



Accreditation of Medi-Cal, Healthy Kids and Healthy Families Program.



L.A. Care
HEALTH PLAN®

BOARD OF GOVERNORS MEETING #246

June 4, 2015 • 2:00 PM

L.A. Care Health Plan

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

About L.A. Care Health Plan



Mission 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. With more than 1.6 million members in five 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 that has awarded more than \$132 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 eleven Regional Community Advisory Committees (governed by an Executive Community Advisory Committee), health promoters, and three Family 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, Care 1st Health Plan, and Kaiser Permanente. Since 2012, L.A. Care has enrolled more than 170,000 Seniors and Persons with Disabilities as members, and as of January 1, an additional 164,000 Healthy Way LA members transitioned to L.A. Care's Medi-Cal program. 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 Cal MediConnect Plan**– L.A. Care Cal MediConnect Plan provides coordinated care for Los Angeles County seniors and people with disabilities who are eligible for Medicare and Medi-Cal.
- **L.A. Care Healthy Kids (0-5)** – Sponsored by First 5 LA and the Children's Health Initiative of Greater Los Angeles, Healthy Kids (0-5) provides health coverage for children who do not qualify for Medi-Cal and Healthy Families.
- **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.



AGENDA

BOARD OF GOVERNORS MEETING No. 246

Thursday, June 4, 2015, 2:00 P.M.

L.A. Care Health Plan, 10th Floor, 1055 W. 7th Street, Los Angeles, CA 90017

DRAFT

Teleconference Call In Information & Teleconference Site

Call in number: (855) 846-1604 or (213) 438-5445
Participant Access code: 67163639

Michael A. Rembis
19265 Allandale Drive
Tarzana, California

- I. **Welcome** Thomas Horowitz, D.O., *Chair*
- II. **Approve today’s meeting agenda** *Chair*
- III. **Public Comment** *Chair*
- IV. **Approve May 7, 2015 meeting minutes** p.6 *Chair*
- V. **Approve Consent Agenda Items** *Chair*
 - 1. Approve rescheduled July 2015 Board meeting **(BOG 100)** p.18
 - 2. Approve New Leases with Canon **(FIN 100)** p.20
 - 3. Approve Contract with Center for the Study of Services **(FIN 101)** p.21
 - 4. Approved Contract Extension with McKesson, and Approval to enter negotiations with Health Dialog **(FIN 102)** p.22
 - 5. Approve Contract with Craig Stephen/Beecher Carlson Holdings, Inc. **(FIN 103)** p.24
 - 6. Approve Contract Amendment with Ansafone **(FIN 104)** p.25
 - 7. Approve Contract Amendment with Office Ally **(FIN 105)** p.26
 - 8. Approve Contract with Vendor Not Yet Selected for Health Benefits Exchange Quality Improvement Phase I **(FIN 106)** p.27
 - 9. Approve Contract with Cognizant, Flextech, HCL and Infosys for Professional Services **(FIN 107)** p.28
 - 10. Approve Procurement of Licenses with TriZetto **(FIN 108)** p.29
 - 11. Approved Revised Annual Compliance Program Work Plan **(COM 100)** p.30
 - 12. Approve RCAC Membership **(ECA 100)** p.51
 - 13. Ratify RCAC 3 Vice Chair Election **(ECA 101)** p.52
- VI. **ADJOURN TO CLOSED SESSION** (Est. time: 30 mins.) *Chair*
 - A. **CONTRACT RATES**
Pursuant to Welfare and Institutions Code Section 14087.38(m)
 - Plan Partner Rates
 - Provider Rates
 - DHCS Rates
 - B. **REPORT INVOLVING TRADE SECRET**
Pursuant to Welfare and Institutions Code Section 14087.38(n)
Discussion Concerning New Product Lines
Estimated date of public disclosure: May 2017
 - C. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Pursuant to Section 54956.9 (d)(2) of the Ralph M. Brown Act
Two (2) potential cases

- D. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Pursuant to Section 54956.8 of the Ralph M. Brown Act
Property: 1055 West 7th Street, Los Angeles
Agency Negotiator: John Baackes
Negotiating Parties: Jamison Properties, 1055 West Seventh, LLC
Under Negotiation: Price and Terms of Payment

- VII. **RECONVENE IN OPEN SESSION** *Chair*
- VIII. **Chairperson's Report** *Chair*
- IX. **Chief Executive Officer Report** p.53 John Baackes
Chief Executive Officer
- X. **Chief Medical Officer Report** p.57 Gertrude S. Carter, MD
Chief Medical Officer
- XI. **Motions for Consideration** Gertrude S. Carter, MD
 - 1. Health Integrated (**BOG 101**) p.60
 - 2. Approve Procurement Policy (AFS-007) and the elimination of the Contract Review and Approval Process Policy (AFS-026) (**BOG 102**) p.61 Tim Reilly
Chief Financial Officer
- XII. **Advisory Committee Reports**
 - A. Executive Community Advisory Committee Hilda Perez/Ozzie Lopez
Board Consumer member and Advocate member
- XIII. **Committee Reports**
 - A. Executive Committee Thomas Horowitz, D.O., *Chair*
 - 1. Government Affairs Update p.141 Cherie Fields
Director, Government Affairs
 - 2. Approve Ad hoc award to the Nonprofit Finance Fund (**EXE 100**) p.151 Jonathan Freedman
*Interim Chief Operating Officer/
Chief of Strategy, Regulatory and External Affairs*
 - B. Finance & Budget Committee Michael Rembis, *Chair*
 - 1. Financial Report (**FIN 109**) p.161 Tim Reilly
 - 2. Monthly Investment Transactions Report p.177 Tim Reilly
 - C. Compliance & Quality Committee Meeting G. Michael Roybal, MD
Chair
 - D. Services Agreement Committee Hector De La Torre
Chair
- XIV. **Strategic Discussion: Value Proposition of L.A. Care** John Baackes
- XV. **Adjournment** *Chair*

The next meeting is scheduled on Thursday, July 2, 2015.

The order of items appearing on the agenda may change during the meeting. Teleconference arrangements may change prior to the meeting. Those planning to participate by telephone should confirm with L.A. Care Board Services prior to the meeting. Please keep your comments to three minutes or less.

Board of Governors Meeting Agenda
June 4, 2015

DRAFT

THE PUBLIC MAY ADDRESS THE BOARD OF GOVERNORS ON ALL MATTERS LISTED ON THE AGENDA BY FILLING OUT A "REQUEST TO ADDRESS" FORM AND SUBMITTING THE FORM TO L.A. CARE STAFF PRESENT AT THE MEETING BEFORE THE AGENDA ITEM IS ANNOUNCED. YOUR NAME WILL BE CALLED WHEN THE ITEM YOU ARE ADDRESSING IS DISCUSSED. THE PUBLIC MAY ALSO ADDRESS THE BOARD ON L.A. CARE MATTERS DURING PUBLIC COMMENT. AN AUDIO RECORDING OF THE MEETING IS MADE TO ASSIST IN WRITING THE MINUTES AND IS RETAINED ONLY FOR 30 DAYS.

NOTE: THE BOARD OF GOVERNORS CURRENTLY MEETS ON THE FIRST THURSDAY OF MOST MONTHS AT 2:00 P.M. POSTED AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION AT Board Services, 1055 W. 7th Street – 10th Floor, Los Angeles, California 90017.

Any documents distributed to a majority of the Board Members regarding any agenda item for an open session after the agenda has been posted will be available for public inspection at Board Services, L.A. Care Health Plan, 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017, during regular business hours, 8:00 a.m. to 5:00 p.m., Monday – Friday.

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) 694-1250. 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.

