$678,561	\$718,747	\$732,399	\$817,702	\$870,190	\$952,707	\$995,335	\$1,001,207	\$1,109,802
Total Fund Equity	\$1,066,868	\$1,087,354	\$1,106,377	\$1,092,660	\$1,126,751	\$1,144,676	\$1,230,566	\$1,287,334	\$1,367,719	\$1,418,390	\$1,437,319	\$1,545,999
TOTAL LIABILITIES AND FUND EQUITY	\$4,926,919	\$5,833,900	\$5,255,144	\$5,342,529	\$5,377,377	\$5,635,100	\$5,616,811	\$7,193,822	\$5,865,711	\$6,096,530	\$5,928,393	\$5,869,282
Solvency Ratios												
Working Capital Ratio	1.25	1.19	1.23	1.22	1.23	1.22	1.24	1.19	1.27	1.27	1.28	1.32
Cash to Claims Ratio	0.49	0.63	0.46	0.48	0.48	0.54	0.51	0.88	0.64	0.67	0.68	0.72
Tangible Net Equity Ratio	5.22	5.25	5.35	5.28	5.41	5.38	5.73	5.89	6.23	6.17	6.14	6.62



Cash Flows Statement (\$ in thousands)

July 2023

	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	YTD
Cash Flows from Operating Activities:											
Capitation Revenue	\$ 763,710	\$ 817,194	\$ 840,632	\$ 1,017,855	\$ 803,604	\$ 1,185,273	\$ 969,307	\$ 1,069,372	\$ 1,074,209	\$ 1,007,219	\$ 9,548,375
Other Income (Expense), net	\$ 6,284	\$ (1,516)	\$ 6,286	\$ 788	\$ 3,433	\$ 2,910	\$ 10,472	\$ 5,794	\$ 3,259	\$ 5,220	\$ 42,930
Healthcare Expenses	\$ (737,336)	\$ (716,891)	\$ (781,483)	\$ (839,834)	\$ (651,002)	\$ (878,499)	\$ (672,951)	\$ (908,413)	\$ (1,180,804)	\$ (813,702)	\$ (8,180,915)
Operating Expenses	\$ (29,792)	\$ (36,802)	\$ (54,221)	\$ (29,955)	\$ (37,060)	\$ (48,926)	\$ (31,299)	\$ (51,083)	\$ (41,596)	\$ (38,732)	\$ (399,466)
Net Cash Provided By Operating Activities	\$ 2,866	\$ 61,985	\$ 11,214	\$ 148,854	\$ 118,975	\$ 260,758	\$ 275,529	\$ 115,670	\$ (144,932)	\$ 160,005	\$ 1,010,924
Cash Flows from Investing Activities											
Purchase of investments - Net	\$ (65,406)	\$ (114,037)	\$ (94,704)	\$ (57,274)	\$ (57,555)	\$ 152,854	\$ (9,712)	\$ (127,718)	\$ (17,103)	\$ (324,584)	\$ (715,239)
Purchase of Capital Assets	\$ (2,036)	\$ (1,650)	\$ (1,538)	\$ (2,652)	\$ (3,361)	\$ (4,585)	\$ (2,356)	\$ (1,632)	\$ (4,317)	\$ (6,386)	\$ (30,513)
Net Cash Provided By Investing Activities	\$ (67,442)	\$ (115,687)	\$ (96,242)	\$ (59,926)	\$ (60,916)	\$ 148,269	\$ (12,068)	\$ (129,350)	\$ (21,420)	\$ (330,970)	\$ (745,752)
Cash Flows from Financing Activities:											
Lease Payment - Capital & ROU	\$ -	\$ -	\$ (2,833)	\$ (1,171)	\$ (1,713)	\$ (1,454)	\$ (1,444)	\$ (1,517)	\$ 45	\$ (10,087)	\$ (10,087)
Gross Premium Tax (MCO Sales Tax) - Net	\$ (39,300)	\$ 25,277	\$ 16,069	\$ (34,639)	\$ 21,457	\$ (109)	\$ 15,639	\$ 33	\$ 17,670	\$ (119)	\$ 21,978
Pass through transactions (AB 85, IGT, etc.)	\$ (575,356)	\$ 12	\$ (15,957)	\$ 135,967	\$ (131,768)	\$ 1,194,616	\$ (1,187,876)	\$ (4,944)	\$ (721)	\$ (408)	\$ (586,435)
Net Cash Provided By Financing Activities	\$ (614,656)	\$ 25,289	\$ 112	\$ 98,495	\$ (111,482)	\$ 1,192,794	\$ (1,173,691)	\$ (6,355)	\$ 15,432	\$ (482)	\$ (574,544)
Net Increase in Cash and Cash Equivalents	\$ (679,232)	\$ (28,413)	\$ (84,916)	\$ 187,423	\$ (53,423)	\$ 1,601,821	\$ (910,230)	\$ (20,035)	\$ (150,920)	\$ (171,447)	\$ (309,372)
Cash and Cash Equivalents, Beginning	\$ 1,239,407	\$ 560,175	\$ 531,762	\$ 446,846	\$ 634,269	\$ 580,846	\$ 2,182,667	\$ 1,272,437	\$ 1,252,402	\$ 1,101,482	\$ 1,239,407
Cash and Cash Equivalents, Ending	\$ 560,175	\$ 531,762	\$ 446,846	\$ 634,269	\$ 580,846	\$ 2,182,667	\$ 1,272,437	\$ 1,252,402	\$ 1,101,482	\$ 930,035	\$ 930,035
Reconciliation of Income from Operations to Net Cash Provided By (Used In) Operating Activities:											
Excess of Revenues over Expenses	\$ 19,023	\$ (13,716)	\$ 34,090	\$ 17,925	\$ 85,890	\$ 56,768	\$ 80,385	\$ 50,671	\$ 18,929	\$ 107,461	\$ 457,426
Adjustments to Excess of Revenues Over Expenses:											
Depreciation	\$ 1,910	\$ 1,912	\$ 5,393	\$ 3,211	\$ 3,400	\$ 3,151	\$ 3,153	\$ 3,424	\$ 3,321	\$ 3,385	\$ 32,260
Realized and Unrealized (Gain)/Loss on Investments	\$ 2,065	\$ (5,545)	\$ (728)	\$ (4,096)	\$ 4,937	\$ (6,469)	\$ (1,493)	\$ 3,967	\$ 2,248	\$ (1,391)	\$ (6,505)
Deferred Rent	\$ (9)	\$ 47	\$ (2,813)	\$ (6)	\$ 50	\$ 50	\$ 107	\$ 50	\$ (6)	\$ 2,975	\$ 445
Gross Premium Tax provision	\$ (708)	\$ (778)	\$ (862)	\$ (2,376)	\$ 580	\$ 148	\$ (465)	\$ 5	\$ 13,340	\$ 137	\$ 9,021
Loss on Disposal of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3)	\$ 3	\$ -	\$ -	\$ -	\$ -
Total Adjustments to Excess of Revenues over Expenses	\$ 3,258	\$ (4,364)	\$ 990	\$ (3,267)	\$ 8,967	\$ (3,123)	\$ 1,305	\$ 7,446	\$ 18,903	\$ 5,106	\$ 35,221
Changes in Operating Assets and Liabilities:											
Capitation Receivable	\$ (32,935)	\$ (3,386)	\$ (19,040)	\$ 32,496	\$ (95,242)	\$ (132,584)	\$ 329,870	\$ (107,655)	\$ 21,149	\$ 230,668	\$ 223,341
Interest and Non-Operating Receivables	\$ 277	\$ (941)	\$ 3,653	\$ (1,790)	\$ (652)	\$ (3,553)	\$ 3,543	\$ (1,263)	\$ (4,579)	\$ (628)	\$ (5,933)
Prepaid and Other Current Assets	\$ 5,448	\$ (1,775)	\$ (11,846)	\$ 7,691	\$ 2,710	\$ (2,922)	\$ 79,700	\$ (747)	\$ (14,514)	\$ (13,418)	\$ 50,327
Accounts Payable and Accrued Liabilities	\$ 2,713	\$ 2,806	\$ (6,256)	\$ 4,546	\$ (2,255)	\$ (3,903)	\$ 4,517	\$ (4,260)	\$ 2,452	\$ 759	\$ 1,119
Subcapitation Payable	\$ 28,522	\$ 57,608	\$ 11,307	\$ 43,530	\$ 151,132	\$ (2,762)	\$ 62,977	\$ (20,456)	\$ (285,899)	\$ 55,277	\$ 101,236
MediCal Adult Expansion Payable	\$ 3	\$ (649)	\$ 1	\$ -	\$ 1	\$ -	\$ (31,083)	\$ -	\$ -	\$ 4,128	\$ (27,599)
Deferred Capitation Revenue	\$ (25,814)	\$ (1,348)	\$ 492	\$ 55,505	\$ (75,730)	\$ 340,273	\$ (322,939)	\$ 101,408	\$ 53,684	\$ (217,061)	\$ (91,530)
Accrued Medical Expenses	\$ (6,449)	\$ 4,176	\$ (2,080)	\$ 4,932	\$ 3,129	\$ 10,758	\$ 19,986	\$ 107,025	\$ 14,977	\$ 9,606	\$ 166,060
Reserve for Claims	\$ 7,512	\$ 16,195	\$ 22,490	\$ 12,240	\$ 40,128	\$ 5,392	\$ 31,621	\$ (20,321)	\$ 12,569	\$ (16,075)	\$ 111,751
Reserve for Provider Incentives	\$ 421	\$ 5,561	\$ (22,425)	\$ (25,270)	\$ (403)	\$ (1,808)	\$ 13,478	\$ 4,384	\$ 17,825	\$ (3,547)	\$ (11,784)
Grants Payable	\$ 887	\$ 1,818	\$ (162)	\$ 316	\$ 1,300	\$ (1,778)	\$ 2,169	\$ (562)	\$ (428)	\$ (2,271)	\$ 1,289
Net Changes in Operating Assets and Liabilities	\$ (19,415)	\$ 80,065	\$ (23,866)	\$ 134,196	\$ 24,118	\$ 207,113	\$ 193,839	\$ 57,553	\$ (182,764)	\$ 47,438	\$ 518,277
Net Cash Provided By Operating Activities	\$ 2,866	\$ 61,985	\$ 11,214	\$ 148,854	\$ 118,975	\$ 260,758	\$ 275,529	\$ 115,670	\$ (144,932)	\$ 160,005	\$ 1,010,924



DATE: September 27, 2023
TO: Finance & Budget Committee
FROM: Afzal Shah, *Chief Financial Officer*

SUBJECT: Monthly Investment Portfolio Securities Transaction Report for July, 2023

To keep the Committee apprised of L.A. Care's investment portfolios and to comply with California Government Code Section 53607, attached are the monthly investment transaction details from July 1 to July 31, 2023.

L.A. Care's investment market value as of July 31, 2023, was \$2.7 billion. This includes our funds invested with the government pooled funds. L.A. Care has approximately \$35 million invested with the statewide Local Agency Investment Fund (LAIF), and approximately \$79 million invested with the Los Angeles County Pooled Investment Fund (LACPIF).

The remainder as of July 31, 2023, of \$2.6 billion is managed by two independent asset managers, 1) Payden & Rygel and 2) New England Asset Management (NEAM) and is divided into three portfolios based on investment style,

1. Payden & Rygel - Short-term portfolio
2. Payden & Rygel - Extended term portfolio
3. New England Asset Management - Corporate notes extended term portfolio

The transactions within these three portfolios are included in the attached reports.

LA Care, as a California government entity, only makes investments in bonds/fixed income, as per the California Government Code. The entries on the Investment Securities Portfolio Transaction Report reflect transactions undertaken by financial management companies on L.A. Care's behalf. L.A. Care does not direct these individual transactions. The firms, managing investments on behalf of L.A. Care, conduct the transactions based on L.A. Care's investment guidelines.

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

07/01/2023
through 07/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
07/05/23	07/05/23	Buy	22,500,000.000	CREDIT AGRICOLE CP MAT 07/06/23 Cpn 22533UU68	(22,496,868.75)		0.00	0.00	(22,496,868.75)
07/05/23	07/05/23	Buy	31,000,000.000	FHLB DISCOUNT NOTE MAT 07/06/23 Cpn 313384HU6	(30,995,720.28)		0.00	0.00	(30,995,720.28)
07/05/23	07/05/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/06/23 Cpn 313384HU6	(49,993,097.22)		0.00	0.00	(49,993,097.22)
07/05/23	07/05/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/06/23 Cpn 313384HU6	(49,993,097.22)		0.00	0.00	(49,993,097.22)
07/07/23	07/07/23	Buy	17,500,000.000	BAYERISCHE LANDESBANK CP MAT 08/07/23 Cpn 07274MV77	(17,421,940.28)		0.00	0.00	(17,421,940.28)
07/07/23	07/07/23	Buy	47,500,000.000	FHLB DISCOUNT NOTE MAT 07/10/23 Cpn 313384HY8	(47,480,208.33)		0.00	0.00	(47,480,208.33)
07/07/23	07/07/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/10/23 Cpn 313384HY8	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/07/23	07/07/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/10/23 Cpn 313384HY8	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/07/23	07/07/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/10/23 Cpn 313384HY8	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/07/23	07/07/23	Buy	22,500,000.000	PACCAR FINANCIAL CP MAT 08/03/23 Cpn 69372BV31	(22,413,937.50)		0.00	0.00	(22,413,937.50)
07/07/23	07/07/23	Buy	20,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/10/23 Cpn 21687BUA7	(19,991,600.00)		0.00	0.00	(19,991,600.00)
07/07/23	07/07/23	Buy	22,500,000.000	SUMITOMO MITSUI CP 144A MAT 08/01/23 Cpn 86563HV15	(22,418,750.00)		0.00	0.00	(22,418,750.00)
07/10/23	07/10/23	Buy	15,000,000.000	CREDIT AGRICOLE CP MAT 07/11/23 Cpn 22533UUB7	(14,997,912.50)		0.00	0.00	(14,997,912.50)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

07/01/2023
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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
07/07/23	07/10/23	Buy	15,000,000.000	CUMMINS INC CP 144A MAT 08/14/23 Cpn 23102VVE7	(14,924,166.67)		0.00	0.00	(14,924,166.67)
07/10/23	07/10/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	(49,993,055.56)		0.00	0.00	(49,993,055.56)
07/10/23	07/10/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	(49,993,055.56)		0.00	0.00	(49,993,055.56)
07/10/23	07/10/23	Buy	10,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	(9,998,611.11)		0.00	0.00	(9,998,611.11)
07/10/23	07/10/23	Buy	45,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	(44,993,750.00)		0.00	0.00	(44,993,750.00)
07/10/23	07/10/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	(49,993,055.56)		0.00	0.00	(49,993,055.56)
07/10/23	07/10/23	Buy	8,000,000.000	NY LONG ISLAND POWER AUTH CP MAT 09/07/23 Cpn 5.38 54270XCU9	(7,999,736.00)		0.00	0.00	(7,999,736.00)
07/07/23	07/10/23	Buy	17,000,000.000	MERCEDES-BENZ CP 144A MAT 08/09/23 Cpn 58768KV93	(16,926,475.00)		0.00	0.00	(16,926,475.00)
07/10/23	07/10/23	Buy	23,000,000.000	NORDEA BANK CP 144A MAT 07/11/23 Cpn 65558KUB8	(22,996,780.00)		0.00	0.00	(22,996,780.00)
07/10/23	07/10/23	Buy	12,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/11/23 Cpn 21687BUB5	(11,998,320.00)		0.00	0.00	(11,998,320.00)
07/10/23	07/10/23	Buy	22,000,000.000	SOUTHERN CALIF GAS CP 144A MAT 07/12/23 Cpn 84243MUC4	(21,993,827.78)		0.00	0.00	(21,993,827.78)
07/07/23	07/10/23	Buy	9,250,000.000	TORONTO-DOMINION NY YCD FRN MAT 04/01/24 Cpn 5.59 89115BRU6	(9,250,000.00)		0.00	0.00	(9,250,000.00)
07/10/23	07/11/23	Buy	40,000,000.000	U.S. TREASURY BILL MAT 08/10/23 Cpn 912796XY0	(39,829,100.00)		0.00	0.00	(39,829,100.00)

TRANSACTIONS BY TYPE

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**07/01/2023
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<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/10/23	07/11/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/15/23 Cpn 912797GG6	(49,750,065.97)		0.00	0.00	(49,750,065.97)
07/10/23	07/11/23	Buy	35,000,000.000	U.S. TREASURY BILL MAT 08/08/23 Cpn 912797GF8	(34,859,873.61)		0.00	0.00	(34,859,873.61)
07/10/23	07/11/23	Buy	30,000,000.000	U.S. TREASURY BILL MAT 08/08/23 Cpn 912797GF8	(29,879,891.67)		0.00	0.00	(29,879,891.67)
07/10/23	07/11/23	Buy	9,000,000.000	BPCE CP 144A MAT 08/01/23 Cpn 05571CV16	(8,972,595.00)		0.00	0.00	(8,972,595.00)
07/10/23	07/11/23	Buy	15,000,000.000	FED CAISSE DESJARDINS CP 144A MAT 08/11/23 Cpn 31428GVB6	(14,932,833.33)		0.00	0.00	(14,932,833.33)
07/11/23	07/11/23	Buy	42,000,000.000	FHLB DISCOUNT NOTE MAT 07/12/23 Cpn 313384JA8	(41,994,166.67)		0.00	0.00	(41,994,166.67)
07/10/23	07/11/23	Buy	5,000,000.000	KAISER FOUNDATION CP MAT 08/10/23 Cpn 48306BVA0	(4,978,207.92)		0.00	0.00	(4,978,207.92)
07/11/23	07/11/23	Buy	6,000,000.000	NORDEA BANK CP 144A MAT 07/12/23 Cpn 65558KUC6	(5,999,160.00)		0.00	0.00	(5,999,160.00)
07/11/23	07/11/23	Buy	25,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/12/23 Cpn 21687BUC3	(24,996,500.00)		0.00	0.00	(24,996,500.00)
07/11/23	07/12/23	Buy	47,000,000.000	U.S. TREASURY BILL MAT 08/17/23 Cpn 912796Z36	(46,756,728.00)		0.00	0.00	(46,756,728.00)
07/11/23	07/12/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/17/23 Cpn 912796Z36	(49,741,200.00)		0.00	0.00	(49,741,200.00)
07/11/23	07/12/23	Buy	4,000,000.000	ONTARIO TEACHER CP 144A MAT 08/03/23 Cpn 68328HV35	(3,987,288.89)		0.00	0.00	(3,987,288.89)
07/13/23	07/13/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 11/09/23 Cpn 912797FJ1	(49,135,597.22)		0.00	0.00	(49,135,597.22)

TRANSACTIONS BY TYPE

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<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/13/23	07/13/23	Buy	15,000,000.000	U.S. TREASURY BILL MAT 11/09/23 Cpn 912797FJ1	(14,740,679.17)		0.00	0.00	(14,740,679.17)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/11/24 Cpn 912797GC5	(48,683,350.69)		0.00	0.00	(48,683,350.69)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 01/11/24 Cpn 912797GC5	(48,683,350.69)		0.00	0.00	(48,683,350.69)
07/13/23	07/14/23	Buy	15,000,000.000	U.S. TREASURY BILL MAT 08/17/23 Cpn 912796Z36	(14,927,041.67)		0.00	0.00	(14,927,041.67)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/17/23 Cpn 912796Z36	(49,756,805.56)		0.00	0.00	(49,756,805.56)
07/13/23	07/14/23	Buy	35,000,000.000	U.S. TREASURY BILL MAT 09/05/23 Cpn 912797GR2	(34,732,261.67)		0.00	0.00	(34,732,261.67)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/24/23 Cpn 912797HC4	(49,261,916.67)		0.00	0.00	(49,261,916.67)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/24/23 Cpn 912797HC4	(49,261,916.67)		0.00	0.00	(49,261,916.67)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 11/07/23 Cpn 912797HJ9	(49,157,388.89)		0.00	0.00	(49,157,388.89)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 11/07/23 Cpn 912797HJ9	(49,157,388.89)		0.00	0.00	(49,157,388.89)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/08/23 Cpn 912797GF8	(49,821,354.17)		0.00	0.00	(49,821,354.17)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/08/23 Cpn 912797GF8	(49,821,354.17)		0.00	0.00	(49,821,354.17)
07/14/23	07/14/23	Buy	30,000,000.000	CREDIT AGRICOLE CP MAT 07/17/23 Cpn 22533UUH4	(29,987,475.00)		0.00	0.00	(29,987,475.00)

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**07/01/2023
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<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/14/23	07/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/14/23	07/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/14/23	07/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/14/23	07/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/14/23	07/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/14/23	07/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/14/23	07/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/14/23	07/14/23	Buy	35,500,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	(35,485,208.33)		0.00	0.00	(35,485,208.33)
07/14/23	07/14/23	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	(49,979,166.67)		0.00	0.00	(49,979,166.67)
07/13/23	07/14/23	Buy	10,000,000.000	MERCEDES-BENZ CP 144A MAT 08/14/23 Cpn 58768KVE2	(9,954,705.56)		0.00	0.00	(9,954,705.56)
07/14/23	07/14/23	Buy	29,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/17/23 Cpn 21687BUH2	(28,987,820.00)		0.00	0.00	(28,987,820.00)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37	(49,859,027.78)		0.00	0.00	(49,859,027.78)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37	(49,859,027.78)		0.00	0.00	(49,859,027.78)

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**07/01/2023
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<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37	(49,859,027.78)		0.00	0.00	(49,859,027.78)
07/13/23	07/14/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37	(49,859,027.78)		0.00	0.00	(49,859,027.78)
07/14/23	07/17/23	Buy	20,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	(19,991,662.50)		0.00	0.00	(19,991,662.50)
07/14/23	07/17/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	(49,979,156.25)		0.00	0.00	(49,979,156.25)
07/14/23	07/17/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	(49,979,156.25)		0.00	0.00	(49,979,156.25)
07/14/23	07/17/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	(49,979,156.25)		0.00	0.00	(49,979,156.25)
07/14/23	07/17/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	(49,979,156.25)		0.00	0.00	(49,979,156.25)
07/14/23	07/17/23	Buy	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	(49,979,156.25)		0.00	0.00	(49,979,156.25)
07/14/23	07/17/23	Buy	15,000,000.000	BAYERISCHE LANDESBANK CP MAT 07/24/23 Cpn 07274MUQ6	(14,985,270.83)		0.00	0.00	(14,985,270.83)
07/17/23	07/17/23	Buy	31,500,000.000	CREDIT AGRICOLE CP MAT 07/19/23 Cpn 22533UUK7	(31,491,232.50)		0.00	0.00	(31,491,232.50)
07/17/23	07/17/23	Buy	18,000,000.000	FHLB DISCOUNT NOTE MAT 07/18/23 Cpn 313384JG5	(17,997,500.00)		0.00	0.00	(17,997,500.00)
07/14/23	07/17/23	Buy	15,000,000.000	PACCAR FINANCIAL CP MAT 07/18/23 Cpn 69372BUJ7	(14,997,883.33)		0.00	0.00	(14,997,883.33)
07/17/23	07/17/23	Buy	29,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/18/23 Cpn 21687BUJ8	(28,995,940.00)		0.00	0.00	(28,995,940.00)

TRANSACTIONS BY TYPE

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**07/01/2023
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<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/11/23	07/18/23	Buy	5,000,000.000	BMWOT 2023-A A2A CAR MAT 04/27/26 Cpn 5.72 05592XAB6	(4,999,774.00)		0.00	0.00	(4,999,774.00)
07/14/23	07/18/23	Buy	10,000,000.000	INTER-AMERICAN DEV BANK FRN MAT 02/10/26 Cpn 5.28 4581X0DT2	(9,992,200.00)	(101,154.00)	0.00	0.00	(10,093,354.00)
07/18/23	07/18/23	Buy	8,700,000.000	SC SOUTH CAROLINA PUB SVC CP MAT 09/12/23 Cpn 5.42 83708BCB0	(8,700,000.00)		0.00	0.00	(8,700,000.00)
07/17/23	07/18/23	Buy	10,000,000.000	SWEDBANK NY YCD FRN SOFRRRA MAT 04/12/24 Cpn 5.84 87019WNH4	(10,000,000.00)		0.00	0.00	(10,000,000.00)
07/19/23	07/19/23	Buy	20,000,000.000	FHLB DISCOUNT NOTE MAT 07/20/23 Cpn 313384JJ9	(19,997,211.11)		0.00	0.00	(19,997,211.11)
07/11/23	07/19/23	Buy	2,800,000.000	GMCAR 2023-3 A2A CAR MAT 09/16/26 Cpn 5.74 36267KAB3	(2,799,949.32)		0.00	0.00	(2,799,949.32)
07/11/23	07/19/23	Buy	3,400,000.000	HART 2023-B A2A CAR MAT 05/15/26 Cpn 5.77 44933XAB3	(3,399,933.02)		0.00	0.00	(3,399,933.02)
07/19/23	07/19/23	Buy	25,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/20/23 Cpn 21687BUL3	(24,996,500.00)		0.00	0.00	(24,996,500.00)
07/11/23	07/21/23	Buy	3,200,000.000	MMAF 2023-A A1 EQP 144A MAT 08/09/24 Cpn 55317WAA9	(3,200,000.00)		0.00	0.00	(3,200,000.00)
07/24/23	07/24/23	Buy	20,000,000.000	FHLB DISCOUNT NOTE MAT 07/25/23 Cpn 313384JP5	(19,997,211.11)		0.00	0.00	(19,997,211.11)
07/25/23	07/25/23	Buy	15,000,000.000	FHLB DISCOUNT NOTE MAT 07/26/23 Cpn 313384JQ3	(14,997,908.33)		0.00	0.00	(14,997,908.33)
07/18/23	07/26/23	Buy	4,200,000.000	CARMX 2023-3 A1 CAR MAT 07/15/24 Cpn 5.63 14319BAA0	(4,200,000.00)		0.00	0.00	(4,200,000.00)
07/18/23	07/26/23	Buy	2,900,000.000	KCOT 2023-2A A1 EQP 144A MAT 07/15/24 Cpn 5.62 500945AA8	(2,900,000.00)		0.00	0.00	(2,900,000.00)

TRANSACTIONS BY TYPE

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07/19/23	07/27/23	Buy	3,500,000.000	TESLA 2023-A A1 LEASE 144A MAT 07/22/24 Cpn 5.63 88167PAA6	(3,500,000.00)		0.00	0.00	(3,500,000.00)
07/25/23	07/31/23	Buy	5,000,000.000	BAAT 2023-1A A2 CAR 144A MAT 05/15/26 Cpn 5.83 06428AAB4	(4,999,800.50)		0.00	0.00	(4,999,800.50)
			2,904,450,000.000		(2,893,739,893.69)	(101,154.00)	0.00	0.00	(2,893,841,047.69)
07/03/23	07/03/23	Coupon		INTL FINANCE CORP FRN SOFRRA MAT 04/03/24 Cpn 5.18 45950VQM1		93,341.35	0.00	0.00	93,341.35
07/05/23	07/05/23	Coupon		CA STATE GO/ULT TXB MAT 07/05/23 Cpn 5.25 13068BJR9		79,109.59	0.00	0.00	79,109.59
07/10/23	07/10/23	Coupon		BANK OF AMERICA MAT 07/10/23 Cpn 5.13 06052TU32		132,525.00	0.00	0.00	132,525.00
07/10/23	07/10/23	Coupon		CRVNA 2021-P4 A2 CAR MAT 04/10/25 Cpn 0.82 14687KAB2		324.20	0.00	0.00	324.20
07/10/23	07/10/23	Coupon		CRVNA 2023-P2 A1 CAR 144A MAT 06/10/24 Cpn 5.59 14686TAA6		5,691.00	0.00	0.00	5,691.00
07/10/23	07/10/23	Coupon		FHLB C 7/10/23 Q MAT 01/10/24 Cpn 5.00 3130AUGN8		188,541.67	0.00	0.00	188,541.67
07/10/23	07/10/23	Coupon		MMAF 2022-B A1 EQP 144A MAT 12/01/23 Cpn 4.92 606940AA2		4,258.35	0.00	0.00	4,258.35
07/12/23	07/12/23	Coupon		BANK OF AMERICA MAT 07/12/23 Cpn 5.15 06052TT59		168,679.67	0.00	0.00	168,679.67
07/14/23	07/14/23	Coupon		CA SAN FRAN PUB CP TXB MAT 07/14/23 Cpn 5.30 79770TRE0		50,350.00	0.00	0.00	50,350.00
07/15/23	07/15/23	Coupon		ALLYA 2022-2 A2 CAR MAT 10/15/25 Cpn 4.62 02008MAB5		11,316.60	0.00	0.00	11,316.60

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07/15/23	07/15/23	Coupon		CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4		2,887.15	0.00	0.00	2,887.15
07/15/23	07/15/23	Coupon		CNH 2021-C A2 EQP MAT 01/15/25 Cpn 0.33 12598LAB2		216.77	0.00	0.00	216.77
07/15/23	07/15/23	Coupon		FORDL 2022-A A3 LEASE MAT 05/15/25 Cpn 3.23 34528LAD7		8,344.17	0.00	0.00	8,344.17
07/15/23	07/15/23	Coupon		HAROT 2022-1 A2 CAR MAT 10/15/24 Cpn 1.44 43815BAB6		2,223.23	0.00	0.00	2,223.23
07/15/23	07/15/23	Coupon		HAROT 2023-2 A2 CAR MAT 04/15/26 Cpn 5.41 437927AB2		28,177.08	0.00	0.00	28,177.08
07/15/23	07/15/23	Coupon		HART 2019-B A4 CAR MAT 04/15/25 Cpn 2.00 44891JAD0		2,163.96	0.00	0.00	2,163.96
07/15/23	07/15/23	Coupon		HART 2021-C A3 CAR MAT 05/15/26 Cpn 0.74 44935FAD6		2,960.00	0.00	0.00	2,960.00
07/15/23	07/15/23	Coupon		JOHN DEERE 2020-B A3 EQP MAT 11/15/24 Cpn 0.51 47787NAC3		343.45	0.00	0.00	343.45
07/15/23	07/15/23	Coupon		MA ST SPL OBLG REV-SOCIAL TXB MAT 07/15/23 Cpn 3.56 576004GV1		63,439.20	0.00	0.00	63,439.20
07/15/23	07/15/23	Coupon		TAOT 2022-C A2A CAR MAT 08/15/25 Cpn 4.19 89231CAB3		14,052.53	0.00	0.00	14,052.53
07/15/23	07/15/23	Coupon		WORLD OMNI 2020-C A4 CAR MAT 10/15/26 Cpn 0.61 98163CAF7		2,541.67	0.00	0.00	2,541.67
07/15/23	07/15/23	Coupon		WOART 2022-B A2A CAR MAT 10/15/25 Cpn 2.77 98163QAB5		5,750.53	0.00	0.00	5,750.53
07/15/23	07/15/23	Coupon		WOART 2023-A A2A CAR MAT 07/15/26 Cpn 5.18 98164JAB0		23,741.67	0.00	0.00	23,741.67

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07/15/23	07/15/23	Coupon		WOLS 2022-A A2 LEASE MAT 10/15/24 Cpn 2.63 98163NAB2		1,526.50	0.00	0.00	1,526.50
07/16/23	07/16/23	Coupon		GMCAR 2021-4 A3 CAR MAT 09/16/26 Cpn 0.68 362554AC1		2,833.33	0.00	0.00	2,833.33
07/17/23	07/17/23	Coupon		CARMX 2023-1 A1 CAR MAT 02/15/24 Cpn 4.96 14318DAA7		3,784.27	0.00	0.00	3,784.27
07/17/23	07/17/23	Coupon		CARMX 2023-2 A1 CAR MAT 05/15/24 Cpn 5.51 142921AA3		26,294.50	0.00	0.00	26,294.50
07/17/23	07/17/23	Coupon		CNH 2023-A A1 EQP MAT 05/15/24 Cpn 5.43 12664QAA2		25,375.25	0.00	0.00	25,375.25
07/17/23	07/17/23	Coupon		FORDL 2023-A A1 LEASE MAT 02/15/24 Cpn 4.96 345287AA4		1,294.70	0.00	0.00	1,294.70
07/17/23	07/17/23	Coupon		GALC 2022-1 A1 EQP 144A MAT 10/16/23 Cpn 4.34 39154TBU1		2,038.83	0.00	0.00	2,038.83
07/17/23	07/17/23	Coupon		GALC 2023-1 A1 EQP 144A MAT 06/14/24 Cpn 5.52 39154TCA4		13,829.97	0.00	0.00	13,829.97
07/17/23	07/17/23	Coupon		GMCAR 2023-1 A1 CAR MAT 01/16/24 Cpn 4.89 38013JAA1		5,570.28	0.00	0.00	5,570.28
07/17/23	07/17/23	Coupon		GMCAR 2023-2 A1 CAR MAT 04/16/24 Cpn 5.19 362583AA4		18,277.40	0.00	0.00	18,277.40
07/17/23	07/17/23	Coupon		HALST 2023-B A1 LEASE 144A MAT 05/15/24 Cpn 5.25 448980AA0		15,602.08	0.00	0.00	15,602.08
07/17/23	07/17/23	Coupon		HART 2023-A A1 CAR MAT 04/15/24 Cpn 5.17 448979AA2		12,079.21	0.00	0.00	12,079.21
07/17/23	07/17/23	Coupon		KCOT 2023-1A A1 EQP 144A MAT 03/15/24 Cpn 5.29 50117KAA8		17,797.78	0.00	0.00	17,797.78

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07/17/23	07/17/23	Coupon		NALT 2023-A A1 LEASE MAT 02/15/24 Cpn 4.97 65480VAA1		5,522.96	0.00	0.00	5,522.96
07/17/23	07/17/23	Coupon		NAROT 2023-A A1 CAR MAT 05/15/24 Cpn 5.42 65480WAA9		26,267.25	0.00	0.00	26,267.25
07/17/23	07/17/23	Coupon		TAOT 2023-A A1 CAR MAT 01/15/24 Cpn 4.84 891940AA6		2,888.37	0.00	0.00	2,888.37
07/17/23	07/17/23	Coupon		TAOT 2023-B A1 CAR MAT 05/15/24 Cpn 5.23 891941AA4		31,458.68	0.00	0.00	31,458.68
07/17/23	07/17/23	Coupon		WOART 2023-B A1 CAR MAT 04/15/24 Cpn 5.32 98164QAA6		30,908.04	0.00	0.00	30,908.04
07/17/23	07/17/23	Coupon		WOLS 2023-A A1 LEASE MAT 05/15/24 Cpn 5.22 981944AA9		6,604.11	0.00	0.00	6,604.11
07/18/23	07/18/23	Coupon		SC SANTEE COOPER CP TXB MAT 07/18/23 Cpn 5.25 83708BBT2		102,083.33	0.00	0.00	102,083.33
07/20/23	07/20/23	Coupon		DLLAD 2023-1A A1 EQP 144A MAT 02/20/24 Cpn 5.01 233258AA0		3,022.88	0.00	0.00	3,022.88
07/20/23	07/20/23	Coupon		DLLMT 2023-1A A1 EQP 144A MAT 05/20/24 Cpn 5.53 232989AA1		24,722.27	0.00	0.00	24,722.27
07/20/23	07/20/23	Coupon		ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3		1,161.86	0.00	0.00	1,161.86
07/20/23	07/20/23	Coupon		ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3		773.65	0.00	0.00	773.65
07/20/23	07/20/23	Coupon		ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2		1,249.11	0.00	0.00	1,249.11
07/20/23	07/20/23	Coupon		ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2		147.19	0.00	0.00	147.19