Board of Governors
General Meeting # 245
Meeting Minutes – May 7, 2015

L.A. Care Health Plan Conference Room 1018-1019
 1055 W. Seventh Street, Los Angeles, CA 90017



Members

Thomas Horowitz, DO, *Chairperson*
 Mark Gamble, *Vice Chairperson*
 Michael A. Rembis, FACHE, *Treasurer*
 Louise McCarthy, *Secretary*
 Michael D. Antonovich
 Hector De La Torre
 Jann Hamilton Lee

Alexander K. Li, MD
 Ozzie Lopez, MPA
 Hilda Perez
 G. Michael Roybal, MD, MPH
 Sheryl Spiller
 Kimberly Uyeda, MD, MPH

**Absent ** Teleconference*

Management/Staff

John Baackes, *Chief Executive Officer*
 Gertrude S. Carter, *Chief Medical Officer*
 Jonathan Freedman, *Interim Chief Operating Officer and
 Chief of Strategy, Regulatory & External Affairs*
 Augustavia J. Haydel, Esq., *General Counsel*
 Tim Reilly, *Chief Financial Officer*
 Tom Schwaninger, *Chief Information Officer*
 Robert Turner, *Chief of Human Resources*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>CALL TO ORDER</p> <p>Thomas Horowitz, DO,</p>	<p>Thomas Horowitz, DO, <i>Chairperson</i>, called the meeting to order at 2:05 p.m.</p> <p>Chair Horowitz announced that the Public may address the Board on any matter at the Public Comment section at the beginning of this meeting, or by submitting a form available at the entrance. He also announced that there will be a Services Agreement Committee meeting immediately following this meeting.</p>	
<p>APPROVAL OF MEETING AGENDA</p> <p>Thomas Horowitz, DO</p>	<p>The meeting agendas were approved as submitted.</p>	<p>Approved unanimously. 10 AYES (Gamble, Hamilton Lee, Horowitz, Lopez, Li, McCarthy, Perez, Rembis, Roybal, and Uyeda).</p>
<p>PUBLIC COMMENT</p>	<p>There was no Public Comment.</p>	
<p>ACCEPTANCE OF MINUTES OF MEETING</p> <p>Thomas Horowitz, DO</p>	<p><i>(Member Spiller joined the meeting.)</i></p> <p>The minutes of the April 2, 2015 Supplemental Special and Regular meetings were approved as submitted.</p>	<p>Approved unanimously. 11 AYES (Gamble, Hamilton Lee, Horowitz, Lopez, Li, McCarthy, Perez, Rembis, Roybal, Spiller and Uyeda).</p>

DRAFT

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
APPROVAL OF CONSENT AGENDA Thomas Horowitz, DO	<ol style="list-style-type: none"> 1. Revised 2015 Board and Committee meeting schedule (EXE 100) 2. Quarterly Investment Report (FIN 100) 3. Maricich Healthcare Communications Contract Amendment (FIN 101) 4. Procurement of Additional Managed Service Hours from Black Box Network Services (FIN 102) 5. Key Vendor Contract to Enhance Disk Storage Space (FIN 103) 6. Healthx Contract (FIN 104) 7. Wanski Contract Renewal (FIN 105) 8. Inovalon Contract Amendment (FIN 106) 9. Approve Gomez Research Contract (FIN 107) 10. Approve RCAC Membership (ECA 100) 11. Ratify election of RCAC 4 Vice Chair (ECA 101) 	Approved unanimously. 11 AYES
ADJOURN TO CLOSED SESSION Thomas Horowitz, DO	<p>Augustavia Haydel, Esq., <i>General Counsel</i>, announced the following items to be discussed in closed session. The Board adjourned to a closed session at 2:10 p.m.</p> <p><i>(Member Antonovich joined the meeting.)</i></p> <p>A. 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 <p><i>(Member De La Torre joined the meeting.)</i></p> <p>B. REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Product Lines <i>Estimated date of public disclosure: May 2017</i></p>	
RECONVENE IN OPEN SESSION Thomas Horowitz, DO	The Board reconvened in open session at 2:40 p.m.	
CHAIRPERSON'S REPORT	Chair Horowitz reminded Board Members that the election of Board Officers was deferred until after the transition in L.A. Care leadership.	

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Thomas Horowitz, DO	<ul style="list-style-type: none"> • Staff is polling for a Governance Committee meeting in June, 2015. • A solicitation letter for officer nominations will be sent out as soon as that meeting date is determined. • Nominations will be accepted until voting begins; it is anticipated that the election will occur at the July 2, 2015 Board meeting. 	
CHIEF EXECUTIVE OFFICER REPORT John Baackes	<p>John Baackes, <i>Chief Executive Officer</i>, reported</p> <ul style="list-style-type: none"> • John Wallace has resigned effective April 30, 2015, as L.A. Care’s Chief Operating Officer (COO). Mr. Baackes noted that Mr. Wallace was a terrific asset to the organization judging from the reaction from staff of his departure. He complemented and thanked Mr. Wallace for his role as the Interim Chief Executive Officer and for the briefing he provided during the transition. Mr. Wallace provided operational leadership during a time of extraordinary growth for the organization. Mr. Wallace oversaw the roll out of several health care reform programs such as the launch of L.A. Care Covered, transition of Seniors and People with Disabilities and Dual Eligibles into managed care, and the expansion of Medi-Cal. • Jonathan Freedman, <i>Chief of Strategy, Regulatory and External Affairs</i>, has been appointed as interim COO. Search for the COO will begin after the ongoing L.A. Care strategic vision process. • Bruce Pollack, <i>Senior Director of Project Management Office</i>, has also been appointed as Core System Conversion “Czar”. • On April 30, 2015, Mr. Baackes attended the Regional Community Advisory Committees Conference (RCAC) at the Our Lady of Angels Cathedral, his first in-depth participation with RCAC activities. He was impressed with the organization of the conference and the consumer members’ participation. He congratulated Member Perez and stated his continued support for RCAC activities. <p>Member Perez thanked Carrie Broadus, former RCAC and Board Member, for her participation.</p> <p><u>3-5 Year Strategic Vision Planning In Progress</u></p> <ul style="list-style-type: none"> • L.A. Care’s Leadership Group is refreshing L.A. Care’s 3-5 year strategic vision with the intent to update its existing strategic priorities at the start of the fiscal year on October 1, 2015. 	
Organizational Performance Report	Jonathan Freedman, <i>Interim Chief Operating Officer and Chief of Strategy, Regulatory & External Affairs</i> , presented the 2 nd Quarter Organizational Performance Report FY 2014-2015 included with the	

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Jonathan Freedman	<p>materials for this meeting (<i>a copy of his report can be obtained by contacting Board Services</i>).</p> <p>Mr. Freedman reported:</p> <ul style="list-style-type: none"> • The organizational performance report summarizes the status of organizational goals and objectives outlined in the Board approved fiscal year 2014-15 budget. • Most goals are on target but some goals are partially met. These goals will be met later in the year based on strategic planning that the Board will undergo in future months. • Improvement in Medi-Cal dis-enrollment caused by re-determination shifts between Covered California and Medi-Cal due mainly between CALHEERS and County eligibility process. <p>In response to Member McCarthy's question if L.A. Care is tracking involuntary dis-enrollments, Mr. Freedman informed Board Members that involuntary dis-enrollments are based on re-determination and termination of eligibility for government sponsored programs. L.A. Care receives monthly statistics of dis-enrollments.</p>	
Increase to L.A. Care's Minimum Wage	<p>Mr. Baackes announced that in line with recent discussions by the L.A. City Council and SEIU, L.A. Care decided to increase its minimum hourly wage to \$15. Other changes will be made to L.A. Care's compensation structure over time to ensure L.A. Care is on the frontline of the living wage movement. L.A. Care plans to also offer health benefits to new hires sooner. Mr. Baackes added that these actions acknowledge L.A. Care's greatest asset – its employees, and to help to fulfill its mission and values.</p>	
Timing of June and July Board meetings	<p>The Executive Committee approved the change in the date of L.A. Care's annual Board retreat from May to September 2015. Mr. Baackes noted that staff felt it would be better to move the retreat to allow him the opportunity to understand the organizations' existing vision, challenges, and opportunities.</p> <p>Mr. Baackes added that he would like the Board to participate in this process and proposed dedicating one hour at the June and July 2015 Board meetings for strategic discussions that will direct the development of an updated strategic vision. One of the main topics for discussion is the value L.A. Care adds to members and providers, from the perspective of different constituencies.</p>	
STANDING COMMITTEE REPORTS		
EXECUTIVE COMMITTEE	<p>Chairperson Horowitz reported that the Committee met on April 30. (<i>Minutes of the meeting can be obtained by contacting Board Services.</i>)</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
Thomas Horowitz, DO		
Motion approved on Consent Agenda	<p><u>Motion EXE 100.0515*</u> To approve the revised Board of Governors meeting schedule resetting the date for the Board of Governors’ Retreat from May 7, 2015 to September 3, 2015, and for the Compliance & Quality meeting from May 21, 2015 to May 26, 2015 as attached.</p>	<p>Approved unanimously under Consent Agenda. 11 AYES</p>
<p>Government Affairs Update</p> <p>Prity Thanki</p>	<p>Mr. Freedman informed Board Members that Cherie Fields is in Sacramento attending a meeting regarding amendments to SB 147. Mr. Freedman introduced Prity Thanki, <i>Local Government Advisor, Government Affairs</i>, who reported:</p> <p><u>State Budget</u></p> <ul style="list-style-type: none"> • The Governor’s State Budget May Revise is anticipated to be released next week. • Recent reports indicate that California’s income tax collections in April have already exceeded the Brown Administration’s January estimates. The Legislature’s nonpartisan fiscal analyst is reporting that, by June 30, state revenue could exceed estimates by more than \$4 billion dollars. • The State budget outlook will become clearer after Governor Brown releases his revised budget plan next week. It is anticipated that most extra revenue will go to K-12 schools and community colleges due to Proposition 98. • The budget revision will also show the Administration’s latest approach on the rainy-day reserve and debt repayment plan approved by voters last November. • It will be difficult for Governor Brown to agree to provide additional funding for Medi-Cal and other health and human service programs or to restore prior cuts. It is highly unlikely that significant increases or restorations of funding will be included in the budget revise. <p><u>Legislative Update</u></p> <p>A legislative matrix was provided with today’s meeting materials.</p> <p><u>SB 147 (Hernandez)</u></p> <ul style="list-style-type: none"> • Related to Federally Qualified Health Centers (FQHCs) co-sponsored by L.A. Care, California Primary Care Association (CPCA), and the California Association of Public Hospitals and Health Systems (CAPH). • This would create a 3-year pilot program for an alternative payment methodology for specific FQHCs. • This bill is currently in Senate Appropriations Committee. 	