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07/20/23	07/20/23	Coupon		EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9		7,016.38	0.00	0.00	7,016.38
07/20/23	07/20/23	Coupon		EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9		7,124.32	0.00	0.00	7,124.32
07/20/23	07/20/23	Coupon		EFF 2023-2 A1 FLEET 144A MAT 06/20/24 Cpn 5.79 29375NAA3		16,213.46	0.00	0.00	16,213.46
07/20/23	07/20/23	Coupon		GMALT 2021-2 A LEASE MAT 05/20/25 Cpn 0.41 380144AD7		717.50	0.00	0.00	717.50
07/20/23	07/20/23	Coupon		GMALT 2023-1 A2A LEASE MAT 06/20/25 Cpn 5.27 362541AB0		11,857.50	0.00	0.00	11,857.50
07/20/23	07/20/23	Coupon		GMALT 2023-2 A1 LEASE MAT 05/20/24 Cpn 5.45 362548AA7		21,842.87	0.00	0.00	21,842.87
07/20/23	07/20/23	Coupon		SFAST 2023-1 A1 CAR 144A MAT 07/22/24 Cpn 5.57 78398AAA1		15,770.33	0.00	0.00	15,770.33
07/20/23	07/20/23	Coupon		SRT 2021-A A3 LEASE 144A MAT 07/22/24 Cpn 0.51 80286TAC7		809.12	0.00	0.00	809.12
07/20/23	07/20/23	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		233.15	0.00	0.00	233.15
07/20/23	07/20/23	Coupon		TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3		556.66	0.00	0.00	556.66
07/20/23	07/20/23	Coupon		TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3		814.94	0.00	0.00	814.94
07/20/23	07/20/23	Coupon		VALET 2023-1 A2A CAR MAT 12/21/26 Cpn 5.50 92867WAB4		7,333.33	0.00	0.00	7,333.33
07/24/23	07/24/23	Coupon		DEFT 2023-2 A1 EQP 144A MAT 06/24/24 Cpn 5.64 24703GAA2		16,051.20	0.00	0.00	16,051.20

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07/24/23	07/24/23	Coupon		PFAST 2023-1A A1 CAR 144A MAT 05/22/24 Cpn 5.37 73328QAA2		56,362.31	0.00	0.00	56,362.31
07/25/23	07/25/23	Coupon		BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6		340.27	0.00	0.00	340.27
07/25/23	07/25/23	Coupon		FHMS KF36 A MAT 08/25/24 Cpn 5.56 3137FBAR7		36.80	0.00	0.00	36.80
07/25/23	07/25/23	Coupon		FHMS KF38 A MAT 09/25/24 Cpn 5.55 3137FBUC8		1,034.60	0.00	0.00	1,034.60
07/25/23	07/25/23	Coupon		FHMS KI06 A 1MOFRN CMBS MAT 03/25/25 Cpn 5.44 3137FVNA6		2,457.74	0.00	0.00	2,457.74
07/25/23	07/25/23	Coupon		FHMS KI07 A SOFRFRN MAT 09/25/26 Cpn 5.24 3137H3KA9		30,177.60	0.00	0.00	30,177.60
07/25/23	07/25/23	Coupon		FHMS KI08 A 1MOFRN CMBS MAT 10/25/26 Cpn 5.27 3137H4RC6		12,136.58	0.00	0.00	12,136.58
07/25/23	07/25/23	Coupon		FHMS Q015 A 1MOFRN CMBS MAT 08/25/24 Cpn 5.27 3137FYUR5		1,030.69	0.00	0.00	1,030.69
07/25/23	07/25/23	Coupon		FNMA C 7/25/23 1X MAT 01/25/24 Cpn 5.05 3135GADV0		189,375.00	0.00	0.00	189,375.00
07/27/23	07/27/23	Coupon		WI ASPIRUS HEALTH CP TXB MAT 07/27/23 Cpn 5.25 04537KAT6		32,722.60	0.00	0.00	32,722.60
						1,706,107.59	0.00	0.00	1,706,107.59

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07/01/23	07/01/23	Income	6,239.210	ADJ NET INT MAT	Cpn USD		6,239.21	0.00	0.00	6,239.21
07/01/23	07/01/23	Income	458,801.530	STIF INT MAT	Cpn USD		458,801.53	0.00	0.00	458,801.53
			465,040.740				465,040.74	0.00	0.00	465,040.74
07/13/23	07/13/23	Contributn	570,000,000.000	NM MAT	Cpn USD	570,000,000.00		0.00	0.00	570,000,000.00
07/14/23	07/14/23	Contributn	320,000,000.000	NM MAT	Cpn USD	320,000,000.00		0.00	0.00	320,000,000.00
			890,000,000.000			890,000,000.00		0.00	0.00	890,000,000.00
07/03/23	07/03/23	Sell Long	29,000,000.000	FFCB DISCOUNT NOTE MAT 07/05/23	Cpn 313312HT0	28,894,971.67	97,053.33	112.78	0.00	28,992,025.00
07/05/23	07/05/23	Sell Long	10,000,000.000	FHLB DISCOUNT NOTE MAT 07/10/23	Cpn 313384HY8	9,936,361.11	56,666.67	111.11	0.00	9,993,027.78
07/06/23	07/06/23	Sell Long	10,000,000.000	FHLB DISCOUNT NOTE MAT 07/10/23	Cpn 313384HY8	9,936,338.89	58,083.33	88.89	0.00	9,994,422.22
07/06/23	07/06/23	Sell Long	6,000,000.000	TVA DISCOUNT NOTE MAT 07/12/23	Cpn 880592JA9	5,982,410.00	12,550.00	(20.00)	0.00	5,994,960.00
07/06/23	07/06/23	Sell Long	44,000,000.000	TVA DISCOUNT NOTE MAT 07/12/23	Cpn 880592JA9	43,871,006.67	92,033.33	(146.67)	0.00	43,963,040.00
07/06/23	07/06/23	Sell Long	6,000,000.000	TVA DISCOUNT NOTE MAT 07/12/23	Cpn 880592JA9	5,982,385.00	12,575.00	(10.00)	0.00	5,994,960.00
07/10/23	07/10/23	Sell Long	3,600,000.000	FFCB DISCOUNT NOTE MAT 07/14/23	Cpn 313312JC5	3,568,913.00	29,087.00	(28.00)	0.00	3,598,000.00

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07/10/23	07/10/23	Sell Long	4,000,000.000	TVA DISCOUNT NOTE MAT 07/12/23 Cpn 880592JA9		3,988,267.78	10,618.89	4.45	0.00	3,998,886.67
07/18/23	07/18/23	Sell Long	3,050,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5		2,987,962.85	61,194.86	(52.68)	0.00	3,049,157.71
07/20/23	07/20/23	Sell Long	13,000,000.000	U.S. TREASURY BILL MAT 07/25/23 Cpn 912797FZ5		12,953,131.84	37,852.21	(3.52)	0.00	12,990,984.05
07/27/23	07/27/23	Sell Long	11,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37		10,738,494.10	250,383.68	(1,106.87)	0.00	10,988,877.78
07/27/23	07/27/23	Sell Long	24,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37		23,429,441.67	546,291.66	(2,415.00)	0.00	23,975,733.33
07/27/23	07/27/23	Sell Long	26,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37		25,926,062.50	47,648.61	(631.94)	0.00	25,973,711.11
07/31/23	07/31/23	Sell Long	4,000,000.000	U.S. TREASURY BILL MAT 08/03/23 Cpn 912796Y37		3,988,666.39	9,586.11	(55.83)	0.00	3,998,252.50
			193,650,000.000			192,184,413.46	1,321,624.69	(4,153.29)	0.00	193,506,038.15
07/10/23	07/10/23	Pay Princpl	412,380.752	CRVNA 2021-P4 A2 CAR MAT 04/10/25 Cpn 0.82 14687KAB2		412,380.75		0.00	9.58	412,380.75
07/10/23	07/10/23	Pay Princpl	509,950.466	CRVNA 2023-P2 A1 CAR 144A MAT 06/10/24 Cpn 5.59 14686TAA6		509,950.47		0.00	0.00	509,950.47
07/10/23	07/10/23	Pay Princpl	582,585.639	MMAF 2022-B A1 EQP 144A MAT 12/01/23 Cpn 4.92 606940AA2		582,585.64		0.00	0.00	582,585.64
07/15/23	07/15/23	Pay Princpl	315,844.643	ALLYA 2022-2 A2 CAR MAT 10/15/25 Cpn 4.62 02008MAB5		315,844.64		14.31	0.00	315,844.64
07/15/23	07/15/23	Pay Princpl	348,659.334	CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4		348,659.33		13,202.37	0.00	348,659.33

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07/15/23	07/15/23	Pay Princpl	510,153.900	CNH 2021-C A2 EQP MAT 01/15/25 Cpn 0.33 12598LAB2	510,153.90		0.00	4.84	510,153.90
07/15/23	07/15/23	Pay Princpl	357,468.351	HAROT 2022-1 A2 CAR MAT 10/15/24 Cpn 1.44 43815BAB6	357,468.35		0.00	7.98	357,468.35
07/15/23	07/15/23	Pay Princpl	574,190.935	HART 2019-B A4 CAR MAT 04/15/25 Cpn 2.00 44891JAD0	574,190.94		0.01	0.00	574,190.94
07/15/23	07/15/23	Pay Princpl	106,350.614	HART 2021-C A3 CAR MAT 05/15/26 Cpn 0.74 44935FAD6	106,350.61		4,209.38	0.00	106,350.61
07/15/23	07/15/23	Pay Princpl	194,177.661	JOHN DEERE 2020-B A3 EQP MAT 11/15/24 Cpn 0.51 47787NAC3	194,177.66		1,667.80	0.00	194,177.66
07/15/23	07/15/23	Pay Princpl	361,895.708	TAOT 2022-C A2A CAR MAT 08/15/25 Cpn 4.19 89231CAB3	361,895.71		17.89	0.00	361,895.71
07/15/23	07/15/23	Pay Princpl	296,506.951	WOART 2022-B A2A CAR MAT 10/15/25 Cpn 2.77 98163QAB5	296,506.95		0.00	12.66	296,506.95
07/15/23	07/15/23	Pay Princpl	138,674.169	WOLS 2022-A A2 LEASE MAT 10/15/24 Cpn 2.63 98163NAB2	138,674.17		0.00	1.32	138,674.17
07/16/23	07/16/23	Pay Princpl	168,985.287	GMCAR 2021-4 A3 CAR MAT 09/16/26 Cpn 0.68 362554AC1	168,985.29		7,540.36	0.00	168,985.29
07/17/23	07/17/23	Pay Princpl	622,363.445	CARMX 2023-1 A1 CAR MAT 02/15/24 Cpn 4.96 14318DAA7	622,363.45		0.01	0.00	622,363.45
07/17/23	07/17/23	Pay Princpl	1,271,611.369	CARMX 2023-2 A1 CAR MAT 05/15/24 Cpn 5.51 142921AA3	1,271,611.37		0.00	0.00	1,271,611.37
07/17/23	07/17/23	Pay Princpl	505,073.366	CNH 2023-A A1 EQP MAT 05/15/24 Cpn 5.43 12664QAA2	505,073.37		0.00	0.00	505,073.37
07/17/23	07/17/23	Pay Princpl	282,470.137	FORDL 2023-A A1 LEASE MAT 02/15/24 Cpn 4.96 345287AA4	282,470.14		0.00	0.00	282,470.14

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07/17/23	07/17/23	Pay Princpl	529,108.140	GALC 2022-1 A1 EQP 144A MAT 10/16/23 Cpn 4.34 39154TBU1	529,108.14		0.00	0.00	529,108.14
07/17/23	07/17/23	Pay Princpl	383,142.812	GALC 2023-1 A1 EQP 144A MAT 06/14/24 Cpn 5.52 39154TCA4	383,142.81		(0.00)	0.00	383,142.81
07/17/23	07/17/23	Pay Princpl	992,787.682	GMCAR 2023-1 A1 CAR MAT 01/16/24 Cpn 4.89 38013JAA1	992,787.68		(0.00)	0.00	992,787.68
07/17/23	07/17/23	Pay Princpl	1,306,400.800	GMCAR 2023-2 A1 CAR MAT 04/16/24 Cpn 5.19 362583AA4	1,306,400.80		(0.00)	0.00	1,306,400.80
07/17/23	07/17/23	Pay Princpl	939,040.074	HALST 2023-B A1 LEASE 144A MAT 05/15/24 Cpn 5.25 448980AA0	939,040.07		(0.00)	0.00	939,040.07
07/17/23	07/17/23	Pay Princpl	767,148.380	HART 2023-A A1 CAR MAT 04/15/24 Cpn 5.17 448979AA2	767,148.38		(0.00)	0.00	767,148.38
07/17/23	07/17/23	Pay Princpl	723,888.450	KCOT 2023-1A A1 EQP 144A MAT 03/15/24 Cpn 5.29 50117KAA8	723,888.45		(19.89)	0.00	723,888.45
07/17/23	07/17/23	Pay Princpl	619,405.681	NALT 2023-A A1 LEASE MAT 02/15/24 Cpn 4.97 65480VAA1	619,405.68		(0.00)	0.00	619,405.68
07/17/23	07/17/23	Pay Princpl	1,050,096.880	NAROT 2023-A A1 CAR MAT 05/15/24 Cpn 5.42 65480WAA9	1,050,096.88		0.00	0.00	1,050,096.88
07/17/23	07/17/23	Pay Princpl	460,925.859	TAOT 2023-A A1 CAR MAT 01/15/24 Cpn 4.84 891940AA6	460,925.86		0.00	0.00	460,925.86
07/17/23	07/17/23	Pay Princpl	1,419,281.541	TAOT 2023-B A1 CAR MAT 05/15/24 Cpn 5.23 891941AA4	1,419,281.54		(0.00)	0.00	1,419,281.54
07/17/23	07/17/23	Pay Princpl	1,766,713.960	WOART 2023-B A1 CAR MAT 04/15/24 Cpn 5.32 98164QAA6	1,766,713.96		0.00	0.00	1,766,713.96
07/17/23	07/17/23	Pay Princpl	598,019.435	WOLS 2023-A A1 LEASE MAT 05/15/24 Cpn 5.22 981944AA9	598,019.44		0.00	0.00	598,019.44

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07/20/23	07/20/23	Pay Princpl	239,829.529	DLLAD 2023-1A A1 EQP 144A MAT 02/20/24 Cpn 5.01 233258AA0	239,829.53		0.00	0.00	239,829.53
07/20/23	07/20/23	Pay Princpl	653,001.316	DLLMT 2023-1A A1 EQP 144A MAT 05/20/24 Cpn 5.53 232989AA1	653,001.32		0.00	0.00	653,001.32
07/20/23	07/20/23	Pay Princpl	382,605.009	ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3	382,605.01		5,205.13	0.00	382,605.01
07/20/23	07/20/23	Pay Princpl	254,766.351	ENTERPRISE 2020-2 A2 FLEET 144 MAT 07/20/26 Cpn 0.61 29375MAB3	254,766.35		3,385.25	0.00	254,766.35
07/20/23	07/20/23	Pay Princpl	316,577.988	ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2	316,577.99		6,123.77	0.00	316,577.99
07/20/23	07/20/23	Pay Princpl	37,304.316	ENTERPRISE 2021-1 A2 FLEET 144 MAT 12/21/26 Cpn 0.44 29374EAB2	37,304.32		721.61	0.00	37,304.32
07/20/23	07/20/23	Pay Princpl	588,408.164	EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9	588,408.16		(0.00)	0.00	588,408.16
07/20/23	07/20/23	Pay Princpl	597,460.597	EFF 2022-4 A1 FLEET 144A MAT 11/20/23 Cpn 5.15 29374GAA9	597,460.60		224.05	0.00	597,460.60
07/20/23	07/20/23	Pay Princpl	478,015.832	EFF 2023-2 A1 FLEET 144A MAT 06/20/24 Cpn 5.79 29375NAA3	478,015.83		(0.00)	0.00	478,015.83
07/20/23	07/20/23	Pay Princpl	123,677.781	GMALT 2023-1 A2A LEASE MAT 06/20/25 Cpn 5.27 362541AB0	123,677.78		7.68	0.00	123,677.78
07/20/23	07/20/23	Pay Princpl	1,433,128.018	GMALT 2023-2 A1 LEASE MAT 05/20/24 Cpn 5.45 362548AA7	1,433,128.02		0.00	0.00	1,433,128.02
07/20/23	07/20/23	Pay Princpl	1,292,506.099	SFAST 2023-1 A1 CAR 144A MAT 07/22/24 Cpn 5.57 78398AAA1	1,292,506.10		0.00	0.00	1,292,506.10
07/20/23	07/20/23	Pay Princpl	381,794.064	SRT 2021-A A3 LEASE 144A MAT 07/22/24 Cpn 0.51 80286TAC7	381,794.06		5,130.78	0.00	381,794.06

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07/20/23	07/20/23	Pay Princpl	248,134.700	TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1	248,134.70		0.00	5.95	248,134.70
07/20/23	07/20/23	Pay Princpl	314,723.087	TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3	314,723.09		7,746.01	0.00	314,723.09
07/20/23	07/20/23	Pay Princpl	460,754.600	TLOT 2021-B A3 LEASE 144A MAT 10/21/24 Cpn 0.42 89239CAC3	460,754.60		7,592.65	0.00	460,754.60
07/24/23	07/24/23	Pay Princpl	245,926.572	DEFT 2023-2 A1 EQP 144A MAT 06/24/24 Cpn 5.64 24703GAA2	245,926.57		(0.00)	0.00	245,926.57
07/24/23	07/24/23	Pay Princpl	2,779,841.595	PFAST 2023-1A A1 CAR 144A MAT 05/22/24 Cpn 5.37 73328QAA2	2,779,841.60		0.00	0.00	2,779,841.60
07/25/23	07/25/23	Pay Princpl	1,103,593.695	BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6	1,103,593.70		8,821.06	0.00	1,103,593.70
07/25/23	07/25/23	Pay Princpl	150.120	FHMS KF38 A MAT 09/25/24 Cpn 5.55 3137FBUC8	150.12		0.00	0.05	150.12
			31,047,501.854		31,047,501.88		71,590.24	42.38	31,047,501.88
07/03/23	07/03/23	Mature Long	5,000,000.000	NOVARTIS FINANCE CP 144A MAT 07/03/23 Cpn 6698M5U31	4,996,527.78	3,472.22	0.00	0.00	5,000,000.00
07/05/23	07/05/23	Mature Long	12,600,000.000	ABN AMRO FUNDING CP 144A MAT 07/05/23 Cpn 00084CU59	12,502,854.00	97,146.00	0.00	0.00	12,600,000.00
07/05/23	07/05/23	Mature Long	10,000,000.000	CA STATE GO/ULT TXB MAT 07/05/23 Cpn 5.25 13068BJR9	10,000,000.00		0.00	0.00	10,000,000.00
07/05/23	07/05/23	Mature Long	2,000,000.000	FFCB DISCOUNT NOTE MAT 07/05/23 Cpn 313312HT0	1,992,748.89	7,251.11	0.00	0.00	2,000,000.00
07/05/23	07/05/23	Mature Long	50,000,000.000	FFCB DISCOUNT NOTE MAT 07/05/23 Cpn 313312HT0	49,818,722.22	181,277.78	0.00	0.00	50,000,000.00

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07/05/23	07/05/23	Mature Long	17,500,000.000	MIZUNY BANK LTD CP 144A MAT 07/05/23 Cpn 60689GU53	17,397,916.67	102,083.33	0.00	0.00	17,500,000.00
07/05/23	07/05/23	Mature Long	25,000,000.000	NOVARTIS FINANCE CP 144A MAT 07/05/23 Cpn 6698M5U56	24,957,916.67	42,083.33	0.00	0.00	25,000,000.00
07/05/23	07/05/23	Mature Long	28,500,000.000	TVA DISCOUNT NOTE MAT 07/05/23 Cpn 880592HT0	28,444,361.67	55,638.33	0.00	0.00	28,500,000.00
07/05/23	07/05/23	Mature Long	8,500,000.000	CA UNIVERSITY OF CALIFORNIA C MAT 07/05/23 Cpn 91411UU52	8,421,422.22	78,577.78	0.00	0.00	8,500,000.00
07/06/23	07/06/23	Mature Long	20,000,000.000	BMW US CAPITAL CP 144A MAT 07/06/23 Cpn 0556C3U66	19,931,733.33	68,266.67	0.00	0.00	20,000,000.00
07/06/23	07/06/23	Mature Long	22,500,000.000	CREDIT AGRICOLE CP MAT 07/06/23 Cpn 22533UU68	22,496,868.75	3,131.25	0.00	0.00	22,500,000.00
07/06/23	07/06/23	Mature Long	31,000,000.000	FHLB DISCOUNT NOTE MAT 07/06/23 Cpn 313384HU6	30,995,720.28	4,279.72	0.00	0.00	31,000,000.00
07/06/23	07/06/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/06/23 Cpn 313384HU6	49,993,097.22	6,902.78	0.00	0.00	50,000,000.00
07/06/23	07/06/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/06/23 Cpn 313384HU6	49,993,097.22	6,902.78	0.00	0.00	50,000,000.00
07/06/23	07/06/23	Mature Long	30,000,000.000	FNMA DISCOUNT NOTE MAT 07/06/23 Cpn 313588HU2	29,899,800.00	100,200.00	0.00	0.00	30,000,000.00
07/06/23	07/06/23	Mature Long	20,000,000.000	NESTLE CAPITAL CP 144A MAT 07/06/23 Cpn 64105HU67	19,932,800.00	67,200.00	0.00	0.00	20,000,000.00
07/10/23	07/10/23	Mature Long	5,000,000.000	BANK OF AMERICA MAT 07/10/23 Cpn 5.13 06052TU32	5,000,000.00		0.00	0.00	5,000,000.00
07/10/23	07/10/23	Mature Long	47,500,000.000	FHLB DISCOUNT NOTE MAT 07/10/23 Cpn 313384HY8	47,480,208.33	19,791.67	0.00	0.00	47,500,000.00

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07/10/23	07/10/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/10/23 Cpn 313384HY8	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/10/23	07/10/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/10/23 Cpn 313384HY8	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/10/23	07/10/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/10/23 Cpn 313384HY8	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/10/23	07/10/23	Mature Long	20,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/10/23 Cpn 21687BUA7	19,991,600.00	8,400.00	0.00	0.00	20,000,000.00
07/11/23	07/11/23	Mature Long	15,000,000.000	CREDIT AGRICOLE CP MAT 07/11/23 Cpn 22533UUB7	14,997,912.50	2,087.50	0.00	0.00	15,000,000.00
07/11/23	07/11/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
07/11/23	07/11/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
07/11/23	07/11/23	Mature Long	10,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	9,998,611.11	1,388.89	0.00	0.00	10,000,000.00
07/11/23	07/11/23	Mature Long	45,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	44,993,750.00	6,250.00	0.00	0.00	45,000,000.00
07/11/23	07/11/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/11/23 Cpn 313384HZ5	49,993,055.56	6,944.44	0.00	0.00	50,000,000.00
07/11/23	07/11/23	Mature Long	23,000,000.000	NORDEA BANK CP 144A MAT 07/11/23 Cpn 65558KUB8	22,996,780.00	3,220.00	0.00	0.00	23,000,000.00
07/11/23	07/11/23	Mature Long	5,000,000.000	NATL SEC CLEARING CP 144A MAT 07/11/23 Cpn 63763QUB1	4,982,222.22	17,777.78	0.00	0.00	5,000,000.00
07/11/23	07/11/23	Mature Long	12,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/11/23 Cpn 21687BUB5	11,998,320.00	1,680.00	0.00	0.00	12,000,000.00

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07/11/23	07/11/23	Mature Long	25,000,000.000	ROCHE HOLDINGS CP 144A MAT 07/11/23 Cpn 77119MUB1	24,912,326.39	87,673.61	0.00	0.00	25,000,000.00
07/12/23	07/12/23	Mature Long	5,780,000.000	BANK OF AMERICA MAT 07/12/23 Cpn 5.15 06052TT59	5,780,000.00		0.00	0.00	5,780,000.00
07/12/23	07/12/23	Mature Long	42,000,000.000	FHLB DISCOUNT NOTE MAT 07/12/23 Cpn 313384JA8	41,994,166.67	5,833.33	0.00	0.00	42,000,000.00
07/12/23	07/12/23	Mature Long	6,000,000.000	NORDEA BANK CP 144A MAT 07/12/23 Cpn 65558KUC6	5,999,160.00	840.00	0.00	0.00	6,000,000.00
07/12/23	07/12/23	Mature Long	25,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/12/23 Cpn 21687BUC3	24,996,500.00	3,500.00	0.00	0.00	25,000,000.00
07/12/23	07/12/23	Mature Long	22,000,000.000	SOUTHERN CALIF GAS CP 144A MAT 07/12/23 Cpn 84243MUC4	21,993,827.78	6,172.22	0.00	0.00	22,000,000.00
07/13/23	07/13/23	Mature Long	5,000,000.000	CATERPILLAR FIN CP MAT 07/13/23 Cpn 14912EUD7	4,980,875.00	19,125.00	0.00	0.00	5,000,000.00
07/14/23	07/14/23	Mature Long	10,000,000.000	ABN AMRO FUNDING CP 144A MAT 07/14/23 Cpn 00084CUE0	9,965,666.67	34,333.33	0.00	0.00	10,000,000.00
07/14/23	07/14/23	Mature Long	46,400,000.000	FFCB DISCOUNT NOTE MAT 07/14/23 Cpn 313312JC5	45,999,684.00	400,316.00	0.00	0.00	46,400,000.00
07/14/23	07/14/23	Mature Long	50,000,000.000	FFCB DISCOUNT NOTE MAT 07/14/23 Cpn 313312JC5	49,568,625.00	431,375.00	0.00	0.00	50,000,000.00
07/14/23	07/14/23	Mature Long	50,000,000.000	FFCB DISCOUNT NOTE MAT 07/14/23 Cpn 313312JC5	49,568,625.00	431,375.00	0.00	0.00	50,000,000.00
07/14/23	07/14/23	Mature Long	50,000,000.000	FFCB DISCOUNT NOTE MAT 07/14/23 Cpn 313312JC5	49,568,625.00	431,375.00	0.00	0.00	50,000,000.00
07/14/23	07/14/23	Mature Long	50,000,000.000	FFCB DISCOUNT NOTE MAT 07/14/23 Cpn 313312JC5	49,568,625.00	431,375.00	0.00	0.00	50,000,000.00

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07/14/23	07/14/23	Mature Long	50,000,000.000	FFCB DISCOUNT NOTE MAT 07/14/23 Cpn 313312JC5	49,568,625.00	431,375.00	0.00	0.00	50,000,000.00
07/14/23	07/14/23	Mature Long	50,000,000.000	FFCB DISCOUNT NOTE MAT 07/14/23 Cpn 313312JC5	49,568,625.00	431,375.00	0.00	0.00	50,000,000.00
07/14/23	07/14/23	Mature Long	9,000,000.000	CA SAN FRAN PUB CP TXB MAT 07/14/23 Cpn 5.30 79770TRE0	9,000,000.00		0.00	0.00	9,000,000.00
07/15/23	07/15/23	Mature Long	3,560,000.000	MA ST SPL OBLG REV-SOCIAL TXB MAT 07/15/23 Cpn 3.56 576004GV1	3,560,000.00		0.00	0.00	3,560,000.00
07/17/23	07/17/23	Mature Long	30,000,000.000	CREDIT AGRICOLE CP MAT 07/17/23 Cpn 22533UUH4	29,987,475.00	12,525.00	0.00	0.00	30,000,000.00
07/17/23	07/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/17/23	07/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/17/23	07/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/17/23	07/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/17/23	07/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/17/23	07/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/17/23	07/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/17/23	07/17/23	Mature Long	35,500,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	35,485,208.33	14,791.67	0.00	0.00	35,500,000.00

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

07/01/2023
through 07/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
07/17/23	07/17/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/17/23 Cpn 313384JF7	49,979,166.67	20,833.33	0.00	0.00	50,000,000.00
07/17/23	07/17/23	Mature Long	20,000,000.000	MITSUBISHI UFJ TRUST & BANK 14 MAT 07/17/23 Cpn 60682XUH7	19,912,166.67	87,833.33	0.00	0.00	20,000,000.00
07/17/23	07/17/23	Mature Long	29,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/17/23 Cpn 21687BUH2	28,987,820.00	12,180.00	0.00	0.00	29,000,000.00
07/18/23	07/18/23	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 07/18/23 Cpn 313384JG5	49,617,500.00	382,500.00	0.00	0.00	50,000,000.00
07/18/23	07/18/23	Mature Long	18,000,000.000	FHLB DISCOUNT NOTE MAT 07/18/23 Cpn 313384JG5	17,997,500.00	2,500.00	0.00	0.00	18,000,000.00
07/18/23	07/18/23	Mature Long	15,000,000.000	PACCAR FINANCIAL CP MAT 07/18/23 Cpn 69372BUJ7	14,997,883.33	2,116.67	0.00	0.00	15,000,000.00
07/18/23	07/18/23	Mature Long	29,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/18/23 Cpn 21687BUJ8	28,995,940.00	4,060.00	0.00	0.00	29,000,000.00
07/18/23	07/18/23	Mature Long	10,000,000.000	SC SANTEE COOPER CP TXB MAT 07/18/23 Cpn 5.25 83708BBT2	10,000,000.00		0.00	0.00	10,000,000.00
07/19/23	07/19/23	Mature Long	31,500,000.000	CREDIT AGRICOLE CP MAT 07/19/23 Cpn 22533UUK7	31,491,232.50	8,767.50	0.00	0.00	31,500,000.00
07/20/23	07/20/23	Mature Long	21,950,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	21,503,915.03	446,084.97	(0.00)	0.00	21,950,000.00
07/20/23	07/20/23	Mature Long	20,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	19,991,662.50	8,337.50	0.00	0.00	20,000,000.00
07/20/23	07/20/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	49,979,156.25	20,843.75	0.00	0.00	50,000,000.00
07/20/23	07/20/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	49,979,156.25	20,843.75	0.00	0.00	50,000,000.00

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

**07/01/2023
through 07/31/2023**

<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/20/23	07/20/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	49,979,156.25	20,843.75	0.00	0.00	50,000,000.00
07/20/23	07/20/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	49,979,156.25	20,843.75	0.00	0.00	50,000,000.00
07/20/23	07/20/23	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 07/20/23 Cpn 912796ZZ5	49,979,156.25	20,843.75	0.00	0.00	50,000,000.00
07/20/23	07/20/23	Mature Long	20,000,000.000	FHLB DISCOUNT NOTE MAT 07/20/23 Cpn 313384JJ9	19,997,211.11	2,788.89	0.00	0.00	20,000,000.00
07/20/23	07/20/23	Mature Long	25,000,000.000	COOPERATIEVE RABOBANK CP MAT 07/20/23 Cpn 21687BUL3	24,996,500.00	3,500.00	0.00	0.00	25,000,000.00
07/24/23	07/24/23	Mature Long	15,000,000.000	BAYERISCHE LANDESBANK CP MAT 07/24/23 Cpn 07274MUQ6	14,985,270.83	14,729.17	0.00	0.00	15,000,000.00
07/25/23	07/25/23	Mature Long	20,000,000.000	U.S. TREASURY BILL MAT 07/25/23 Cpn 912797FZ5	19,927,900.56	72,099.44	0.00	0.00	20,000,000.00
07/25/23	07/25/23	Mature Long	20,000,000.000	FHLB DISCOUNT NOTE MAT 07/25/23 Cpn 313384JP5	19,997,211.11	2,788.89	0.00	0.00	20,000,000.00
07/26/23	07/26/23	Mature Long	15,000,000.000	FHLB DISCOUNT NOTE MAT 07/26/23 Cpn 313384JQ3	14,997,908.33	2,091.67	0.00	0.00	15,000,000.00
07/27/23	07/27/23	Mature Long	6,500,000.000	WI ASPIRUS HEALTH CP TXB MAT 07/27/23 Cpn 5.25 04537KAT6	6,500,000.00		0.00	0.00	6,500,000.00
			2,446,290,000.000		2,440,825,034.19	5,464,965.83	0.00	0.00	2,446,290,000.00

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN

**07/01/2023
through 07/31/2023**

<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>		<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/06/23	07/06/23	Withdrawal	(20,000,000.000)	WD MAT	Cpn USD	(20,000,000.00)		(20,000,000.00)	0.00	(20,000,000.00)
07/11/23	07/11/23	Withdrawal	(60,000,000.000)	WD MAT	Cpn USD	(60,000,000.00)		(60,000,000.00)	0.00	(60,000,000.00)
07/17/23	07/17/23	Withdrawal	(160,000,000.000)	WD MAT	Cpn USD	(160,000,000.00)		(160,000,000.00)	0.00	(160,000,000.00)
07/18/23	07/18/23	Withdrawal	(70,000,000.000)	WD MAT	Cpn USD	(70,000,000.00)		(70,000,000.00)	0.00	(70,000,000.00)
07/20/23	07/20/23	Withdrawal	(330,000,000.000)	WD MAT	Cpn USD	(330,000,000.00)		(330,000,000.00)	0.00	(330,000,000.00)
07/25/23	07/25/23	Withdrawal	(25,000,000.000)	WD MAT	Cpn USD	(25,000,000.00)		(25,000,000.00)	0.00	(25,000,000.00)
07/26/23	07/26/23	Withdrawal	(75,000,000.000)	WD MAT	Cpn USD	(75,000,000.00)		(75,000,000.00)	0.00	(75,000,000.00)
			(740,000,000.000)			(740,000,000.00)		(740,000,000.00)	0.00	(740,000,000.00)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

07/01/2023
through 07/31/2023

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
07/03/23	07/05/23	Buy	810,000.000	U.S. TREASURY NOTE MAT 06/30/28 Cpn 4.00 91282CHK0	(804,209.77)	(440.22)	0.00	0.00	(804,649.99)
07/18/23	07/26/23	Buy	800,000.000	CARMX 2023-3 A3 CAR MAT 05/15/28 Cpn 5.28 14319BAC6	(799,990.80)		0.00	0.00	(799,990.80)
07/18/23	07/26/23	Buy	500,000.000	KCOT 2023-2A A3 EQP 144A MAT 01/18/28 Cpn 5.28 500945AC4	(499,873.70)		0.00	0.00	(499,873.70)
07/28/23	07/31/23	Buy	1,355,000.000	U.S. TREASURY NOTE MAT 07/31/28 Cpn 4.13 91282CHQ7	(1,351,877.15)		0.00	0.00	(1,351,877.15)
			3,465,000.000		(3,455,951.42)	(440.22)	0.00	0.00	(3,456,391.64)
07/01/23	07/01/23	Coupon		CA INFRA & ECON BANK-SCRIPPS MAT 07/01/25 Cpn 1.28 13034AN55		3,187.50	0.00	0.00	3,187.50
07/01/23	07/01/23	Coupon		CT STATE OF CONNECTICUT GO/U MAT 07/01/24 Cpn 2.00 20772KJW0		2,097.90	0.00	0.00	2,097.90
07/01/23	07/01/23	Coupon		CA CITY OF EL SEGUNDO POBS TX MAT 07/01/24 Cpn 0.63 284035AC6		1,565.00	0.00	0.00	1,565.00
07/01/23	07/01/23	Coupon		CA NORTHERN CA PUB POWER TX MAT 07/01/24 Cpn 4.32 664845EA8		8,856.00	0.00	0.00	8,856.00
07/01/23	07/01/23	Coupon		CA SOUTHERN CA PUBLIC POWER MAT 07/01/24 Cpn 0.73 842475P66		3,298.50	0.00	0.00	3,298.50
07/01/23	07/01/23	Coupon		CA SOUTHERN CA PUBLIC POWER MAT 07/01/23 Cpn 3.46 84247PHY0		12,967.50	0.00	0.00	12,967.50
07/07/23	07/07/23	Coupon		FNMA MAT 01/07/25 Cpn 1.63 3135G0X24		7,637.50	0.00	0.00	7,637.50
07/15/23	07/15/23	Coupon		CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2		87.72	0.00	0.00	87.72

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

**07/01/2023
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<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/15/23	07/15/23	Coupon		CARMX 2021-2 A3 AUTO MAT 02/17/26 Cpn 0.52 14314QAC8		272.26	0.00	0.00	272.26
07/15/23	07/15/23	Coupon		CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4		365.71	0.00	0.00	365.71
07/15/23	07/15/23	Coupon		CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5		30.50	0.00	0.00	30.50
07/15/23	07/15/23	Coupon		FORDF 2023-1 A1 FLOOR 144A MAT 05/15/28 Cpn 4.92 34528QHV9		2,870.00	0.00	0.00	2,870.00
07/15/23	07/15/23	Coupon		FORDF 2023-1 A1 FLOOR 144A MAT 05/15/28 Cpn 4.92 34528QHV9		820.00	0.00	0.00	820.00
07/15/23	07/15/23	Coupon		FORDO 2023-B A3 CAR MAT 05/15/28 Cpn 5.23 344930AD4		1,656.17	0.00	0.00	1,656.17
07/15/23	07/15/23	Coupon		GFORT 2023-1 A1 FLOOR 144A MAT 06/15/28 Cpn 5.34 361886CR3		2,269.50	0.00	0.00	2,269.50
07/15/23	07/15/23	Coupon		JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7		4.63	0.00	0.00	4.63
07/15/23	07/15/23	Coupon		KUBOTA 2021-2A A3 EQP 144A MAT 11/17/25 Cpn 0.56 50117XAE2		438.67	0.00	0.00	438.67
07/15/23	07/15/23	Coupon		MA ST SPL OBLG REV-SOCIAL TXB MAT 07/15/27 Cpn 3.68 576004HD0		8,096.00	0.00	0.00	8,096.00
07/15/23	07/15/23	Coupon		MERCEDES 2021-B A3 LEASE MAT 11/15/24 Cpn 0.40 58769KAD6		134.41	0.00	0.00	134.41
07/15/23	07/15/23	Coupon		U.S. TREASURY NOTE MAT 07/15/24 Cpn 0.38 91282CCL3		1,425.00	0.00	0.00	1,425.00
07/15/23	07/15/23	Coupon		U.S. TREASURY NOTE MAT 07/15/24 Cpn 0.38 91282CCL3		1,762.50	0.00	0.00	1,762.50