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	<ul style="list-style-type: none"> • The Department of Health Care Services (DHCS) has agreed to provide data that should allow the bill to move off of the suspense file in the next couple of weeks. • Bill sponsors continue to work with health plans and clinics on language and expectations of the pilot program. <p><u>SB 33 (Hernandez)</u></p> <ul style="list-style-type: none"> • SB 33 limits estate recovery in the Medi-Cal program by requiring collection for only those health care services required to be collected under federal law. This bill is scheduled to be heard in Senate Appropriations. Because there is a cost associated with the bill, it is anticipated it will be put on suspense and will be dealt with at a later time. <p><u>SB 4 (Health Care for All) (Lara)</u></p> <ul style="list-style-type: none"> • On April 7, 2015, legislators announced a package of ten bills called, <i>“Immigrants Shape California”</i>. The package aims to protect undocumented immigrants from fraud, discrimination, lack of health care, and the unintended consequences of the United States’ criminal justice system. This bill would provide Medi-Cal benefits to low income undocumented individuals and require the State to ask for a federal waiver to include the undocumented in Covered California health plans. • It is estimated that SB 4 could cost the state anywhere between \$175 million to \$740 million annually. Exactly how much depends on whether the President’s Executive Order becomes effective, giving about 5 million undocumented immigrants protection against deportation. The order was issued late last year but it remains blocked for now in federal court. • SB 4 was placed on suspense in Senate Appropriations Committee. It is highly unlikely this bill will get off of suspense because of the potential costs. • Even if it passes out of the suspense file and wins a vote on the Senate floor, it would still face votes in the Assembly and ultimately would need Governor Brown’s signature to become law. <p><u>AB 858 (Wood)</u></p> <ul style="list-style-type: none"> • AB 858 allows FQHCs to provide and be reimbursed for medical and mental health services to Medi-Cal beneficiaries on the same day and in the same location. Currently an outdated provision of the law prohibits same day billing for medical and mental health services, even though it does allow same day billing for medical and dental services. • If the bill is passed out of Appropriations and by the Legislature, it is unknown if the 	

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	<p>Governor would approve the bill due to its increased cost.</p> <p><u>Medi-Cal 2020 Waiver Renewal Proposal to Centers for Medicare and Medicaid Services (CMS)</u></p> <ul style="list-style-type: none"> On March 27, 2015, DHCS submitted a final draft to CMS for a 1115 Medicaid Waiver that requests \$17 billion and permission to start new programs that will change payments and health care benefits for the Medi-Cal program. If CMS approves the application, California would become the first state to use financial incentives to increase preventive care visits for Medi-Cal beneficiaries and the uninsured as a way to cut emergency care costs. It also would make California the first state to include housing assistance and other social services in its plans to improve care and outcomes for homeless people. This new Waiver replaces the current Waiver that expires at the end of October 2015. It would continue some programs in the expiring waiver that helped California in implementing the Affordable Care Act and the launch of Covered California. CMS is reviewing the State's application. DHCS expects the new Waiver to be in place by November 1, 2015. 	
<p>FINANCE & BUDGET COMMITTEE</p> <p>Michael Rembis</p>	<p>Michael Rembis, <i>Treasurer</i>, reported that the Committee met on April 30. (<i>Minutes of the meeting can be obtained by contacting Board Services.</i>) In addition to the motions approved earlier on today's consent agenda, the Committee approved the following motions that do not require Board approval:</p> <ul style="list-style-type: none"> Contract amendment for \$12,000 with Laura Gonzalez to provide nutrition workshops for the Active Steps Program from March 2, 2015 through February 29, 2016. Contract with North Star Alliance for \$275,000 to provide a series of community outreach events in Los Angeles County to promote L.A. Care's direct lines of business for the period of June 1, 2015 through May 31, 2016. Contract with Telemundo 52 for \$250,000 to provide advertising and marketing services from June 1, 2015 through June 1, 2016. 	
<p>Motions approved on Consent Agenda</p>	<p><u>Motion FIN 100.0515*</u> To accept the Investment Report for the quarter ended March 31, 2015, as submitted.</p> <p><u>Motion FIN 101.0515*</u> To authorize staff to amend a contract with Maricich Healthcare Communications in the amount of \$4,710,000 (total contract amount not to exceed \$9,310,000) to support the advertising, marketing, translation services and development of an integrated brand</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>strategy and positioning for L.A. Care’s direct lines of business from September 1, 2015 through August 31, 2016.</p> <p><u>Motion FIN 102.0515*</u> To authorize staff to procure additional Managed Service Hours with Black Box Network Services to support L.A. Care’s Interactive Voice Response (IVR) and Voicemail System upgrade in an amount of \$40,000 (total contract amount not to exceed \$504,000) through May 31, 2016.</p> <p><u>Motion FIN 103.0515*</u> To authorize staff to execute a contract with a vendor not yet selected to procure equipment and installation services for the purpose of expanding disk storage infrastructure in the amount of \$650,000.</p> <p><u>Motion FIN 104.0515*</u> To execute a contract with Healthx for L.A. Care’s Member and Provider Portal Strategic implementation services, for an amount of \$2,500,000, through March 31, 2017.</p> <p><u>Motion FIN 105.0515*</u> To authorize staff to execute a contract with Joseph Wanski, MD from August 1, 2015 through July 31, 2016, for a total amount not to exceed \$242,500.</p> <p><u>Motion FIN 106.0515*</u> To approve an amendment with Inovalon, Inc. to increase funds in the amount of \$90,000; bringing the total three year contract cost from \$1,183,920 to \$1,273,920 for the period of August 1, 2014 to August 31, 2017.</p> <p><u>Motion FIN 107.0515*</u> To authorize staff to execute a contract in the amount of \$250,000 with Gomez Research to provide market research services from June 1, 2015 to May 31, 2017.</p>	<p>Motions FIN 100.0515 through 107.0515 were approved unanimously under the Consent Agenda. 11 AYES</p>
<p>Financial Report</p> <p>Tim Reilly</p>	<p>Tim Reilly, <i>Chief Financial Officer</i>, reviewed highlights of the financial report for the period ended March 31, 2015. <i>(Copy of the report can be obtained by contacting Board Services.)</i></p> <ul style="list-style-type: none"> • Total overall enrollment for March is 1,689,099 members. • Fiscal year-to-date performance is a surplus of \$64.3 million or 2% on revenue. • Total enrollment for the Plan Partner (PP) Network is 800,000 members. • Fiscal year-to-date performance for PP Network is a surplus of \$27million. • Total enrollment for L.A. Care’s direct Medi-Cal line of business (MCLA) is 775,000. 	