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

**07/01/2023
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<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/15/23	07/15/23	Coupon		WORLD OMNI 2021-A A3 LEASE MAT 08/15/24 Cpn 0.42 98163JAC9		158.47	0.00	0.00	158.47
07/16/23	07/16/23	Coupon		GMCAR 2021-2 A3 CAR MAT 04/16/26 Cpn 0.51 380149AC8		62.17	0.00	0.00	62.17
07/20/23	07/20/23	Coupon		GMALT 2021-2 A LEASE MAT 05/20/25 Cpn 0.41 380144AD7		256.25	0.00	0.00	256.25
07/20/23	07/20/23	Coupon		SRT 2021-C A3 LEASE 144A MAT 03/20/25 Cpn 0.50 80286CAC4		108.24	0.00	0.00	108.24
07/20/23	07/20/23	Coupon		TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1		30.58	0.00	0.00	30.58
07/20/23	07/20/23	Coupon		TLOT 2023A A3 LEASE 144A MAT 04/20/26 Cpn 4.93 89239MAC1		2,054.17	0.00	0.00	2,054.17
07/20/23	07/20/23	Coupon		VERIZON 2020-B A PHONE MAT 02/20/25 Cpn 0.47 92290BAA9		51.26	0.00	0.00	51.26
07/21/23	07/21/23	Coupon		FHLMC MAT 07/21/25 Cpn 0.38 3137EAEU9		1,068.75	0.00	0.00	1,068.75
07/25/23	07/25/23	Coupon		BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6		45.37	0.00	0.00	45.37
07/01/23	07/25/23	Coupon		FHMS K033 A2 MAT 07/25/23 Cpn 3.06 3137B4WB8		111.14	0.00	0.00	111.14
07/01/23	07/25/23	Coupon		FHMS K034 A2 MAT 07/25/23 Cpn 3.53 3137B5JM6		582.15	0.00	0.00	582.15
07/01/23	07/25/23	Coupon		FHMS K725 AM CMBS MAT 02/25/24 Cpn 3.10 3137BWWE		2,095.20	0.00	0.00	2,095.20
07/01/23	07/25/23	Coupon		FHMS K726 AM CMBS MAT 04/25/24 Cpn 2.99 3137BYPR5		1,417.88	0.00	0.00	1,417.88

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

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<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/31/23	07/31/23	Coupon		U.S. TREASURY NOTE MAT 01/31/26 Cpn 0.38 91282CBH3		2,643.75	0.00	0.00	2,643.75
07/31/23	07/31/23	Coupon		U.S. TREASURY NOTE MAT 07/31/26 Cpn 0.63 91282CCP4		1,468.75	0.00	0.00	1,468.75
07/31/23	07/31/23	Coupon		U.S. TREASURY NOTE MAT 07/31/26 Cpn 0.63 91282CCP4		5,875.00	0.00	0.00	5,875.00
07/31/23	07/31/23	Coupon		U.S. TREASURY NOTE MAT 07/31/27 Cpn 2.75 91282CFB2		27,156.25	0.00	0.00	27,156.25
07/31/23	07/31/23	Coupon		U.S. TREASURY NOTE MAT 01/31/28 Cpn 3.50 91282CGH8		34,125.00	0.00	0.00	34,125.00
						139,153.35	0.00	0.00	139,153.35
07/01/23	07/01/23	Income	3,015.130	STIF INT MAT Cpn USD		3,015.13	0.00	0.00	3,015.13
07/18/23	07/19/23	Sell Long	35,000.000	U.S. TREASURY NOTE MAT 03/15/24 Cpn 0.25 91282CBR1	33,870.70	29.96	0.00	(1,116.62)	33,900.66
07/18/23	07/19/23	Sell Long	400,000.000	U.S. TREASURY NOTE MAT 03/31/26 Cpn 0.75 91282CBT7	363,625.00	901.64	0.00	(34,708.32)	364,526.64
07/18/23	07/19/23	Sell Long	25,000.000	U.S. TREASURY NOTE MAT 06/30/24 Cpn 1.75 9128286Z8	24,185.55	22.59	0.00	(796.02)	24,208.14
07/18/23	07/19/23	Sell Long	500,000.000	U.S. TREASURY NOTE MAT 04/30/27 Cpn 2.75 91282CEN7	475,000.00	2,989.13	0.00	(21,240.54)	477,989.13
07/28/23	07/31/23	Sell Long	760,000.000	U.S. TREASURY NOTE MAT 07/15/24 Cpn 0.38 91282CCL3	724,850.00	123.91	0.00	(34,713.90)	724,973.91

TRANSACTIONS BY TYPE

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<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/28/23	07/31/23	Sell Long	145,000.000	U.S. TREASURY NOTE MAT 07/15/24 Cpn 0.38 91282CCL3	138,293.75	23.64	0.00	(6,565.06)	138,317.39
			1,865,000.000		1,759,825.00	4,090.87	0.00	(99,140.46)	1,763,915.87
07/15/23	07/15/23	Pay Princpl	16,909.107	CARMX 2020-1 A3 CAR MAT 12/16/24 Cpn 1.89 14315XAC2	16,909.11		0.00	(57.67)	16,909.11
07/15/23	07/15/23	Pay Princpl	44,229.998	CARMX 2021-2 A3 AUTO MAT 02/17/26 Cpn 0.52 14314QAC8	44,230.00		0.00	3.84	44,230.00
07/15/23	07/15/23	Pay Princpl	44,163.516	CARMX 2021-3 A3 CAR MAT 06/15/26 Cpn 0.55 14317DAC4	44,163.52		0.00	3.60	44,163.52
07/15/23	07/15/23	Pay Princpl	14,658.576	CAPITAL ONE 2020-1 A3 CAR MAT 11/15/24 Cpn 1.60 14043MAC5	14,658.58		0.00	0.28	14,658.58
07/15/23	07/15/23	Pay Princpl	5,052.256	JOHN DEERE 2020-A A3 EQP MAT 08/15/24 Cpn 1.10 47789KAC7	5,052.26		0.00	0.03	5,052.26
07/15/23	07/15/23	Pay Princpl	55,775.099	KUBOTA 2021-2A A3 EQP 144A MAT 11/17/25 Cpn 0.56 50117XAE2	55,775.10		0.00	1.04	55,775.10
07/15/23	07/15/23	Pay Princpl	59,907.672	MERCEDES 2021-B A3 LEASE MAT 11/15/24 Cpn 0.40 58769KAD6	59,907.67		0.00	1.22	59,907.67
07/15/23	07/15/23	Pay Princpl	72,432.835	WORLD OMNI 2021-A A3 LEASE MAT 08/15/24 Cpn 0.42 98163JAC9	72,432.84		0.00	1.97	72,432.84
07/16/23	07/16/23	Pay Princpl	10,212.131	GMCAR 2021-2 A3 CAR MAT 04/16/26 Cpn 0.51 380149AC8	10,212.13		0.00	0.36	10,212.13
07/20/23	07/20/23	Pay Princpl	55,315.583	SRT 2021-C A3 LEASE 144A MAT 03/20/25 Cpn 0.50 80286CAC4	55,315.58		0.00	0.77	55,315.58
07/20/23	07/20/23	Pay Princpl	32,542.256	TESLA 2021-B A2 LEASE 144A MAT 09/22/25 Cpn 0.36 88161KAB1	32,542.26		0.00	0.78	32,542.26

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT

**07/01/2023
through 07/31/2023**

<i>Tr Date</i>	<i>St Date</i>	<i>Transaction Type</i>	<i>Units</i>	<i>Description</i>	<i>Proceeds / (Cost)</i>	<i>Accrued Interest (Purch) or Sold</i>	<i>G/L < 1 Yr Amort Cost</i>	<i>G/L > 1 Yr Amort Cost</i>	<i>Total Amount</i>
07/20/23	07/20/23	Pay Princpl	47,905.736	VERIZON 2020-B A PHONE MAT 02/20/25 Cpn 0.47 92290BAA9	47,905.74		0.00	(12.84)	47,905.74
07/25/23	07/25/23	Pay Princpl	147,145.826	BMW 2021-1 A4 LEASE MAT 07/25/24 Cpn 0.37 05591RAD6	147,145.83		0.00	0.68	147,145.83
			606,250.591		606,250.62		0.00	(55.94)	606,250.62
07/01/23	07/01/23	Mature Long	750,000.000	CA SOUTHERN CA PUBLIC POWER MAT 07/01/23 Cpn 3.46 84247PHY0	750,000.00		0.00	0.00	750,000.00
07/01/23	07/25/23	Mature Long	43,583.150	FHMS K033 A2 MAT 07/25/23 Cpn 3.06 3137B4WB8	43,583.15		0.00	0.00	43,583.15
07/01/23	07/25/23	Mature Long	197,840.370	FHMS K034 A2 MAT 07/25/23 Cpn 3.53 3137B5JM6	197,840.37		0.00	0.00	197,840.37
			991,423.520		991,423.52		0.00	0.00	991,423.52

LA CARE

Cash Activity by Transaction Type GAAP Basis

Accounting Period From 07/01/2023 To 07/31/2023

Cash Date	Trade/Ex-Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/Withdrawals	Total Amount
BUY										
07/18/23	07/18/23	07/18/23	TNT77	665278404	NORTHERN INST GOVT MONEY MKT	1,158,815.82	0.00	(1,158,815.82)	0.00	(1,158,815.82)
TOTAL BUY						1,158,815.82	0.00	(1,158,815.82)	0.00	(1,158,815.82)
DIVIDEND										
07/03/23	07/01/23	07/01/23	TNT77	665278404	NORTHERN INST GOVT MONEY MKT	456,320.46	4,483.69	0.00	0.00	4,483.69
TOTAL DIVIDEND						456,320.46	4,483.69	0.00	0.00	4,483.69
INTEREST										
07/11/23	07/11/23	07/11/23	TNT77	57629WCG3	MASSMUTUAL GLOBAL FUNDIN	2,500,000.00	36,875.00	0.00	0.00	36,875.00
07/14/23	07/14/23	07/14/23	TNT77	641062AV6	NESTLE HOLDINGS INC	5,000,000.00	28,750.00	0.00	0.00	28,750.00
07/15/23	07/15/23	07/15/23	TNT77	278865BP4	ECOLAB INC	5,000,000.00	173,541.67	0.00	0.00	173,541.67
07/15/23	07/15/23	07/15/23	TNT77	64952WDW0	NEW YORK LIFE GLOBAL FDG	10,000,000.00	42,500.00	0.00	0.00	42,500.00
07/15/23	07/15/23	07/15/23	TNT77	756109AS3	REALTY INCOME CORP	3,750,000.00	56,250.00	0.00	0.00	56,250.00
07/15/23	07/15/23	07/15/23	TNT77	756109BH6	REALTY INCOME CORP	2,500,000.00	42,500.00	0.00	0.00	42,500.00
07/15/23	07/15/23	07/15/23	TNT77	927804FU3	VIRGINIA ELEC & POWER CO	5,000,000.00	78,750.00	0.00	0.00	78,750.00
07/16/23	07/16/23	07/16/23	TNT77	57629WDE7	MASSMUTUAL GLOBAL FUNDIN	5,000,000.00	30,000.00	0.00	0.00	30,000.00
07/20/23	07/20/23	07/20/23	TNT77	61747YEC5	MORGAN STANLEY	2,000,000.00	15,120.00	0.00	0.00	15,120.00
07/22/23	07/22/23	07/22/23	TNT77	06051GJS9	BANK OF AMERICA CORP	5,000,000.00	43,350.00	0.00	0.00	43,350.00
07/22/23	07/22/23	07/22/23	TNT77	69353RFJ2	PNC BANK NA	3,000,000.00	48,750.00	0.00	0.00	48,750.00
07/27/23	07/27/23	07/27/23	TNT77	61761J3R8	MORGAN STANLEY	3,000,000.00	46,875.00	0.00	0.00	46,875.00
07/28/23	07/28/23	07/28/23	TNT77	06406RAQ0	BANK OF NY MELLON CORP	5,000,000.00	18,750.00	0.00	0.00	18,750.00
07/30/23	07/30/23	07/30/23	TNT77	74005PBQ6	LINDE INC/CT	2,250,000.00	36,000.00	0.00	0.00	36,000.00
TOTAL INTEREST						59,000,000.00	698,011.67	0.00	0.00	698,011.67
SELL										
07/18/23	07/18/23	07/18/23	TNT77	665278404	NORTHERN INST GOVT MONEY MKT	456,320.46	0.00	456,320.46	0.00	456,320.46
TOTAL SELL						456,320.46	0.00	456,320.46	0.00	456,320.46
GRAND TOTAL						61,071,456.74	702,495.36	(702,495.36)	0.00	0.00

Avg Date 18

BOARD OF GOVERNORS

Finance & Budget Committee

Meeting Minutes – August 23, 2023

1055 W. 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

Members

Stephanie Booth, MD, *Chairperson*
Al Ballesteros
Hilda Perez **
G. Michael Roybal, MD
Nina Vaccaro **

Management/Staff

John Baackes, *Chief Executive Officer*
Sameer Amin, MD, *Chief Medical Officer*
Terry Brown, *Chief of Human Resources*
Augustavia Haydel, *General Counsel*
Linda Greenfeld, *Chief Products Officer*

Alex Li, MD, *Chief Health Equity Officer*
Tom MacDougall, *Chief Technology & Information Officer*
Noah Paley, *Chief of Staff*
Acacia Reed, *Chief Operating Officer*
Afzal Shah, *Chief Financial Officer*

*Absent ** Via Teleconference

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>CALL TO ORDER</p>	<p>Stephanie Booth, MD, <i>Committee Chairperson</i>, called the L.A. Care and JPA Finance & Budget Committee meetings to order at 1:04 p.m. The meetings were held simultaneously. She welcomed everyone and summarized the process for public comment during this meeting.</p> <ul style="list-style-type: none"> • For those who provided public comment for this meeting by voice message or in writing, L.A. Care is glad that they provided input today. The Committee will hear their comments and they also have to finish the business on the Agenda today. • For people who have access to the internet, the meeting materials are available at the lacare.org website. If anyone needs information about how to locate the meeting materials, they can reach out to L.A. Care staff. • Information for public comment is on the Agenda available on the web site. Staff will read the comment from each person for up to three minutes. • Public comment will be made before the Committee starts to discuss an item. If the comment is not for a specific agenda item, it will be read at the general Public Comment. • Chairperson Booth provided information on how to submit a comment in-person, or live and directly using the “chat” feature. <p>Board Member Roybal stated that due to an unexpected emergency he is participating in the meeting at a remote location and there is no one over the age of 18 listening to the meeting with him.</p>	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
APPROVE MEETING AGENDA	The Agenda for today’s meeting was approved.	Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Perez, Roybal, and Vaccaro)
PUBLIC COMMENTS	There were no public comments.	
APPROVE CONSENT AGENDA	<p>Chairperson Booth requested for clarifications on motions FIN 101 and FIN 102.</p> <p>The Committee voted on</p> <ul style="list-style-type: none"> • June 28, 2023 meeting minutes • Quarterly Investment Report <u>Motion FIN 100.0923</u> To accept the Quarterly Investment Report for the quarter ending June 30, 2023, as submitted. • Collective Medical Technologies Contract for Care & Utilization Optimization (Acute Care), Member Activity Visibility (Acute & SNF Encounters) and Post-Acute Care (PAC) Management, Enhanced Care Management (ECM) with PAC Management <u>Motion FIN 103.0923</u> To authorize staff to execute a contract with Collective Medical Technologies in the amount of \$1,700,032 annually for the period of September 30, 2023 to September 30, 2026, for a total of \$5,100,096 over the 3 year period. • Center for the Study of Services for 2023 member satisfaction survey <u>Motion FIN A.0823</u> To authorize staff to execute a contract with Center for the Study of Services for an amount not to exceed \$1,355,619, to conduct the 2023 member satisfaction survey with services provided by select providers, for September 1, 2023 through August 31, 2024. <p>Chairperson Booth asked if there were events missing in motion FIN 101: the Quarterly Joint PICC PQC and Credentialing Peer Review meetings. Staff confirmed that only physician stipend funds are requested and no funds are requested for refreshments at those two meetings. The following sentence will be added to the motion background information for the Board meeting:</p>	The June 28, 2023 minutes, FIN 100, FIN 103 and FIN A were approved unanimously by roll call. 5 AYES

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><i>At the August 23 Finance & Budget Committee, a question was raised about other events and an amendment proposed to this motion. After review, there are no other events currently planned with non-travel expenses.</i></p> <ul style="list-style-type: none"> • Consolidated Allocation of Funds for Non-Travel Meals and Catering & Other Expenses <u>Motion FIN 101.0923</u> To approve the allocation of funds to support L.A. Care’s Projects with Non-Travel Meals and Catering and Other Expenses exceeding \$10,000 in the total amount of \$575,344 for FY 2023-2024. <p>Chairperson Booth asked about motion FIN 102, ixLayer, Inc.:</p> <ul style="list-style-type: none"> • if home testing kits will be delivered, and • what is the expected return on investment (ROI)? <p>Sameer Amin, <i>Chief Medical Officer</i>, responded that the vendor will provide home test kits for the measures both for quality measures and Star score. ROI’s are generated based on the understanding of what the changes are? in L.A. Care’s Stars rating. The calculation is based on funds earned with the Stars rating. John Baackes, <i>Chief Executive Officer</i>, added that this is the bonus for Stars rating for quality scores in L.A. Care’s Medi-Cal and Medicare lines of business.</p> <p>Chairperson Booth asked if there is a minimum number of tests that have to be completed in order to earn the money or a report submitted.</p> <p>Dr. Amin responded it is L.A. Care’s common practice to send testing kits to members. L.A. Care found that if the members must get those services in a provider's office, sometimes they do not test. If L.A. Care can send tests, a certain percentage are returned. This contract is based on the quantity L.A. Care anticipates will be returned and how it will affect L.A. Care’s overall Star score.</p> <p>Chairperson Booth noted that it seems there is no commitment from the vendor to have a certain number of tests completed, but to just send the tests out and report the results. Chairperson Booth asked if there is any consequence for not getting enough people to complete the test. Dr. Amin responded that the pricing was very competitive when they looked at a number of other options.</p> <p>Betsy Santana, Manager, <i>Senior Manager, Quality Improvement Initiatives</i>, responded that L.A. Care did not include a performance guarantee. There is a different price for just sending the</p>	<p>FIN 101 was approved unanimously by roll call. 5 AYES</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>kit, which is a lower price, and the vendor is paid a higher rate for completed tests. Dr. Amin added that the vendor will also conduct member and provider outreach.</p> <p>Chairperson Booth noted that this seems to be a good opportunity and it would be nice to see it integrated with the whole program, including street medicine to assist patients.</p> <p>Board Chairperson Ballesteros, asked if there is a staff case manager that calls the member to let them know a test is being sent. Dr. Amin responded that it is part of the contracted services. There is an outreach effort to reach providers and provide them with sufficient test kits. It is in the vendor’s best interest to get the most completed tests to increase remuneration and comply with the contract terms.</p> <p>Dr. Amin added that members and providers will have independent access to the test results. There is a portal that they can log in to see the test results and information about the test. The result is available to the provider as well for follow up. This contract will include a process to encourage completion of the tests and providing the information to the member and their health care provider. The vendor will check with the primary care provider when a test has been completed, and to let them know about any abnormal results.</p> <p>Board Member Roybal asked if the provider will know if a patient had the test done at home, and would the provider receive the data needed to meet the quality measure requirements. Dr. Amin noted that for abnormal results, there is follow up by telephone with the primary care provider.</p> <p>Ms. Santana added that the vendor will be sending a supplemental data feed that will be included in the gap in care report. There may be a slight lag.</p> <ul style="list-style-type: none"> ixLayer, Inc. Contract to provide at-home test kits to members for diabetes A1c tests, colorectal cancer screenings and kidney health evaluations <p><u>Motion FIN 102.0923</u> To authorize staff to execute a contract in the amount of \$5,400,000 with ixLayer, Inc. to provide at-home test kits for the period of September 15, 2023 to September 15, 2026.</p>	<p>FIN 102 was approved unanimously by roll call. 5 AYES</p> <p>The Committee approved to include FIN 100, FIN 101, FIN 102 and FIN 103, on the Consent Agenda for the September 7, 2023 Board of Governors Meeting</p>
<p>CHAIRPERSON’S REPORT</p>	<p>Chairperson Booth expressed her observations on the requirements of the contract with Department of Health Care Services (DHCS):</p> <ul style="list-style-type: none"> In California, health community health workers do not need certification. L.A. Care is not a certification agency. Some of the things the State is expecting L.A. Care to do are 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>outrageous, and may have been passed on to health plans because the DHCS could not do them. L.A. Care is working hard to fix and to finish up tasks under the existing contracts with DHCS and will now be expected to do even more tasks.</p> <p>Mr. Baackes commented that this is the reason why the 50 states use managed care plans under Medicaid programs. The States cannot manage health care themselves, so it is contracted to health plans. When Medicaid started, it was run by each State, and the States recognized in the 1980s that it is a very difficult program to administer and began contracting with health plans to administer the program.</p> <p>Chairperson Booth commented that at some level, L.A. Care should be able to decide what it can and cannot do.</p> <p>Mr. Baackes assured members that L.A. Care and other health plans push back all the time on requests from the State, particularly from DHCS. Sometimes the health plans prevail.</p> <p>Dr. Amin noted that more recently, under Mr. Baackes' leadership, L.A. Care has gone a bit further than other plans have in the past because of all the work that L.A. Care does in collaborating with other health plans, and because it is the public option in Los Angeles County. L.A. Care has good communication lines and is able to push back particularly on quality withholds, rates and transitions of care. L.A. Care has seen some movement in these areas.</p>	
CHIEF EXECUTIVE OFFICER'S REPORT	<p>Mr. Baackes reported that L.A. Care now has two months' data for the renewal of eligibility redetermination for Medi-Cal. Approximately 40% of the redeterminations were completed automatically using information from existing databases. Approximately 18% did not complete the process; some of those beneficiaries will reapply and some may have moved outside of Los Angeles County. State officials are providing a dashboard with data about redeterminations. New enrollment (58,000) in L.A. Care's Medi-Cal product are nearly equal to the number of procedural disenrollment (57,000 in two months). L.A. Care continues working closely with the Los Angeles County Department of Public and Social Services. There is some concern in California that some counties, other than Los Angeles, may be administratively understaffed and unable to keep up with the redetermination process. L.A. Care will continue to monitor closely the eligibility redetermination process.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
COMMITTEE ITEMS		
<p>Chief Financial Officer’s Report</p> <ul style="list-style-type: none"> Financial Report – June 2023 9+3 Forecast Update FY 2023-24 Operating and Capital Budget 	<p>Afzal Shah, <i>Chief Financial Officer</i>, and Jeffrey Ingram, <i>Deputy Chief Financial Officer</i>, reported on the June 2023 Financial Performance, 9+3 Forecast Update and FY 2023-24 Operating and Capital Budget. <i>(A copy of the report can be obtained by contacting Board Services).</i></p> <p><u>Membership</u> June 2023 is just over 2.9 million; 25.5 million member months year-to-date (YTD). The variance for Medi-Cal is driven by the same error in the membership forecast reported last month. The forecast double counted the Duals Special Needs Plan (DSNP) members on the Medi-Cal side. The error to the forecast was corrected in the 9+3 forecast.</p> <p><u>Consolidated Financial Performance</u> There was a \$19 million net deficit for June which is \$19 million unfavorable to the forecast when Housing and Homelessness Incentive Program (HHIP) and Incentive Payment Program (IPP) are excluded.</p> <p>From an operating margin standpoint, it was unfavorable to the forecast by \$10 million, driven by the incurred claims, which were unfavorable to forecast by \$17 million. Other items to call out include an adjustment to L.A. Care Covered (LACC) Risk Adjustment Factor (RAF) from 0.67 to 0.70, with a net impact of \$12 million, and the recognition of \$13 million in expense for the Student Behavioral Health Incentive (SBHI) program. The revenue from that item was included in last month’s close.</p> <p>Administrative was flat to the forecast in June. Non-operating is unfavorable \$8.4 million driven by the recognition of \$10.6 million in Managed Care Organization (MCO) Tax expense stemming from the CY 2022 rate adjustment received last month.</p> <p>YTD there was \$241 million net surplus; \$55 million favorable to the forecast when you exclude HHIP and IPP. Operating margin is favorable by \$28 million. The same drivers for the month apply here as well. Included also are the IHSS reconciliation and the CY 2022 rate adjustment mentioned in previous months.</p> <p>Administrative was favorable YTD by \$10 million, and Non-Operating was favorable by \$17 million.</p> <p>The comparison of previous 3+9 forecast to the current 9+3 forecast was presented. As reported in the past few months, the only update made to the 9+3 forecast was to the membership, where the double counting of DSNP members was eliminated.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><u>Variance Walk (3+9 Forecast vs 9+3 Forecast (excluding HHIP/IPP))</u> The 3+9 forecast was projecting a surplus of \$226 million while the 9+3 was projecting a surplus of \$294 million. The largest of the variance items is incurred claims, which are \$83 million unfavorable. There was \$23 million in LTC variance between forecasts. Retro revenue adjustments account for \$34 million in favorability. These included the CY 2022 rate adjustment, as well as RAF adjustments for LACC and DSNP. Risk Corridor and Shared Risk adjustments were \$20 million favorable. Included in that was the IHSS reconciliation. Supplemental adjustments were \$31 million favorable and Incentives account for \$11 million in favorability.</p> <p>Administrative was favorable \$9 million and Non-Operating was favorable \$31 million primarily due to the increase interest rates.</p> <p><u>Budget FY 2023-24</u></p> <p><u>Membership Trend</u> FY 2021-22 & 2022-23 - The suspension of the redeterminations from the State drove the increase in membership through the end of the fiscal year. There were also increases due to the expansion of coverage under the CalAIM mandatory managed care program. Redeterminations resumed in July 2023 and that drives the decrease in membership through FY 2023-24.</p> <p><u>Budget Assumptions - Membership</u> The budget assumes a 13% decline in membership for Medi-Cal, beginning back in July 2023 and continuing through June 2024 - about 1% decline per month. The budget also includes Kaiser leaving as Plan Partner in January 2024; a loss of about 270,000 members each month through the end of the year. Offsetting those items is the enrollment of 150,000 members due to the expansion of coverage to undocumented adults 26-49. The budget assumes that membership will be spread out over January and February 2024.</p> <p><u>Membership: 2023-24 Projections</u> Overall, projected membership loss for FY 2023-24 is expected to be 356,000 members (13%). Member months are expected to drop by approximately 3 million (9%). Combined segment membership is projected to be about 2.5 million members by September 30, 2024.</p> <p><u>FY 2023-24 Budget Assumptions-Revenue</u> Medi-Cal Assumptions include the breakout of Unsatisfactory Immigration Status (UIS) Satisfactory Immigration Status (SIS). CY 2023 is aligned with final DHCS rates while CY</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>2024 assumes a conservative reduction. CBAS has been reduced to reflect experience of members going back in-center.</p> <p>Assumptions for LACC include no rate change for CY 2023 and a rate increase for CY2024. RAF assumptions used current experience for both 2023 and 2024. D-SNP revenue is in line with bid and RAF is in-line with mid-year adjusted rates.</p> <p>PASC assumes no change for CY 2023 and a rate increase beginning January 1, 2024</p> <p><u>FY 2023-24 Budget Assumptions- Healthcare Costs</u> Global Subcapitation & Capitation expense were updated to reflect CY 2023 and CY 2024 revenue rate assumptions. LACC includes updated RAF score to align with revenue and D-SNP reflects trended revenue assumption for CY 2024.</p> <p>FFS Costs were developed using a base period of CY 2022 and trended to the budget period impacting Inpatient, Outpatient, Long Term Care and Pharmacy.</p> <p>CBAS was based on October 2022 to March 2023 to reflect trend changes associated with members returning to centers.</p> <p>Additional adjustments were made for new programs.</p> <p><u>FY 2022-23 9+3 vs FY 2023-24 Budget (excluding HHIP/IPP)</u> Member months decrease of almost 3 million. This leads to a drop in Revenue of \$330 million. There is similar increases to medical expenses but overall projecting a \$55 million decrease in operating margin. This means MCR slightly increases to 93.2%.</p> <p><u>FY 2022-23 9+3 vs FY 2023-24 Budget (excl HHIP/IPP)</u> Overall, the budget projects a net surplus of \$207 million. This is an \$87 million decrease from the 9+3 forecast. In Non-Ops, the Budget is conservative on interest income due to the volatility of interest rates.</p> <p><u>Shared Risk and Provider Incentive Assumptions</u> The shared risk expense for the upcoming fiscal year is flat to 9+3 forecast. The Provider Incentives are higher than last year.</p> <p><u>FY 2023-24 Administrative Expenses by Category (excluding HHIP/IPP)</u> Administrative expenses as reported increase \$35.5 million. The main drivers to the \$35 million increase comes from salaries and benefits. There are also higher printing and postage costs assumed in the Budget than in the 9+3 forecast.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><u>FY 2023-24 Community Programs</u> The budgeted amounts for these grant programs are higher than the current fiscal year. The increases are for Elevating the Safety Net spending, Blue Shield Promise, and the Community Resource Centers (CRC's).</p> <p><u>Operating Margin by Segment</u> Overall Budgeted Medical Cost Ratio (MCR) is 92.4% vs the 9+3 forecast of 92.1%; excluding HHIP/IPP we are at 93.2% vs 92.9%. The one item to call out is that the MCR for D-SNP is 89.2% vs 84.2% in the 9+3 forecast. This is more in line with expectations for a DSNP product.</p> <p><u>Opportunities and Risks</u></p> <p><u>Opportunities</u></p> <ul style="list-style-type: none"> • Claims expenses are lowered through contracting and Utilization Management • Higher than expected LACC membership growth due to pricing position • Move more members into Dual Risk pods • Increased focus on encounter data quality leads to higher Medi-Cal and Covered California revenue <p><u>Risks</u></p> <ul style="list-style-type: none"> • Additional unknown COVID-19 expenses from prior periods • Higher FFS trend than assumed • Capitation costs higher than projected • Increases in cost due to changes in Medi-Cal Fee Schedule above additional revenue <p><u>Balance Sheet Comparison</u> Projected total fund equity is almost \$1.5 billion at the end of September 2023 and \$1.8 billion in September 2024. Board Designated funds of \$90 million projected at the end of the current fiscal year were discussed in more detail on the next slide.</p> <p><u>Board Designated Funds</u> The Community Health Investment Fund (CHIF) is projected to have \$8.3 million at fiscal year end. For the Workforce Development Initiative and Elevating the Safety Net, projecting \$60.7 million and \$21 million for Community Resource Centers (CRCs) maintenance and expansion.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><u>Tangible Net Equity (TNE) and Days Cash of Hand</u> TNE forecast is based on the 9+3 forecasted surplus of \$294 million. The projected September 2023 TNE is 612% and 90 days of cash on-hand. The projection for the FY 2023-24 budget is TNE at 723% and 90 days of cash on-hand. Both the forecast and budget include pass-through funds of \$608 million typically received in September, which is why days of cash on-hand is higher than normal. Without those funds, the days of cash on hand would be 69 days.</p> <p><u>FY 2023-24 Capital Projects and Programs</u> Proposing total project spend of \$129 million with \$118 million in capital and \$10.9 million in operating, which is a little more than double what was spent last fiscal year. This covers the strategic projects and leasehold improvements. The leasehold improvements are primarily for the CRCs.</p> <p>Tom MacDougall, <i>Chief Information and Technology Officer</i>, summarized the program descriptions.</p> <p><u>Portfolio Program Descriptions</u></p> <ul style="list-style-type: none"> • Artificial Intelligence (AI) to support discovery, assessment, and initial implementation of AI solutions to improve enterprise efficiency and performance. • Care Catalyst-New Health Services Clinical System to optimize the use of systems and tools to support Health Services’ operational and foundational needs. Care Catalyst aims to improve how L.A. Care manages the health of members by providing member-centric services and care tailored to meet the needs of varied populations. This program is focused on addressing foundational gaps in governance structure, training, decision support and workflow re-engineering. Current work focuses on platform optimizations for added efficiency and scalability. Population health management (PHM) and enhancements to improve L.A. Care’s ability to support the Direct Network are areas of upcoming focus. • Clinic Based Assignment and Federally Qualified Health Clinics (FQHC) Alternative Payment Methodology (APM) to better manage the association between health plan members and their community clinic providers in L.A. Care’s systems. This improved member assignment functionality is foundational to implementation of the APM, which is a State mandate effective in 2024. Under APM, L.A. Care will change how it pays participating FQHC community clinics to include the Prospective Payment System (PPS) rate for Medi-Cal services that has previously been paid to clinics by the State. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • Centers for Medicaid/Medicare Services (CMS) Interoperability Mandate. L.A. Care continues its multi-phase investment in electronic provider and member data portability in accordance with CMS requirements. Investments focus on payer-to-payer interfaces to ensure timely and efficient benefits coordination and transitions, as well as functionality for electronic prior authorizations. • Data Exchange Framework (DXF). The California Health and Human Services Data Exchange Network (DXF) reflects a statewide agreement to facilitate sharing of health information among healthcare entities, government agencies, and social service programs. This initiative is to implement the data sharing capabilities of the agreement, and targets improved coordination of care. • DSNP Product Launch. With the successful development and deployment of a fully-integrated D-SNP product and the concurrent effort to sunset L.A. Care’s existing Cal MediConnect (CMC) product, there are continued enhancements targeted in the upcoming fiscal year. Efforts will focus on implementing new Federal and State regulatory requirements for plan years 2024 and 2025. • EDIF ECS Program. This multi-year program is enhancing L.A. Care’s encounter data management system. Upcoming improvements focus on improved extraction of encounter data for risk adjustment, regulatory audiences, and internal end-users, as well as the availability of end-to-end encounter reconciliation reporting, and enterprise-level access to a source-of-truth for encounter data. This includes an upgrade of the current EDIF ECS platform to ensure optimal performance and functionality. • I.T. Member Experience Program. Three multi-year, cross-functional programs to modernize data systems and I.T. tools to support an optimized member experience. These foundational technology efforts will enable L.A. Care to more proactively manage the member life cycle (from enrollment through care delivery). Work streams include Data Architecture Modernization, which improves how enterprise data is organized, managed, and stored; and a Clinical Data Repository (CDR) to better organize clinical experience data in support of care coordination, operational planning, and regulatory reporting. A Member Data Master work stream will additionally improve the consistency of member demographic, clinical, and other data for the organization through a structured data governance process. These investments will enable L.A. Care to deliver future technology initiatives more effectively, and significantly improve the ability of business areas inside L.A. Care to serve member needs. • Performance Optimization Program (Enterprise & Network). A multi-year initiative is building data management and dashboard reporting tailored to L.A. Care’s Enterprise 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Performance Optimization Program (EPOP) and Network Performance Optimization Program (NPOP). EPOP improves monitoring and oversight of the performance of non-delegated enterprise functions, while NPOP oversees the performance of all entities in L.A. Care’s service delivery model across lines of business. This initiative is improving data sources and reporting for numerous Key Performance Indicators (KPIs) for L.A. Care.</p> <ul style="list-style-type: none"> • Provider Roadmap. A multi-year, cross-functional program focused on improving L.A. Care’s provider data quality and management, including enhancements to data intake, standardization and validation, storage, reporting, and operational use. Improvements are targeted at both technical infrastructure and business processes. • QNXT Upgrade & Transformation. L.A. Care is making progressive investments in its core claims platform (QNXT), with current work focused on the scalability and flexibility of internal development and test environments, as well as data de-identification to improve data security, which also includes a generational upgrade to the latest QNXT claims platform. These improvements will enable efficiencies in L.A. Care’s claims processing, and will provide health plan members new visibility into cost sharing and out-of-pocket expenditures. • SAP/ERP. L.A. Care is continuing its implementation of SAP for financial management functions. Upcoming efforts focus on the implementation of Arriba, a tool designed to integrate with current SAP procurement solutions. This spend management solution will enable improvements in areas such as electronic order and invoice routing, user and role management functionalities, as well as contract and vendor management. Other work includes the implementation of Callidus, a commission software solution for managing incentives and compensation programs for brokers. • VOICE – CRM & Telecom. This multi-year program is implementing several solutions for improved customer service for L.A. Care members and providers. One significant area of investment is a Customer Relationship Management (CRM) platform, which provides tools and workflows for sustaining member, provider, broker, and community relationships. A second area of investment is in call center technology. This includes the modernization of the enterprise phone system used by the Call Center, as well as improvements to routing of customer calls and caller authentication. The initiative is also making investments in capturing and managing member data as required by State and Federal regulators. • Leasehold Improvements. The budget includes funds to support construction associated with two new Community Resource Centers (CRC), South L.A. and Lincoln Heights, 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>miscellaneous upgrades to existing CRCs and an initial budget estimate for the build-out of the 1200 E. 7th Street lease space to support the return to work effort slated for September 2024.</p> <p><u>Motion FIN 104.0923</u> To accept the Financial Reports for June 2023, as submitted.</p> <p><i>Board Members Ballesteros, Perez, Roybal, and Vaccaro may have financial interests in Plans, Plan Participating Providers or other programs and as such should consider refraining from the discussion of such issues. In order to expedite the process, those Board Members' vote on the Budget reflects a vote concerning the entire budget excluding those items for which the member is abstaining, as identified:</i></p> <p><u>Board Members Ballesteros and Roybal</u> <i>Community Health Improvement Program/ Community Programs (excluding Community Clinic Program/ SCOPE Plan)</i></p> <p><u>Board Members Ballesteros and Vaccaro</u> <i>Community Health Improvement Program/ Provider Recruitment, Residency Support, Community Clinic/ SCOPE Program</i></p> <p><u>Board Member Perez</u> <i>Community Health Improvement Program/ Community Programs Promotoras and Health Promoter Program</i></p> <p><u>Motion FIN 105.0923</u> To approve the Fiscal Year 2023-24 Operating and Capital Budget, as submitted.</p>	<p>Motions FIN 104 and FIN 105 were voted simultaneously. Approved unanimously by roll call. 5 AYES</p> <p><i>Board Members Ballesteros, Perez, Roybal and Vaccaro considered not to be voting on the sections of the Budget for which there might be a potential financial conflict of interest.</i></p>
<ul style="list-style-type: none"> Monthly Investment Transactions Reports 	<p>Mr. Ingram referred to the investment transactions reports included in the meeting materials (<i>a copy of the report is available by contacting Board Services</i>). This report is to comply with the California Government Code as an informational item. L.A. Care's total investment market value as of June 30, 2023 was \$2.5 billion.</p> <ul style="list-style-type: none"> \$2.4 billion managed by Payden & Rygel and New England Asset Management (NEAM) \$73 million in Local Agency Investment Fund \$78 million in Los Angeles County Pooled Investment Fund 	
<ul style="list-style-type: none"> Quarterly Internal Policy Reports 	<p>Mr. Ingram referred to the 3rd Quarter Expenditure Reports required by L.A. Care Internal Policies for FY 2022-23 included in the meeting materials. (<i>A copy of the report is available by</i></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><i>contacting Board Services</i>). L.A. Care internal policies require reports on expenditures for business related travel expenses incurred by employees, members of the Board of Governors, Stakeholder Committees, and members of the Public Advisory Committees. The Authorization and Approval Limits policy requires reports for executed vendor contracts for all expenditures and the Procurement Policy requires reports for all sole source purchases over \$250,000. These are informational items, and do not require approval.</p> <ul style="list-style-type: none"> • Policy AFS-004 (Non-Travel Expense Report) • Policy AFS-027 (Travel Expense Report) • Policy AFS-006 (Authorization and Approval Limits) • Policy AFS-007 (Procurement) 	
Public Comments on the Closed Session agenda items.	There were no public comments.	
ADJOURN TO CLOSED SESSION	<p>The Joint Powers Authority Finance & Budget Committee meeting adjourned at 2:10 p.m.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the items that the Committee will discuss in closed session. There was no public comment on the Closed Session items, and the meeting adjourned to closed session at 2:11 p.m.</p> <p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> • Plan Partner Rates • Provider Rates • DHCS Rates • Plan Partner Services Agreement <p>REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Technology, Business Plan Estimated date of public disclosure: <i>August 2025</i></p>	
RECONVENE IN OPEN SESSION	<p>The meeting reconvened in open session at 2:24 pm.</p> <p>Ms. Haydel advised the public that no reportable action from the closed session.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ADJOURNMENT	The meeting adjourned at 2:25 p.m.	