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	<p>MCLA's fiscal year-to-date performance is a surplus of \$64 million, mainly driven by higher than expected Medi-Cal Expansion membership growth and lower than budgeted operating expenses.</p> <ul style="list-style-type: none"> Total enrollment for the Cal MediConnect (CMC) program is 10,000. Fiscal year-to-date performance is a deficit of \$16 million driven by lower than budgeted revenue rates and higher than budgeted operating expenses. <p><u>Motion FIN 108.0515</u> To accept the Financial Report for the six months ended March 31, 2015, as submitted.</p>	<p>Approved unanimously. 13 AYES (Antonotich, De La Torre, Gamble, Hamilton Lee, Horowitz, Lopez, Li, McCarthy, Perez, Rembis, Roybal, Spiller and Uyeda).</p>
<p>Monthly Investment Transaction Report</p> <p>Tim Reilly</p>	<p>Mr. Reilly referenced the Investment Transaction Report included in the meeting materials (<i>a copy of the report can be obtained by contacting Board Services</i>).</p> <p>Mr. Reilly informed the Committee that as of March 31, 2015, the market value of L.A. Care's investments was \$1,717 million. This includes \$50 million invested with the Los Angeles County Pooled Investment Fund (LACPIF) and \$10 million with the Local Agency Investment Fund (LAIF). Both of these are recent placements with these government pooled funds which are overseen by the County Treasurer (LACPIF) and State Treasurer's office (LAIF) respectively. The remaining \$1,658 million is managed by Payden & Rygel, an external professional asset management firm, and is divided into two separate portfolios based on investment style: short-term and extended portfolios. Mr. Reilly noted that this is an informational report, and Committee or Board action is not required.</p>	
<p>Response to L.A. County Auditor</p> <ul style="list-style-type: none"> Approve Expense and Travel Expense Policies <p>John Baackes Tim Reilly</p>	<p>Mr. Baackes noted that as previously reported, L.A. Care was audited by the L.A. County Auditor-Controller in January 2015. L.A. Care was in agreement with the recommendations made by the Auditor-Controller as a result of that audit, and updated its expense policies in response. Mr. Baackes added that he spoke to John Naimo, the LA County Auditor-Controller, to better understand the future direction and scope of the audit.</p> <p>On May 13, 2015, L.A. Care will meet with the Auditor Controller, and will discuss future audits. The final report will be presented to the L.A. County Board of Supervisors on May 29, 2015.</p> <p>Mr. Reilly summarized the changes to the policies.</p> <p><u>Expense Policy changes:</u></p> <ul style="list-style-type: none"> Defines non-travel related and travel related expenses, and expenses that are necessary, reasonable, appropriate and allowable. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • Outlines procedures for pre-approval of all non-travel related business expenses. • Outlines procedures for using the most recent federal guidelines for meal dollar limits per person. • Sets a \$5,000 per project expense limit that requires approvals from the responsible Officer, CFO, CEO, and/or Board of Governors. • Provides procedures for monitoring and reporting which include quarterly reports to the Board of Governors. • Eliminates purchase of alcoholic beverages; meals or entertainment expenses with vendors or firms seeking to do business with L.A. Care; routine working lunches; and meals or entertainment for birthdays, retirement, or similar related activities. <p><u>Travel Expense Policy changes:</u></p> <ul style="list-style-type: none"> • Provides updated procedures on pre-approving all L.A. Care business related travel expenses via travel authorization requests. • Provides updated procedures on preparing expense reports and documentation requirements for reimbursement for L.A. Care business travel. • Updates guidelines on travel expenses that are covered and not covered under this policy. • Provides procedures for monitoring and reporting which include quarterly reports to the Board of Governors. • Prohibits the purchase or reimbursement of alcoholic beverages with L.A. Care funds. <p>Member Antonovich thanked Mr. Reilly for the superb job with the revised policies.</p> <p>Member Antonovich added one issue that needs to be looked into is measuring the administrative cost. Comparing L.A. Care’s administrative cost and expenses with other Local Initiatives is like comparing apples and oranges because L.A. Care’s delegated responsibilities to Plan Partner or IPAs are not reflected. Member Antonovich proposed that this issue be discussed with the Auditors.</p> <p>Mr. Baackes noted that L.A. Care reached out to Mr. Naimo to provide additional background relevant to evaluating health plans and to discuss the audit structure and to develop an audit plan.</p> <p>The policies were approved by the Finance Committee and are presented to the Board for consideration.</p> <p><u>Motion FIN 109.0515</u></p>	<p>Approved unanimously. 13 AYES</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>1) To approve the Expense and Travel Expense Policies, as attached, and to authorize staff to make non-significant changes, and,</p> <p>2) To direct staff to report on the policies to the Finance and Budget Committee and the Board in 6 months from their adoption and for the Committee and the Board to reevaluate the policies in one year from their adoption.</p>	
<p>Second Quarter Prequalified Vendor Report</p> <p>Jonathan Freedman</p>	<p>Mr. Freedman referred the Board to his written report included in the meeting materials (a <i>copy of his report can be obtained by contacting Board Services</i>).</p>	
<p>SERVICES AGREEMENT COMMITTEE</p> <p>Hector De La Torre</p>	<p>Hector De La Torre, Committee Chair, reported that the Committee met on April 2 (<i>Minutes of the meeting can be obtained by contacting Board Services</i>).</p> <ul style="list-style-type: none"> • Mr. De La Torre was elected the Chair of the Committee. • The Committee met in closed session to discuss Plan Partner Services Agreements and Trade Secrets. There was no report from that closed session. 	
PUBLIC ADVISORY COMMITTEE REPORTS		
<p>EXECUTIVE COMMUNITY ADVISORY COMMITTEE (ECAC)</p> <p>Hilda Perez/Ozzie Lopez</p>	<p>Hilda Perez/Ozzie Lopez, Member and Member Advocate Representative to the Board, reported that ECAC met on April 8 (<i>Minutes of the meeting can be obtained by contacting Board Services</i>).</p> <ul style="list-style-type: none"> • Earlier on the Consent Agenda, the Board approved motions for RCAC and CCI Council membership, and to ratify election of RCAC 4 Vice Chair. • L.A. Care Health Promoters continue training and working with RCAC and community members, providing workshops on health improvement topics and access to care. • The Coordinated Care Initiative Council staff reported that they visited various senior centers, and participated in several events throughout the four CCI Council areas in an effort to increase CCI Council membership. CCI Council field staff is collaborating with the Member Outreach Retention and Engagement (MORE) team to help identify potential CCI Council members in the four areas. • ECAC members acknowledged process improvements by the Interdisciplinary Team and the results for the member issues submitted. Board Member Pérez requested that a presentation from the Interdisciplinary team be scheduled at a future Board Compliance & Quality Committee meeting. • The RCAC spring conference was held on April 30, 2015 in downtown Los Angeles. The 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN																					
	<p>Agenda included internal and external guest speakers such as Susie Baldwin, MD, MPH, Chief, Health Assessment Unit, Office of Health Assessment and Epidemiology, Los Angeles County Department of Public Health, who reported on key indicators of health throughout L.A. County. RCAC members had an opportunity to discuss key indicators of health, how they affect individual RCAC regions, and what RCAC members can do to help advocate for their communities within L.A. Care and other organizations. There was also a behavioral health panel discussion that provided information on behavioral health benefits and how to access them.</p> <p><u>Motion ECA 100.0515*</u> To approve the following candidate(s) to the Regional Community Advisory Committees (RCAC), and Coordinated Care Initiative Councils (CCI) as reviewed by the Executive Community Advisory Committee (ECAC) during the April 8, 2015 ECAC meeting.</p> <table border="1" data-bbox="466 667 1593 980"> <thead> <tr> <th data-bbox="466 667 909 756">Name</th> <th data-bbox="909 667 1230 756">RCAC #</th> <th data-bbox="1230 667 1593 756">Type of Member (Agency, if applicable)</th> </tr> </thead> <tbody> <tr> <td data-bbox="466 756 909 797">Andria McFerson</td> <td data-bbox="909 756 1230 797">RCAC 6</td> <td data-bbox="1230 756 1593 797">Consumer</td> </tr> <tr> <td data-bbox="466 797 909 837">Higinio Carrillo</td> <td data-bbox="909 797 1230 837">RCAC 8</td> <td data-bbox="1230 797 1593 837">Consumer</td> </tr> <tr> <td data-bbox="466 837 909 878">Elizabeth Lyons</td> <td data-bbox="909 837 1230 878">CCI Council Area 2</td> <td data-bbox="1230 837 1593 878">Consumer</td> </tr> <tr> <td data-bbox="466 878 909 919">Hillary Marides</td> <td data-bbox="909 878 1230 919">CCI Council Area 2</td> <td data-bbox="1230 878 1593 919">Consumer</td> </tr> <tr> <td data-bbox="466 919 909 959">Mary Jo Fernando</td> <td data-bbox="909 919 1230 959">CCI Council Area 2</td> <td data-bbox="1230 919 1593 959">Consumer</td> </tr> <tr> <td data-bbox="466 959 909 980">Deaka McClain</td> <td data-bbox="909 959 1230 980">CCI Council Area 4</td> <td data-bbox="1230 959 1593 980">Consumer</td> </tr> </tbody> </table> <p><u>Motion ECA 101.0515*</u> To approve the election of Elizabeth Bonilla as Vice Chairperson of the Regional Community Advisory Committee (RCAC) of region 4 to complete the remainder of the term until September 2016 as reviewed by the Executive Community Advisory Committee during the April 8, 2015 meeting.</p>	Name	RCAC #	Type of Member (Agency, if applicable)	Andria McFerson	RCAC 6	Consumer	Higinio Carrillo	RCAC 8	Consumer	Elizabeth Lyons	CCI Council Area 2	Consumer	Hillary Marides	CCI Council Area 2	Consumer	Mary Jo Fernando	CCI Council Area 2	Consumer	Deaka McClain	CCI Council Area 4	Consumer	
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Mary Jo Fernando	CCI Council Area 2	Consumer																					
Deaka McClain	CCI Council Area 4	Consumer																					
ADJOURNMENT	The meeting was adjourned at 3:35 p.m.																						