Respectfully submitted by:

Linda Merkens, *Senior Manager, Board Services*
 Malou Balones, *Board Specialist III, Board Services*
 Victor Rodriguez, *Board Specialist II, Board Services*

APPROVED BY:

 Stephanie Booth, MD, *Chairperson*

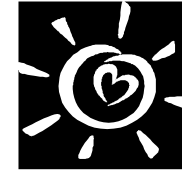
Date Signed _____

AUDIT COMMITTEE

BOARD OF GOVERNORS

Audit Committee Meeting Minutes – December 21, 2022

1055 W. 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

Members

Alvaro Ballesteros, MBA, *Chairperson*
Layla Gonzalez *
Stephanie Booth, MD

Management/Staff

John Baackes, *Chief Executive Officer*
Augustavia J. Haydel, Esq., *General Counsel*
Marie Montgomery, *Chief Financial Officer*

Guests

Rosie Procopio, *Audit & Assurance Managing Director, Deloitte & Touche (D&T)*
Justine Lee, *Manager, D&T*
Kevin Rotman, *Senior Manager, D&T*

State and local officials continue to impose or recommend measures to promote social distancing to reduce transmission of the COVID 19 virus. It is prudent to use caution in protecting the health of the public, L.A. Care’s employees and its members where adequate virtual means exist to permit the meeting to occur by teleconference/videoconference with the public being afforded the ability to comment in real time. The Board of Governors and all legislative bodies of the L.A. Care Health Plan, and the Board of Directors and all legislative bodies of the Joint Powers Authority will continue to meet virtually and the Boards will review that decision on an on-going basis as provided in the Brown Act. Members of the public had the opportunity to listen to the meeting via teleconference, and share their comments via voicemail, email, or text.

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>CALL TO ORDER Alvaro Ballesteros</p>	<p><i>(Alvaro Ballesteros, MBA, Committee Chairperson, experienced technical difficulty.)</i> Board Member Booth called to order the L.A. Care Audit Committee and the L.A. Care Joint Powers Authority Audit Committee meetings at 11:06 a.m. The meetings were held simultaneously. She welcomed everyone to the meetings.</p> <p>For those who provided public comment for this meeting by voice message or in writing, we are really glad that you provided input today. The Committee will hear your comments and we also have to finish the business on our Agenda today. If you have access to the internet, the materials for today’s meeting are available at the lacare.org website. If you need information about how to locate the meeting materials, please let us know.</p> <p>Information for public comment is on the Agenda available on the web site. Staff will read the comment from each person for up to three minutes.</p> <p>The Chairperson will invite public comment before the Committee starts to discuss an item. If the comment submitted is related to the topic for a specific</p>	

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AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>agenda item, it will be read at the general Public Comment item 2 on today's agenda.</p> <p>Board Member Booth provided information on how to submit a public comment live and directly using the "chat" feature.</p>	
<p>APPROVE MEETING AGENDA</p> <p>Alvaro Ballesteros</p>	<p>Today's Agenda was approved as submitted.</p>	<p>Approved unanimously by roll call. 2 AYES (Ballesteros and Booth)</p>
<p>PUBLIC COMMENT</p>	<p>There was no public comment.</p>	
<p>APPROVE MEETING MINUTES</p> <p>Alvaro Ballesteros</p>	<p>The August 4, 2022 meeting minutes were approved as submitted.</p>	<p>Approved unanimously by roll call. 2 AYES</p>
<p>CHAIRPERSON'S REPORT</p>	<p>There was no report from the Chairperson.</p>	
<p>CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER REPORT</p>	<p>There was no CEO Report.</p>	
<p>COMMITTEE ISSUES</p>		
<ul style="list-style-type: none"> Accept Audit Findings Fiscal Year 2021-22 (AUD A) 	<p>Marie Montgomery, <i>Chief Financial Officer</i>, reported that the financial statements included in the meeting packet are same results as was presented at the November 15, 2022 Finance & Budget and December 1, 2022 Board of Governors meetings. <i>(A copy of the report may be requested by contacting Board Services.)</i></p> <p>Ms. Montgomery reported that staff will make one journal entry regarding new guidance for real estate leases. Staff had assumed an additional year to implement the standard. After further review and with help from Deloitte & Touche (D&T),</p>	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>staff realized the need to implement the standard. Information had historically been disclosed in the notes (page 67 of the financial statement). The standard requires discounted future lease commitments as a liability on the balance sheet and recognize the asset in roughly equal amounts. It has no impact on other financial statements. Staff will need to make changes in the cash flow statement reflecting this as a financing activity. Staff will update the note that the lease standard is applicable going forward. The asset and liability will be reflected as a \$150 million for the current fiscal year and \$170 million for the prior fiscal year.</p> <p>Board Member Booth asked if prior fiscal year being 2020-21. Ms. Montgomery responded affirmatively. Member Booth asked why the change was made. Ms. Montgomery noted that here are many ways to show leases. A typical company that has debt does not want to recognize the asset and additional liability as more debt. It understates the debt to equity ratio by treating it as operating leases. In the accounting profession, a long term lease is reflected as a liability and the right to use asset. A reader of the financial statement could have read the footnote disclosure reflecting the minimum risk commitment disclosed for the applicable time period. Board Member Booth commented that this changes one's ability to see if a company is staying solvent. Ms. Montgomery added it is bringing more visibility which reflects a commitment over time.</p> <p>Board Member Booth asked if they are asking for the one year and prior year. Ms. Montgomery responded that it carries forward. L.A. Care is implementing it back to the prior period but the liability is for all future lease payments commitments. If you have the option to extend a lease, it won't be included but everything that you cannot cancel that you are obligated to show those leases and how far out you are committed. They do discount the liability. Staff is working with D&T. Rosie Procopio, <i>Audit & Assurance Managing Director, Deloitte & Touche (D&T)</i>, stated that over time the liability will decrease, and if L.A. Care enters into a new lease, it will increase proportionately.</p> <p>Ms. Procopio introduced new D&T staff on the call: Justin Lee, Manager, and Kevin Rotman, Senior Manager.</p>	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Ms. Procopio summarized of the results of the audit.</p> <ul style="list-style-type: none"> • Majority of the audit work is done. Adjustments will be made as Ms. Montgomery has reported regarding the lease. • D&T’s responsibilities were as outlined in the engagement letter. • D&T received full cooperation from management and staff and had unrestricted access to the senior management in the performance of the audits. • There were no material weaknesses or deficiencies found in L.A. Care’s financial operations or internal controls. • There were no significant changes in accounting estimates or in management’s judgments relating to Reserves for Incurred but not Reported Claims (IBNR) estimate, and Retroactive Revenue Adjustments. • Accounting estimates is where D&T spent more time; particularly with IBNR –\$784 million this year. D&T Actuarial Specialist ran independent estimates. D&T’s estimate was very close - within 1% of management’s estimate. This is a great result considering the ongoing uncertainty because of the COVID-19 pandemic. • During the year ended September 30, 2022, the organization identified an overstatement of an estimate for the patient-centered outcomes research trust fund fees in the amount of \$20.7 million, resulting in the prior year overstatement of accounts payable and accrued liabilities and administrative expense. Management identified and corrected the misstatement during the year ended September 30, 2022. • Management also disclosed that procedures have been completed to evaluate the accuracy and completeness of the disclosures in the financial statements. As a result of the evaluation process, Management identified certain disclosures that, although required by Government Accounting Standards Board (GASB), have been omitted from Management’s Discussion & Analysis (MD&A) accompanying the financial statements. The omitted disclosure that is regarded as more than clearly trivial pertains to the requirement that the MD&A should provide three years of comparative data – the current year, the prior year, and the year preceding the prior year. The effects of the omitted 	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>disclosures are qualitatively immaterial, both individually and in the aggregate, to the financial statements as a whole.</p> <ul style="list-style-type: none"> • Fee-for-service medical claims expense was tested using statistical or other sampling techniques and certain errors in recording fee-for-service medical claims expense as of September 30, 2022, were found in the sample items selected. The effect of the known errors identified is not material. However, the mathematical projection of the likely errors, which results in a potential overstatement of \$3.4 million and a potential understatement of \$12.8 million, for net potential misstatement of \$9.4 million. Such potential unrecorded errors were determined by management to be immaterial to the combined financial statements taken as a whole. <p>Board Member Booth asked if D&T is comparing the numbers with the original budget or the forecast. Ms. Procopio stated that D&T tested samples from actual medical claims expense reported in the 2022 financial statement to verify they are accurate. Part of accuracy testing is validating that pricing was performed appropriately for those claims. D&T believe that these are individually immaterial.</p> <ul style="list-style-type: none"> • There were no material misstatements that were brought to the attention of management as a result of the audit procedures. • There were no disagreements with management with respect to the financial statement. • Throughout the year, routine discussions were held with management regarding the application of accounting principles or auditing standards which did not involve significant findings or issues requiring communication to the Audit Committee. • Ms. Procopio commented that Accounts Services team works very hard and extended D&T's appreciation for their cooperation. • There are no significant changes to draft Management Representation letter included the packet. <p>Board Member Booth asked, on page 19 of the packet, what is L.A. Care considering will happen with Grievances & Appeals (G&A). Board Member</p>	

APPROVED

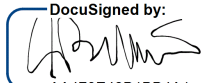
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Booth thinks in one sense it could be considered a fraud because you are getting paid for work you didn't do. Ms. Montgomery stated that this issue was with files that are submitted to the bank, which were compromised by an external party. It could be fraud committed by an external party or staff become aware of a fraud inside the organization. Ms. Montgomery thinks this G&A issue should be viewed more as regulatory compliance that L.A. Care need to work with regulators, and not fraud. Augustavia J. Haydel, Esq., <i>General Counsel</i>, stated that the \$55 million fine is accounted for and recognized in the financial statement. John Baackes, <i>Chief Executive Officer</i>, added the amount was reserved. If the appeal fails, then L.A. Care will pay it. Ms. Montgomery reiterated that this a regulatory penalty not an allegation of fraud.</p> <p>Board Member Booth asked about the Managed Care Organization (MCO) tax, which she had thought had ended. Ms. Montgomery stated it ended and was restarted overtime. It is currently in force and could come to an end again. Mr. Baackes added that in the California Safety Net Coalition goal, if realized, will be to have MCO tax reinstated, but not until 2025.</p> <p>Board Member Booth asked about the payout to hospitals if this is different from last year. Ms. Montgomery stated that L.A. Care did a list of various programs and consolidated the amount received and paid. The names of programs changed overtime, and staff tried to simplify it.</p> <p>Ms. Montgomery expressed her appreciation on D&T's commitment to get the audit done.</p> <p>The Committee members did not have a separate conversation with Deloitte & Touche.</p> <p><u>Motion AUD A.1222</u> To accept the findings of the Deloitte & Touches' audit of L.A. Care's financial statements for the fiscal year ended September 30, 2022, as presented.</p>	<p>Approved unanimously by roll call. 2 AYES</p>

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ADJOURNMENT	The Chair adjourned the meeting at 11:49 am.	

Respectfully submitted by:
Malou Balones, *Board Specialist III*
Victor Rodriguez, *Board Specialist II*
Linda Merkens, *Senior Manager, Board Services*

APPROVED BY:

DocuSigned by:

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Alvaro Ballesteros, MBA, *Committee Chairperson*
Date Signed: 8/31/2023 | 2:41 PM PDT

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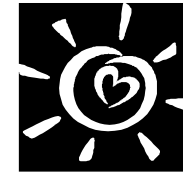
**COMPLIANCE
&
QUALITY
COMMITTEE**

BOARD OF GOVERNORS

Compliance & Quality Committee Meeting

Meeting Summary – August 17, 2023

L.A. Care Health Plan CR 100, 1055 W. Seventh Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

Members

Stephanie Booth, MD, *Chairperson*
Al Ballesteros, MBA
Hilda Perez
G. Michael Roybal, MD *

* Absent ** Via Teleconference

Senior Management

Augustavia J. Haydel, *General Counsel*
Thomas Mapp, *Chief Compliance Officer*
Terry Brown, *Chief of Human Resources*
Noah Paley, *Chief of Staff*
Acacia Reed, *Chief Operating Officer*
Felix Aguilar-Henriquez, MD, *Medical Director, Quality, Health Services*
Mike Sobetzko, *Senior Director, Risk Management and Operations Support*
Miguel Varela Miranda, *Senior Director, Regulatory Compliance*
Magdalena Marchese, *Senior Director, Audit Services*

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	<p>Chairperson Stephanie Booth, MD, called the L.A. Care Compliance & Quality Committee and the L.A. Care Health Plan Joint Powers Authority Compliance & Quality Committee meetings to order at 2:06 p.m.</p> <p>She announced that members of the public may address the Committee on each matter listed on the agenda before the Committee’s consideration of the item by submitting their comments via text, voicemail, or email.</p>	
APPROVAL OF MEETING AGENDA	<p>The Meeting Agenda was approved as submitted.</p>	<p>Approved unanimously by roll call. 3 AYES (Ballesteros, Booth, and Perez)</p>
PUBLIC COMMENT	<p>There was no public comment.</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
APPROVAL OF MEETING MINUTES	The June 15, 2023 meeting minutes were approved as submitted.	Approved unanimously by roll call. 3 AYES
CHAIRPERSON REPORT <ul style="list-style-type: none"> • Education Topic 	<p>Chairperson Booth gave the following report:</p> <p>Member Booth encouraged committee members to share ideas for further learning. Member Booth highlighted the historical context of the separation of powers in government, emphasizing the principles of checks and balances. Member Booth drew attention to a shift away from this separation of powers, especially in the healthcare field, where certain entities possess the authority to both create rules and enforce them, raising concerns about fairness. Member Booth's report encompassed a range of topics, from educational needs within the committee to broader concerns about the consolidation of powers and the challenges of a multi-faceted role in the healthcare system.</p>	
CHIEF COMPLIANCE OFFICER REPORT	<p>Thomas Mapp, <i>Chief Compliance Officer</i>, and Compliance Department staff presented the Chief Compliance Officer Report: <i>(a copy of the full written report can be obtained from Board Services)</i>.</p> <p>Mr. Mapp introduced Miguel Varela Miranda, <i>Senior Director, Regulatory Compliance, Compliance</i>, and Magdalena Marchese, <i>Senior Director, Audit Services, Compliance</i>, to the committee.</p> <p>Mr. Sobetzko gave a an Issues inventory Update and Risk Management Update. Mr. Sobetzko stated that there were four new issues added to the inventory, and are currently in the vetting process to confirm the validity. There were two ongoing open items, along with two previous issues that had been closed but were still being monitored. The new issues primarily revolved around the transition of work related to the member reimbursement process from the field agreements unit to the provider dispute resolution unit. This transition raised questions about workflows and data automation, which were being investigated to ensure a smooth transition. Another issue concerned the electronic data interchange file, specifically what provider data needed to be submitted via this file. Conversations with plan partners were ongoing to resolve this matter. Another issue pertained to network data validation timeliness, aligning with regulations like the No Surprises Act and senate bill requirements. It was likely that meeting all validation timeliness thresholds might be challenging. Mr. Sobetzko also introduced a tracking item regarding physician-administered drug payments, emphasizing its importance and the need to ensure correct compensation, particularly for providers like Planned Parenthood. Lastly, there was an open issue regarding notice of non-compliance for call center timeliness, stemming from a CMS timeliness study conducted in Q1 2023. The study revealed a disconnection rate slightly above the 5% target, leading to an ongoing effort to address the non-compliance and improve preparedness for future open enrollment periods.</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Risk Management Update</p> <p>Mr. Sobetzko first discussed an assessment of ongoing work related to various monitoring reports. The target date for completion and moving into production by July 27 is currently under reassessment, with plans to potentially align it with the next system update. The timeline remains "to be determined," and efforts are underway to evaluate the updates as part of a validation project within the next two months., Mr. Sobetzko mentioned that progress had been made regarding the Compliance Program Effectiveness since the issue was opened. Several corrective actions had been taken to address observations from the compliance program audit conducted in late 2021. While some observations had been resolved, there were a few issues to be addressed. The plan is to close them out in 2023 and initiate a new compliance program effectiveness audit, likely with the same consultant. In the Provider Quality area, there was a focus on addressing the issue of untimely processing. Substantial work had been carried out to resolve this issue, including changes to the organization chart, monthly monitoring of aging reports, and efforts to understand and reconcile missing cases. An issue related to insufficient automation causing manual email typing for case transitions had also been identified and addressed with reporting and monitoring. While automation prospects from the system were limited, further updates on the situation would be provided at a later date.</p> <p>Dr. Amin addressed two key points from Mr. Sobetzko's report. Firstly, he clarified that the backlog issues identified earlier had been addressed, and the team had taken measures to ensure such backlogs would not recur. Secondly, he provided an update on the email issue, stating that the team was actively seeking a platform that would facilitate improved synchronization and operational efficiency for both the team and the internet platform. Dr. Amin indicated that the late stages of the RFP (Request for Proposal) process were underway, with the expectation of implementing a new system by or in 2024.</p> <p>Mr. Sobetzko described the risk item related to staffing and talent assessment. He noted that a substantive change had been implemented in staffing processes, which had improved the situation significantly. He mentioned that the risk item was closely tied to an internal audit focusing on the timeliness of hiring processes, and the final staffing and talent assessment report from internal audit had been drafted and was currently under review.</p> <p>Todd Gower, <i>Consultant</i>, gave an Internal Audit Update. Mr. Gower provided an overview of the audit plan for 2023, which extends into the fiscal year and calendar year. He discussed the audits currently underway and highlighted that several audits were initiated and follow-up audits from the previous year were being reviewed for completeness of corrective actions. Mr. Gower also shared a slide illustrating the audit schedule, emphasizing efforts to align the scheduling and accommodate potential adjustments. He mentioned that a couple of audits were on hold due to specific circumstances.</p>	

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	<p>Member Ballesteros asked for clarification about the Internal Audit process. He asked if the audit looks at the reviews Compliance makes or looking at the work itself. Mr. Mapp responded that it looks at the work as whole.</p> <p>Chrstitine Chueh, <i>Senior Manager, Provider Quality, Quality Improvement</i>, and Rhonda Reyes, <i>Quality Improvement Program Manager III, Quality Improvement</i> gave an update on the Provider Quality Review (PQR) Risk Assessment (<i>the written report can be obtained by contacting Board Services</i>).</p> <ul style="list-style-type: none"> • Backlog Updates Risk: Low The second backlog of 503 cases that was delivered to the PQR team, as a result of PQI being routed incorrectly from grievances PCT system, is 87% complete, with 65 cases remaining open. A single 30 day extension will be granted to complete these cases which will then become due in September, 2023. The assigned nurses are on target to close them by the September due date. • Open Aging continues to increase due to our monthly intake volume exceeding our monthly team capacity Risk: Moderate <ul style="list-style-type: none"> ○ Weekly aging reports are prepared by assigned RN and forwarded to PQR leadership team to address any concerns, provide assistance or reassign cases if needed. ○ A single 30 day extension may be granted for cases approaching due date. ○ New positions approved in June are mostly starting in August 2023. The orientation period is estimated for at least 2 weeks for internal transfers and up to 4 weeks for staff hired from outside of L.A. Care Health Plan. • Increasing PQI referrals continue month over month Risk: High <ul style="list-style-type: none"> ○ In June 2023, the team received 815 PQI referrals (see slide #3), ~200% increase compare to same year last year. ○ A noticeable increase in inappropriate referrals from A&G has been observed (see slide #4). Examples were shared with A&G leadership in an effort to mitigate findings and provide teaching opportunities. ○ Additional staffing request has been submitted to HR for RRB review August 2023. ○ The PQR and A&G leadership plan to meet at least bi-weekly to review mitigation progress and explore additional opportunities to manage the PQI volume. <p>Summary</p> <ul style="list-style-type: none"> • PQR leadership continues to leverage help from HRBP to expedite the recruiting process and fill approved positions as soon as possible. • If an effort to reduce inappropriate PQI referrals (triage 0), PQR continues to provide feed back to grievances for additional staff training on what constitutes a PQI. 	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • Continue to think outside the box to mitigate risk while staffing up: <ul style="list-style-type: none"> ○ Reduced meeting times ○ Postponement of selected meetings and internal oversight review of grievances and CSC cases until October, 2023 ○ Paired up Specialists to work with Triage RNs to identify inappropriate referrals early in the process ○ PQR leadership assistance with the identification of PQI referrals deemed inappropriate not requiring clinical review ○ “All hands on deck” to encourage staff working extra cases as possible 	
CHIEF MEDICAL OFFICER REPORT	<p>Dr. Amin presented the August 2023 Chief Medical Officer Report <i>(the written report can be obtained by contacting Board Services.)</i></p> <p>Timeliness Corrective Action Plans (relates to June 2021 regulatory disclosure, 2021 DHCS Audit and 2022 Enforcement Action). UM has made extraordinary progress in this area!</p> <ul style="list-style-type: none"> • Compliance Scorecard measures – Q2 2023 most recent available <ul style="list-style-type: none"> ○ Overall performance for all Lines of Business <ul style="list-style-type: none"> - 38/46 measures > 95% - 43/46 measures > 90% - Three measures between 85-89% are for member notification timeliness. Corrective actions in flight include: • Reducing delays due to foreign language translations with a solution between SyntraNet and translation vendor to automate multiple steps in the process. UpHealth is reviewing requirements. • In April we established a dedicated letter team with subject matter expertise and focus on letter timeliness. • In August we will start additional pick-ups and mailing by our fulfillment vendor. The three times per day schedule should help reduce untimely notices. • Letter automation went into production 7/28. With approval letters automated, the letter team will be able to more quickly process the lower volume of adverse determination notices. <ul style="list-style-type: none"> ○ Direct Network only (Medi-Cal subset) <ul style="list-style-type: none"> - 15/20 measures > 95% - 17/20 measures > 90% - 3 measures between 75%-80%, all member notifications - Corrective actions same as above (Direct Network is a subset) 	

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	<ul style="list-style-type: none"> - LAC continues to submit Direct Network scores and narratives on process enhancements and staffing levels to DMHC via quarterly undertakings. <p>UM Team Development Since January 1, 2023, 42 new FTEs have been hired</p> <ul style="list-style-type: none"> • Nearly all Leadership positions are filled • Physicians <ul style="list-style-type: none"> ○ In May the RRB approved five additional positions to address volume of work as well as to address numerous clinical gaps identified during the DHCS audit. A new Medical Director started July 31 and recruitment continues for the remaining positions. ○ Our Medical Director with pediatric and CCS expertise returned from maternity leave in July and will provide subject matter expertise in development of pediatric-focused efforts. ○ Recruitment is ongoing for the Senior Medical Director position • The Quality team now has seven auditors (five clinical, two nonclinical), two clinical trainers, a policy nurse and is recruiting for two nonclinical trainers and a program manager. • The ER/Admit team phone queue went live in mid-May, but has three openings which are difficult to fill, especially evening and night shifts. This has also been a tough team to keep staffed as the calls can be challenging. Maintaining management coverage for nights and weekends has also been difficult and may require creative thinking to solve. • The Discharge planning team has been slow to staff but will have 5/6 positions filled by August. Because this team will handle both inpatient and outpatient requests, the training is extensive. Our goal is for a soft-opening in the Fall with limited hours that will expand to 7-day a week coverage as additional staff complete training. • The PDR team that handles the clinical portion of claim disputes is fully staffed. They will soon take over adjacent work to provide documents and analysis in support of claims disputed via litigation, previously worked by UM Quality team. • A UM-focused data analyst came on in June and is already helping to assess productivity, projecting staff capacity and will soon start on enhancing metrics and developing over/under utilization assessments. <p>DHCS Audit Focus Areas</p> <ul style="list-style-type: none"> • Coordination between UM and Grievance & Appeals <ul style="list-style-type: none"> ○ The two teams along with the Quality Medical Director have been having at least monthly collaboration meetings since March of this year. 	

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	<ul style="list-style-type: none"> ○ A new process was developed for Medical Directors to review grievances that appear to have quality of care concerns ASAP after receipt; Medical Director training to be scheduled. ○ The Medical Directors will be receiving training in the PCT system so that their appeals work will be submitted directly to the A&G team where other appeals documentation is housed. ○ A new Medical Director starts July 31 and will increase physician capacity to support A&G functions. ○ A framework for metrics and reported was developed to track denials rates, appeal rates, uphold/overturn rates and break down by entity (e.g. LAC, PPG). The business case is under review with the IT reporting team. ○ The Appeals nurses will be training on MCG with the UM team and will participate in the annual Inter-rater Reliability exercise this Fall. ● Developing and implementing audit tools and protocols. Tools have been developed for all functional areas (inpatient, outpatient, nonclinical) On the clinical side, the emphasis is on accuracy and consistency of decision making by nurses and physicians, approvals and adverse decisions ● Letters for Continuity of Care are being configured with expected deployment of Mid-August. ● With the hiring of UM data analyst, work will resume in the following areas <ul style="list-style-type: none"> ○ Unused authorizations ○ Auth tracking, trending ○ Enhanced reporting to Utilization Management Committee ○ Expansion of over/underutilization ● Under/overutilization <ul style="list-style-type: none"> ○ We have been actively working to monitor and address overutilization of hospice. This has been an ongoing effort among our clinical analytics department in collaboration with the SIU, PNM and Legal. The bulk of the work has focused on claims data and we recently expanded to include prior authorizations. Medical Directors and prior auth nurses have received several trainings to identify suspicious hospice referrals and to redirect OON requests to contracted agencies. A cross-functional team meets weekly to review results of data analysis and determine next steps. The efforts of this group have already resulted in a number of recovery letters delivered to hospice agencies for repayment of fees inappropriately billed. ○ In April, we asked to discuss our concerns with DHCS and had a meeting in mid-June. Given that our findings matched those found by a 2022 State Auditor report, we used those for context. We presented L.A. Care data from 2022 and explained that our preliminary analysis for 2023 suggests continued trends in the wrong direction. 	

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HEDIS RESULTS	<p>Thomas Mendez, <i>Director, Quality Performance Informatics, Quality Performance Management</i>, presented information about L.A. Care’s HEDIS Results (<i>a copy of the written report can be obtained from Board Services</i>).</p> <p>Mr. Mendez presented a report on L.A. Care's Healthcare Effectiveness Data and Information Set (HEDIS) results for the year 2022. He explained that this report summarized the final HEDIS results for the California Department of Health Care Services (DHCS), Medicare Managed Care and Cal MediConnect, which transitioned to CalAIM for measurement year 2022. He highlighted L.A. Care's efforts to improve HEDIS performance, address challenges, and enhance data analysis and reporting. Mr. Mendez highlighted several key findings, noting improvements in various rates compared to the previous year, although performance was still below pre-pandemic levels. He also mentioned an increase in the usage of telehealth visits, which presented challenges in capturing certain services comprehensively. The report covered both administrative and hybrid measures, highlighting significant declines in areas such as cervical cancer screening, childhood immunizations, and weight assessment and counseling for nutrition. Mr. Mendez emphasized the need to explore self-referral options for certain screenings to address these issues. The presentation included highlights of goals met, including improvements in several measures such as blood pressure control for diabetics and childhood immunization status. However, he acknowledged that performance was still below the baseline of measurement year 2019. Mr. Mendez discussed areas of low performance and recurring issues, including measures that did not meet the minimum performance threshold. He noted improvements in some measures that had not met the threshold in the previous year. The presentation also covered root cause analysis, actions taken to support data analysis, and provider outreach and education on HEDIS requirements. Mr. Mendez outlined various data and reporting enhancements, such as developing dashboards and prospective provider opportunity reports. Additionally, he mentioned plans to evaluate point-of-care tools to assist providers more effectively.</p>	
MEDI-CAL MANAGED CARE ACCOUNTABILITY SET (MCAS)	<p>Betty Santana, <i>Senior Manager, Quality Improvement Initiatives, Quality Improvement</i>, gave a presentation on L.A. Care’s Medi-Cal Managed Care Accountability Set (MCAS) (<i>a copy of the full written report can be obtained from Board Services</i>).</p> <p>Ms. Santana provided an informative report on L.A. Care's MCAS measures. She began by explaining that MCAS comprises core measures that come from CMS and HEDIS to assess performance. Last year, there were 39 measures, and this number continues to grow incrementally each year. In the previous year, six out of the 15 measures did not meet the minimum performance level. Ms. Santana delved into the reasons behind these declines, citing the lingering effects of the pandemic on children's health measures, issues with late immunizations, and data gaps. She acknowledged challenges in measures related to cervical cancer screening and follow-up after mental illness. Despite these challenges, there were positive outcomes, with many children's measures showing improvement, and 9</p>	

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	<p>measures meeting the minimum performance threshold. Additionally, two out of three measures that previously fell short displayed significant improvements. Ms. Santana highlighted ongoing investigations into data gaps and challenges, emphasizing a commitment to member outreach, provider engagement, and intervention design to boost performance in these measures. Addressing access to care remained a priority, with plans to expand mobile and at-home services. Ms. Santana outlined the strategies aimed at enhancing performance in MCAS measures. These strategies involve collaboration with members and providers, an increased focus on data accuracy, and initiatives to improve access to care.</p> <p>Dr. Amin mentioned that there are ongoing efforts to ensure the reliability of the quality metrics used. He expressed the complexity of the data flow involved in quality metrics, highlighting that data moves through multiple channels from providers to vendors to the state and back to their organization. One aspect of their focus is conducting a forensic analysis of their measures to ensure that data is consistently transferred without any gaps. Dr. Amin also raised the issue of encouraging on-ground providers to effectively utilize the opportunity reports provided to them. These reports cover various aspects such as risk adjustment, quality, and UM processing. He emphasized the importance of integrating these reports into the workflow of providers and simplifying the process to make it as convenient as possible for them. Dr. Amin acknowledged that adapting providers to meet evolving standards and requirements could be challenging but assured that foundational processes were being improved to address these issues effectively.</p> <p>Member Ballesteros raised concerns about the challenges faced by FQHCs (Federally Qualified Health Centers) and their role in the safety net. He mentioned turnover issues within these centers, particularly noting a significant turnover among medical assistants in recent years. Member Ballesteros emphasized that these medical assistants often play a crucial role in identifying and flagging various issues within the healthcare system. Additionally, he touched upon the broader issue of provider shortages in the community healthcare sector.</p> <p>Dr. Amin responded to Member Ballesteros by acknowledging the challenges associated with turnover and provider shortages, particularly in FQHCs. He emphasized the need for practical solutions to address these issues. He explained that the sheer volume of opportunity reports provided to healthcare providers can be overwhelming, making it unrealistic to expect medical assistants to manage them effectively. Instead, he proposed prioritizing and consolidating these reports to make them more manageable for medical assistants. He highlighted the importance of integrating these reports into the provider's workflow to streamline the process. He emphasized that expecting medical assistants to manually collate and organize reports for every patient is impractical, given their busy schedules. Dr. Amin stressed the need to support healthcare providers in a more efficient and effective manner to</p>	

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	ensure that quality measures and appropriate coding are not overlooked. He mentioned that these discussions are ongoing within the organization, and he expressed optimism about the team's response to these challenges at L.A. Care.	
ADJOURN TO CLOSED SESSION	<p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the following items to be discussed in closed session. The JPA Compliance and Quality Committee meeting adjourned and the Compliance and Quality Committee adjourned to closed session at 3:35 P.M.</p> <p>PEER REVIEW Welfare & Institutions Code Section 14087.38(o)</p> <p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act: Two potential cases</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> • Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680 • Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF 	
RECONVENE IN OPEN SESSION	<p>The Committee reconvened in open session at 4:37 p.m.</p> <p>There was no report from closed session.</p>	
ADJOURNMENT	The meeting was adjourned at 4:37 p.m.	

Respectfully submitted by:

APPROVED BY:

Victor Rodriguez, *Board Specialist II, Board Services*
Malou Balones, *Board Specialist III, Board Services*
Linda Merkens, *Senior Manager, Board Services*

Stephanie Booth, MD, *Chairperson*
Date Signed: _____