Respectfully submitted by:

Malou Balones, *Committee Liaison*
Hilda Stuart, *Committee Liaison*

Board of Governors Supplemental Special Meeting
May 7, 2015

APPROVED BY: _____

Louise McCarthy, *Secretary*

Date Signed _____

DRAFT



Board of Governors
MOTION SUMMARY

Date: March 5, 2015

Motion No. **BOG 100.0615**

Committee:

Chairperson: Thomas S. Horowitz, D.O.

Issue: Revised 2015 schedule of meetings for the Board of Governors and Committees

Background: The Board approved a schedule of meetings for 2015 at the September 2014 meeting. The meeting schedule for July 2015 Board meeting is revised due of scheduling conflict of some of the Board Members.

Budget Impact: None.

Motion: **To approve the revised schedule of the July 2015 Board meeting, as attached.**

**Board of Governors
MOTION SUMMARY**

Revised 2015 Board and Committee Meeting schedule

Regular meeting schedule according to the dates and times below:

BoG: Board of Governors, meets at 2:00 for approximately 3 hours, and

BoG meets at 12:00 Noon in March, July, October and December for strategic discussion

C&Q: Compliance and Quality Committee, meets at 2:30 p.m. for approximately 2 hours

Exec: Executive Committee meets at 2:30 p.m. for approximately 2 hours

F&B: Finance & Budget Committee meets at 1:00 p.m. for approximately 90 minutes

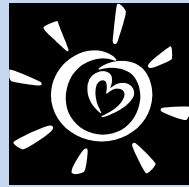
CHCAC: Children’s Health Consultant Advisory Committee meets at 8:30 a.m. for approximately 2 hours

ECAC: Executive Community Advisory Committee meets at 10:00 a.m. for approximately 2 hours

TAC: Technical Advisory Committee meets at 9:00 a.m. for approximately 2 hours

**All meetings are held at
1055 West 7th Street, 10th Floor, Los Angeles, CA 90017**

<u>January 2015</u> No BoG meeting 1/14 - ECAC 1/15 – C&Q 1/20 - CHCAC 1/28 –F&B, Exec 1/29 - TAC	<u>February 2015</u> 2/5 – BoG 2/11 - ECAC 2/25 –F&B, Exec	<u>March 2015</u> 3/5 – BoG <i>(strategic focus 12-2 pm)</i> 3/11 - ECAC 3/17 - CHCAC 3/19 - C&Q 3/24 – F&B, Exec 3/26 - TAC	<u>April 2015</u> 4/2 – BoG 4/8 - ECAC 4/30 – F&B, Exec
<u>May 2015</u> 5/7 – BoG (<i>All day Retreat</i>) 5/13 - ECAC 5/19 – CHCAC 5/21 – C&Q 5/27 – F&B, Exec 5/28 – TAC	<u>June 2015</u> 6/4 – BOG 6/10 - ECAC 6/24 – F&B, Exec	<u>July 2015</u> 7/8 - ECAC 7/22 – F&B, Exec 7/16 – C&Q 7/21 - CHCAC 7/23 – TAC 7/30 – BoG	<u>August 2015</u> No meetings
<u>September 2015</u> 9/3 – BoG 9/9 - ECAC 9/15 - CHCAC 9/17 - C&Q 9/23 - F&B, Exec 9/24 - TAC	<u>October 2015</u> 10/1– BoG (<i>strategic focus 12-2 pm</i>) 10/7 - ECAC 10/28 F&B, Exec	<u>November 2015</u> 11/5– BoG 11/11 - ECAC 11/17 - CHCAC 11/18 – F&B, Exec 11/19 - TAC 11/19– C&Q	<u>December 2015</u> 12/3 – BoG (<i>strategic focus 12-2 pm</i>) LACH & JPA (<i>if needed to confirm officers</i>) 12/9 - ECAC



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 100.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: Execute new leases with Canon, Inc. to replace 13 copiers.

Background: Staff requests approval to replace 13 existing copiers and leases with Canon, Inc., of various lease dates, for an additional cost of \$63,970 per year.

L.A. Care made the decision several years ago to use multi-function Canon machines (copy, scanning & fax capabilities) instead of stand-alone desktop devices. This was a strategic business decision primarily to protect PHI as well as reduce the number and variety of stand-alone devices agency wide. There are typically two multi-function Canon machines that support approximately 120 employees per floor. The machines operate embedded software applications including eCopy and Secure Print. Due to L.A. Care’s growth and the fact that all printing, scanning and fax jobs are directed to these Canon machines, their use and print volumes have increased dramatically. The three Canon machines in the Copy Center made approximately 6 million copies in the last fiscal year alone.

Staff has identified 13 aging, high-volume Canon multi-function units for replacement. The service call reports for these units indicate increased down time. Because L.A. Care employees use these machines extensively it is critical for work productivity that they are reliable.

Canon is considered a Sole Source vendor because of eCopy, Secure Print and several other embedded software applications. The plan is to replace up to 13 machines and to redeploy lower copy volume machines to strategic areas to get the most effective and efficient use from their remaining useful life.

The breakdown of cost is:

Leases	Monthly Cost	Annual Cost
13 Current Leases	\$71,168	\$854,013
13 Replacement Copier Leases	\$76,499	\$917,983
Increase	\$5,331	\$63,970

Budget Impact: Sufficient funds are included in the Facilities budget for FY 2014-15, and they will be included in the FY 2015-16 Budget.

Motion: To authorize staff to replace existing copiers and leases with Canon, Inc., with various lease dates, for an additional total of \$63,970 per year.



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 101.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: Execute a contract with the Center for the Study of Services (CSS) for a survey of Medi-Cal member satisfaction with participating provider groups.

Background: For the past several years, L.A. Care has scored in the 25th percentile on major Consumer Assessment of Healthcare Providers and Systems (CAHPS) measures. It is critical to capture patient experience at the provider group level in order to identify opportunities for improvement in this survey, and to design interventions to improve the quality of services and raise Medi-Cal member satisfaction. To this end we will be fielding the Clinician and Group CAHPS (CG-CAHPS) as part of the LA Pay-for-Performance Program (LA P4P).

LA P4P measures, reports, and provides financial rewards for provider group performance across multiple domains and measures. In 2014, L.A. Care established baseline measures with its first fielding of the CG-CAHPS for participating provider groups. The 2015 CG-CAHPS survey results will be used to measure improvement in patient experience at the provider group level, and will be the basis for incentive payments for performance and improvements in member satisfaction for providers that participate in LA P4P.

Staff requests authorization to contract with Center for the Study of Services (CSS) for an amount not to exceed \$728,336, from June 1, 2015 through May 31, 2016. CSS is to conduct the 2015 member satisfaction survey with services provided by select provider groups as part of LA P4P incentive program.

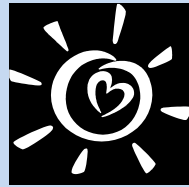
A competitive bid process was conducted for the 2015 survey in which seven firms were invited to bid. Four firms replied in sufficient detail for evaluation and CSS was selected. CSS is an NCQA-certified survey firm.

The budget for this survey is based on a bid by CSS to conduct the CG-CAHPS for rating patient experience with L.A. Care's network of provider groups in 2015 as part of LA P4P.

Staff anticipates that at least 40 medical groups will have enough L.A. Care members with office visits in the past 12 months to qualify for the survey. L.A. P4P seeks to benefit as many members as possible by surveying and reporting performance on as many provider groups as can be assessed in a statistically valid manner.

Budget Impact: The \$728,336 cost of the contract is budgeted in the QI Department for FY 2014-15 and will be requested for FY 2015-16.

Motion: **To authorize staff to execute a contract with Center for the Study of Services (CSS) for an amount not to exceed \$728,336, to conduct the 2015 member satisfaction survey with services provided by select provider groups, for June 1, 2015 through May 31, 2016.**



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 102.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: Extend a one-year contract with McKesson, and enter into negotiations with Health Dialog for a three-year contract for Nurse Advice Line Services.

Background:

L.A. Care provides its members access to a Nurse Advice Line (NAL) 24-hours per day, 7 days per week (24/7) as required by Department of Managed Health Care. L.A. Care requires subcontracted health plans to provide NAL services for their members as well. Since 2003 L.A. Care has contracted with McKesson to provide a NAL for the direct lines of business membership. Members call the NAL and speak with a registered nurse and are triaged to the appropriate level of care. Based on 2013 through 2014 data, an average of 17% of NAL callers claimed a pre-intent to seek emergency care. After speaking to the NAL, 86% of these callers followed the nurse's recommendation to a lower level of care (i.e., self-care). The current contract with McKesson expires June 30, 2015.

Staff requests to extend the Nurse Advice Line Services contract with McKesson for the period July 1, 2015 to June 30, 2016, in an amount not to exceed \$1,180,892, in order to provide an orderly transition to the new vendor during a time of significant change within L.A. Care. Also, staff requests authorization to enter into negotiations with Health Dialog for Nurse Advice Line Services for a three-year contract in an amount not to exceed \$2,207,167, beginning no later than July 1, 2016 and to execute the contract upon conclusion of negotiations.

L.A. Care issued a Request for Proposal (RFP) in October 2014 for NAL services. Responses were received from four bidders, including McKesson. A selection team evaluated the proposals using the criteria stated in the RFP. Health Dialog was selected based on its superior technical proposal and favorable pricing. In particular, Health Dialog demonstrated greater flexibility in how L.A. Care's diverse membership can contact the NAL.

L.A. Care will require time to transition to the new vendor. This transition is complicated by the need to meet new NCQA member communication standards, the conversion to ICD-10 and ongoing challenges with the implementation of the core system. Therefore, prior to entering into negotiations with Health Dialog, L.A. Care intends to extend the McKesson contract for one year to provide an orderly transition to the new vendor during a time of significant change within L.A. Care.

The existing NAL contract with McKesson is for \$1,660,307, and expires June 30, 2015. Staff seeks approval of a one year extension to the McKesson NAL contract, from July 1, 2015 to June 30, 2016, in the amount of \$1,180,892. In addition, Staff seeks approval to enter into negotiation of a three-year contract with Health Dialog, to begin no later than July 1, 2016 in an amount not to exceed \$2,207,167.

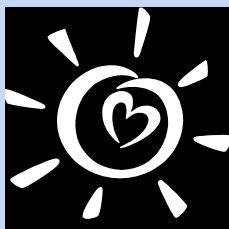
Board of Governors

MOTION SUMMARY

Budget Impact: Sufficient funds are budgeted in Medical Administration Expense for the current fiscal year and funds will be requested for FY 2015-16.

Motion: To authorize staff to:

1. **Extend the Nurse Advice Line Services contract with McKesson for the period July 1, 2015 to June 30, 2016, in an amount not to exceed \$1,180,892 in order to provide an orderly transition to the new vendor during a time of significant change within L.A. Care.**
2. **Enter into negotiations with Health Dialog for Nurse Advice Line services for a three-year contract in an amount not to exceed \$2,207,167, beginning no later than July 1, 2016 and to execute the contract upon conclusion of negotiations.**



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 103.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: Contract with Beecher Carlson Holdings, Inc., for pharmacy consulting services in support of L.A. Care's Pharmacy Benefit Manager (PBM) vendor.

Background: Staff requests approval to execute a contract with Beecher Carlson Holdings, Inc., from July 1, 2015 through December 30, 2015, in the amount of \$225,000, with two possible six month extensions through June 30, 2016 and December 31, 2016, respectively, for an additional \$450,000. Staff will evaluate prior to end of each contract term and extend only if services continue to be necessary. The contract total will not exceed \$675,000. Beecher will provide L.A. Care with pharmacy management expertise and consulting services in support of L.A. Care's PBM vendor.

Beecher Carlson will provide leadership, mentorship and technical expertise to re-engineer the roles, assignments and accountabilities within the pharmacy department. Beecher will work closely staff to establish the vision and work plan to effectively interface with external vendors supporting the success of L.A. Care's pharmacy function. He will also lead new initiatives related to pharmacy management.

Beecher Carlson will assign Craig Stephens as the consultant. For the past six years, Mr. Stephens has assisted in identifying and implementing strategies for performance improvements of L.A. Care's PBM. He provided leadership and expertise during the request for proposals process to select a new PBM vendor for 2015, which included the evaluation of five PBM bidders, including Navitus, the PBM that we chose and currently use.

With his expertise and prior experience with L.A. Care, including his knowledge of our market, plan partner relationships and provider group arrangements, Mr. Stephens is uniquely qualified to provide these services to L.A. Care, so we are not conducting a request for proposals for this contract, and we propose that he be classified as a Sole Source Vendor.

Beecher will bill L.A. Care a fee of \$225 per hour. Craig Stephens is located in Minneapolis, Minnesota, and he will travel to Los Angeles on a weekly basis, where he will provide 30 hours of consulting services while at L.A. Care's offices. L.A. Care will compensate him for all reasonable related travel expenses, not to exceed \$105,000 for 18 months.

Budget Impact: Sufficient funds are budgeted in the Pharmacy department in FY14-15 and will be requested in FY15-16.

Motion: **To authorize staff to execute a contract with Craig Stephens/Beecher Carlson Holdings, Inc. to provide pharmacy management expertise and consulting services, for a total amount not to exceed \$675,000, from July 1, 2015 to December 30, 2016.**



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 104.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: Execute a contract amendment with Ansafone for continued call center vendor services.

Background: Staff requests approval to execute a contract amendment with Ansafone (headquartered in Santa Ana, California) adding \$9.7 million through December 31, 2017 (total contract not to exceed \$14.7 million). As stated in the September 2014 Finance and Budget motion (FIN 109.1014), Member Services will evaluate costs annually for each contract year.

In late 2013, L.A. Care staff released a call center vendor request for proposal (RFP) and solicited bids from leading national call center vendors with state and federal programs experience. Four vendors responded, including Ansafone, the incumbent vendor. Based on RFP submissions, Ansafone's pricing was competitive versus other national call center vendors and the lowest in some categories. Based on value propositions, experience, implementation timeframes and resource requirements, Ansafone and CareCall were the two vendors selected.

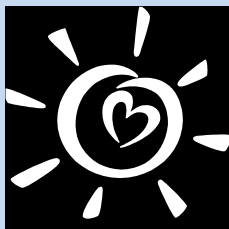
The current executed contract for this vendor is for a 3-year term (2014-2017). The amendment request for additional funds applies to existing terms, which sets high accountability performance standards for the vendor. The current pricing schedule will not change and there are no planned pricing amendments at this time. However, staff will continue to monitor and evaluate the cost for each contract year and negotiate terms via amendment process, should there be a need.

Although the L.A. Care Member Services call center is the primary member and provider call center, L.A. Care outsources overflow, after hours, and outbound call functions to Ansafone. In 2013, significant growth in membership resulted in increased member and provider line volume. Due to internal resource and capacity constraints, Member Services shifted the provider line to Ansafone in January 2014. Since then, provider line volume has steadily increased. The inbound provider line comprises an average of 90% of Ansafone's L.A. Care volume. The majority of the requested funding is to continue to manage provider call volume.

With a new space plan to be implemented in summer 2015, Member Services will begin recruiting, training and onboarding additional full time staff, with the goal of reducing call volume sent to vendors.

Budget Impact: The budget for call center services is sufficient for FY2014-15 and these costs will be budgeted in Member Services FY2015-16 budget.

Motion: To authorize staff to execute a contract with Ansafone for an amount not to exceed \$9.7 million through December 31, 2017, for call center services.



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 105.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: Amend the contract with Office Ally to provide hosted 270/271 and 276/277 claim status and eligibility/benefit transactions.

Background: L.A. Care staff requests approval to amend the contract with Office Ally in the amount of \$31,560 through December 31, 2015 (total amount not to exceed \$1,059,704) to provide hosted claims and eligibility/benefit transactions.

A competitive bid was conducted in May 2014 selecting Emdeon as the vendor of choice as it offered the lowest real time transaction cost to handle such vendor-hosted real-time services. However, extensive delays are preventing the execution of the Emdeon contract, which is not anticipated to be complete until the end of 2015.

The request to expand the scope of work with Office Ally will assist L.A. Care to be compliant with Health Insurance Portability and Accountability Act (HIPAA) Transactions, Code Sets, and Identifiers (TCI) standards; as L.A. Care is required to have a hosted 270/271 and 276/277 claim status and eligibility/benefit transaction processes in place.

The cost associated with this transaction is based on a onetime initial set up fee of \$4,500 each, a total of \$9,000, and a monthly fee of \$1,000 for the first 1200 transactions with a \$0.10 per transaction fee after the first 1200 claims.

Budget Impact: Sufficient funds are budgeted in the Claims Department budget for FY2014-15. Additional funds will be budgeted for in FY 2015-16.

Motion: **To authorize staff to amend a contract in the amount of \$31,560 with Office Ally (total amount not to exceed \$1,059,704) to provide hosted claims status and eligibility/benefit transactions, through December 31, 2015.**



Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 106.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: Execute a contract with a key vendor not yet selected to commence the Health Benefit Exchange (HBEX) Quality Improvement Phase I project to stabilize and enhance the L.A. Care Covered product line.

Background: Staff requests authorization to execute a contract for up to \$750,000 through September 30, 2015, for the HBEX Quality Improvement Phase I project. L.A. Care launched a new product line, L.A. Care Covered, on December 1, 2013. In the first enrollment year the data from CalHEERS (Covered California) was problematic and it was decided to load that data into QNXT with the intention of fixing the data afterwards via programmatic scripts. While many of these scripts were successful, some caused further damage. In the second year of enrollment, we expected the data to have improved. After open enrollment was completed the same challenges arose.

We have now changed strategy to build out more complex logic in the QNXT enrollment engine to detect erroneous data and reject it back to CalHEERS, which is the source of records. It is imperative to begin work now to be ready for the upcoming open enrollment season.

The vendor selected will deliver the following scope of work:

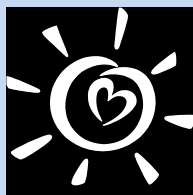
1. Building and maintaining the project plan and deliverables
2. Business impact analysis of applications and systems
3. System integration and testing
4. Implementation of the deliverables
5. Manage defects, issues and system changes

The vendor selected will help perform data corrections and provide system improvements through scripts by comparing production member eligibility information against other sources of data. The vendor will additionally conduct continuous data reviews to identify other data discrepancies such as duplication of member case ID's, case ID's terminated or voided for currently active enrollment, all which will support our ongoing efforts to be compliant in preparation for the upcoming open enrollment season.

L.A. Care will conduct a competitive process and the vendors to be considered are: Cognizant, HCL and Infosys, all vendors with which L.A. Care has previously contracted and who have health plan experience and the proven ability to support and maintain L.A. Care's specific needs. Their knowledge and expertise allows for an easy immersion into the project and consequently be efficient while allowing for time and cost savings over an extended period of time.

Budget Impact: This project was not budgeted, however, there are sufficient savings within the Information Technology project budget in FY14-15 to accommodate this request.

Motion: **To authorize staff to execute a contract with a vendor not yet selected, in an amount not to exceed \$750,000 for phase 1 of the HBEX Quality Improvement Project for Fiscal Year 2015 through September 30, 2015.**



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 107.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: Execute contracts with the following existing vendors, Cognizant, FlexTech, HCL, and Infosys, for professional services to support various strategic initiatives.

Background: Staff requests approval to execute contracts with the following existing key vendors: Cognizant, FlexTech, HCL, and Infosys for ongoing and new professional services for L.A. Care's Information Technology (IT) Department. Each contract will be for \$1,500,000, with the total for the four not to exceed \$6,000,000.

Additional staff is needed to manage ongoing and new strategic projects such as the Health Benefit Exchange (HBEX), extension of the ICD-10 implementation, and Authorizations, which is the analysis of the current ELDA process for both Managed Health Care (MHC) and Clinical Care Advance (CCA) systems. The professional services are imperative to ensure continuity and completion of projects currently underway, as well as ongoing system maintenance and enhancements.

All of the vendors have the experience and knowledge of L.A. Care's systems and requirements, possess an extensive resource pool, have irreplaceable historical project knowledge required to meet critical project milestones, are considered preferred, and have proven to be instrumental in L.A. Care's ongoing initiatives and new strategies. There is an immediate need for professional resources to maintain project continuity, support the existing project work load, and ensure timely project implementations.

Total budget impact of this recommendation is \$6 million, based on the Information Technology (IT) Department spend estimate for FY 2014-15.

L.A. Care will be negotiating Master Services Agreements with each of these vendors. These agreements will include a newly created Work Order and hourly billing Rate Card, which together will ensure L.A. Care's prior authorization of work, the use of competitive rates, and the transparency of billed hours when using services from these vendors.

The intent is for these vendors to become part of L.A. Care's preferred vendor list in FY 2015-16, to allow for the necessary resources to be available for new projects that will be starting in the current fiscal year.

Budget Impact: Sufficient budget savings in the Information Technology Division from Strategic Projects will fund this request for FY 2014-15.

Motion: **To authorize staff to contract with the following existing key vendors: Cognizant for an amount not to exceed \$1,500,000, FlexTech for an amount not to exceed \$1,500,000, HCL for an amount not to exceed \$1,500,000, and Infosys for an amount not to exceed \$1,500,000 for professional services through September 30, 2015.**



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 108.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: To procure licenses from TriZetto to support configuration environments for QNXT.

Background: As the Core System Project (CSP) progresses and with additional projects such as ICD-10 occurring simultaneously, there is a growing need to manage many QNXT configuration environments to support production, upgrades, development, Quality Assurance (QA), and User Acceptance Testing (UAT). Synchronizing numerous environments is a highly manual process and is also time consuming which is adding delays to both CSP and ICD-10.

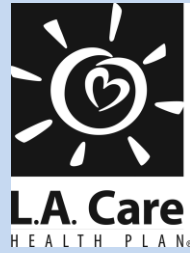
Staff would like to procure licenses from TriZetto which includes two toolkits that can automate systems processes. Total amount requested is \$368,775, based on projected future membership.

- Configuration Migration Utility for QNXT (“CMU”) - four year license fee totaling an estimated \$184,387
- Configuration Maintenance Tool for QNXT (“CMT”) - four year license fee totaling an estimated \$184,387

A request for proposal was not conducted for these services because this technology is proprietary to TriZetto corporation, and they are the only option for the migration and maintenance of multiple QNXT environments.

Budget Impact: Sufficient funds are budgeted in the Information Technology Department for FY 2014-15, and will be requested for in subsequent fiscal years, from FY 2015-16 through FY 2018-19.

Motion: To approve funds not to exceed \$368,775 for the purchase of the TriZetto Configuration Migration Utility and Configuration Maintenance Tool for QNXT.



Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No.: COM 100.0615

Committee: Compliance & Quality

Chairperson: G. Michael Roybal, MD, MPH

Issue: Approval of L.A. Care's Revised 2014 Compliance Auditing and Monitoring Plan.

Background:

Revised 2014 Compliance Auditing and Monitoring Plan (now entitled 2015 Audit Work Plan)
The audit plan has been updated to incorporate material information that has come to L.A. Care's attention since the time of the approval of the last audit work plan. They include Center for Medicare and Medicaid Services' Program Audit findings, memorandum of Best Practices issued on August 27, 2014 and 2015 Readiness Checklist for Medicare-Medicaid Plans. Furthermore, recognizing that L.A. Care no longer services the D-SNP line of business as of January 1, 2015, standards and other thresholds reflected in the updated work plan are now more generally oriented towards those of Cal MediConnect and Medicare. Incorporating new information into the work plan helps ensure relevance of the areas to be audited and is consistent with the mandates of L.A. Care's Compliance Program and CMS' rules for an effective internal auditing and monitoring program.

Budget Impact: None

Motion: To approve L.A. Care's revised 2014 Compliance Audit Work Plan, as submitted.

Executive Summary

2015 Audit Work Plan

Background:

L.A. Care has revised the audit work plan to incorporate material information that has come to its attention since the time of the approval of the last audit work plan. They include CMS' Program Audit findings, memorandum of Best Practices issued on August 27, 2014, and 2015 Readiness Checklist for Medicare-Medicaid Plans. Furthermore, recognizing that L.A. Care will no longer service the D-SNP line of business as of January 1, 2015, standards and other thresholds reflected in the updated work plan are now more generally oriented towards those of Cal MediConnect and Medicare. Incorporating new information into the work plan helps ensure relevance of the areas to be audited, and is consistent with the mandates of L.A. Care's Compliance Program and of CMS' rules for an effective internal auditing and monitoring program.

Scope of Audit Work Plans:

The scope of the revised 2015 audit work plan includes all items of the 2014 work plan, and includes additional sections as indicated in the following table.

In both 2014 and 2015 Audit Work Plans	<ul style="list-style-type: none">• Coverage Determination, Appeals and Grievances (CDAG)• Organization Determination, Appeals and Grievances (ODAG)• Contracting, Subcontractor Provisions, and Oversight• Customer Service• Marketing• Enrollment/Disenrollment• Beneficiary Benefits and Protections• Quality Improvement Programs
New for 2015 Audit Work Plan	<ul style="list-style-type: none">• Systems, Data and Connectivity• Reporting• Best Available Evidence (BAE) and Low Income Subsidy (LIS)• Claims Processing and Transition Process• Health Risk Assessment, Individualized Care Plan, and Care Coordination

Audit Calendar and Staffing:

All sections of the work plan will be conducted on a recurring basis, generally quarterly or semi-annually, throughout 2015. The team of reviewers consists of three full-time FTEs, whose formal titles are Senior Compliance Advisor (one FTE) and Internal Audit Compliance Advisor (two FTEs). These advisors will be primarily responsible for conducting the audits. Where deemed necessary because of the specialized nature of an audit subject, the advisors may seek the assistance of a professional with specialized skills necessary to complete various aspects of the audit. One such example may include the assessment of the accuracy and sufficiency of the approval or denial rationale provided in a coverage determination letter, which may require review by a clinically trained reviewer.

ML0000 00/00



Audit Methodology:

Audits will be performed in accordance with L.A. Care audit and monitoring policies and procedures, which include timeframes for the conducting of entrance and exit meetings and the performance of audit fieldwork. Audit procedures may include the conducting of interviews, review of records, test of samples, and any other combination of procedures intended to elicit effective findings. Written reports will be provided at the conclusion of audits and will include request for corrective action when deemed necessary.

For questions about the updated audit work plan, please contact:

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Jonathan Ro
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2015

Audit Work Plan

2015 Audit Work Plan

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I. Background

This is the 2015 Audit Work Plan of the Regulatory Affairs & Compliance department of L.A. Care Health Plan. It summarizes areas identified for review during the current year as relating to the Medicare-Medicaid Plan (MMP), also known as “Cal MediConnect.” It is intended to meet the requirement to develop an audit work plan and conduct audits in accordance with it as expressed in L.A. Care’s Compliance Program and in applicable sections of the Code of Federal Regulations and CMS guidelines.

Information considered in the development of the audit work plan included the CMS 2014 Program Audit, CMS manuals and memos, the Cal MediConnect three-way contract (between CMS, the California Department of Health Care Services (DHCS) and L.A. Care), and previously identified or known risks. The audit work plan may be updated as additional areas for review are identified.

II. Audit Methodology

Audits will be performed in accordance with existing L.A. Care audit and monitoring policies and procedures, which include timeframes for the conducting of entrance and exit meetings and the performance of audit field work. Audit procedures may include the conducting of interviews, reviewing of records, testing of samples, and any other combination of procedures intended to elicit effective findings. Written reports will be provided at the conclusion of audits and include request for corrective action when deemed necessary.

III. Audit Team

The audit team consists of three full-time FTEs, whose formal titles are Senior Compliance Advisor (one FTE) and Internal Audit Compliance Advisor (two FTEs). These advisors are primarily responsible for conducting the audits, but may also have other non-audit duties in their more general role as advisors. Professionals with specialized skills may also participate in the audit when deemed necessary to address particular sections of an audit.

Questions or comments relating to this audit work plan may be directed to:

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jro@lacare.org

1. Coverage Determination Appeals and Grievances (CDAG) – Effectuation Timeliness

A. Timeliness of Notification of Coverage Determination

We will review coverage determination and redetermination cases to determine whether L.A. Care or its PBM notified the beneficiary or their prescriber, as appropriate, of its decision within 72 hours (standard) or 24 hours (expedited) of receipt of the coverage determination request, or, for an exceptions request, the physician’s or other prescriber’s supporting statement. (Findings 4.3.1.1 and 4.3.1.4, 2014 Program Audit; Page 7, CMS Memo August 27, 2014; 42 CFR 423.568(b); 42 CFR 423.572(a); 42 CFR 423.572(b); Medicare Prescription Drug Benefit Manual, Chapter 18, Sections 40.2, 40.3.3, 40.3.4, 40.3.5, and 50.4)

B. Written Approval Letter for Coverage Determination or Redetermination Request

We will review coverage determination and redetermination cases to determine whether L.A. Care or its PBM provided written approval letters for standard or expedited coverage determination or redetermination requests. (Finding 4.3.1.2, 2014 Program Audit; 42 CFR 423.572(b); 42 CFR 423.572(b); 42 CFR 423.572(c)(1); 42 CFR 423.590(h); Medicare Prescription Drug Benefit Manual, Chapter 18, Sections 40.3.5, 50.5.2, 70.9.2, and 70.9.4)

C. Effectuation of Approvals through the End of the Sponsor Year

We will review coverage determination and redetermination cases to determine whether L.A. Care or its PBM effectuated approvals through the end of the year. (Finding 4.3.1.3, 2014 Program Audit; 42 CFR 423.572(b); 42 CFR 423.572(b); 42 CFR 423.572(c)(1); 42 CFR 423.578(c)(3); 42 CFR 423.478(c)(4); Medicare Prescription Drug Benefit Manual, Chapter 18, Sections 30.2 and 130)

D. Accurate and Full Explanation of the Conditions of Approval

We will review coverage determination and redetermination cases to determine whether L.A. Care or its PBM provided accurate or full explanations of conditions of approval in its coverage determination notifications to the beneficiary. The review will include whether letters generated for prior authorization contained approval end dates and that they do not contain conflicting information. (Finding 4.3.1.5, 2014 Program Audit; Page 6, CMS Memo August 27, 2014; 42 CFR 42.568(e); 42 CFR 423.572(c)(1); 42 CFR 423.590(h); Medicare Prescription Drug Benefit Manual, Chapter 18, Section 40.3.5)

2. Coverage Determination Appeals and Grievances (CDAG) – Clinical Decision Making

A. Adequate or Correct Rationale in Adverse Determination (Denial) Letters

We will review coverage determination cases to determine whether denial letters included adequate rationale or contained incorrect information specific to the denial. We may engage clinically trained individuals to assist in this review. In its 2014 Program Audit, CMS found

sample cases showing that L.A. Care did not explain why the requested medication was denied, that L.A. Care stated that beneficiary had to be on concurrent medication which did not adhere to the CMS approved criteria for the medication, and that L.A. Care incorrectly stated in the denial letter that the beneficiary was not enrolled in a counseling program when it did not have the information available to make that assessment.

(Finding 4.3.2.1, 2014 Program Audit; Page 6, CMS Memo August 27, 2014; 42 CFR 423.568(g); 42 CFR 423.572(c)(2); 42 CFR 423.590(g); Medicare Prescription Drug Benefit Manual, Chapter 18, Sections 40.3.4, 50.5.1, 70.9.1, and 70.9.3)

B. Appropriate Auto-Forwarding of Untimely Coverage Determinations to IRE

We will review coverage determination cases denied for untimeliness to determine whether such cases were appropriately forwarded to the IRE for review and disposition. In its 2014 Program Audit, CMS found sample cases showing that L.A. Care did not appropriately auto-forward untimely denied coverage requests to the IRE.

(Finding 4.3.2.2, 2014 Program Audit; Page 7, CMS Memo August 27, 2014; 42 CFR § 423.568(h); 42 CFR § 423.572(d); Medicare Prescription Drug Benefit Manual, Chapter 18, Sections 40.4, 50.6, 70.30, and 70.40)

C. Written Denial Letters for Standard or Expedited Coverage Determinations or Redetermination Request

We will review coverage determination and redetermination request cases to determine whether written denial letters were provided to the beneficiary and provider. In its 2014 Program Audit, CMS found a sample case in which it could not be verified that a written redetermination denial letter was provided to the beneficiary.

(Finding 4.3.2.3, 2014 Program Audit; 42 CFR § 423.568(f); 42 CFR § 423.590(g); Medicare Prescription Drug Benefit Manual, Chapter 18, Section 10.3.2; Medicare Prescription Drug Benefit Manual, Chapter 18, Sections 40.3.4, 50.5.1, 70.9.1, and 70.9.3)

D. Outreach to Prescriber or Beneficiary To Obtain Additional Information Needed to Render an Appropriate Clinical Decision

We will review coverage determination cases to determine whether appropriate outreach was conducted to obtain additional information when such information is needed for an adequate review of clinical information. In its 2014 Program Audit, CMS found a sample case demonstrating that L.A. Care did not have adequate controls in place to ensure appropriate outreach is conducted to obtain additional information.

(Finding 4.3.2.4, 2014 Program Audit; Page 7, CMS Memo August 27, 2014; 42 CFR § 423.566(a); 42 CFR § 423.586; Medicare Prescription Drug Benefit Manual, Chapter 18, Sections 10.2, 30.2.1.3, 30.2.2.3, 70.5, and 70.7)

E. Appropriateness of Coverage Determination Denials

We will review coverage determination denial cases to determine whether the coverage determinations were appropriately denied. In its 2014 Program Audit, CMS found a sample case demonstrating that L.A. Care did not have an effective process to review and consider all information to make a correct clinical decision before denying a coverage request.

(Finding 4.3.2.5, 2014 Program Audit; Page 7, CMS Memo August 27, 2014; 42 CFR § 423.566(a); 42 CFR § 423.566(b); Medicare Prescription Drug Benefit Manual, Chapter 18, Section 30)

F. Correct Classification of Redeterminations

We will review coverage determination cases to determine whether requests were correctly identified and classified. In its 2014 Program Audit, CMS found a sample case processed as a coverage determination where the beneficiary's request included a copy of documents that were submitted with a previously denied coverage determination.

(Finding 4.3.2.6, 2014 Program Audit; Page 6, CMS Memo August 27, 2014; 42 CFR § 423.580; Medicare Prescription Drug Benefit Manual, Chapter 18, Sections 30, 40.3.4, and 70.2)

G. Knowledgeable and Qualified Staff

We will review the organization's policies and procedures to determine whether they include guidance on adequate, knowledgeable and qualified staff; and whether it describes the processing of coverage determinations and appeals that comply with CMS and plan coverage rules. We will also assess whether applicable employees, which include staff involved with initial coverage decisions, appeals, and grievances, and customer service representatives, are trained in Part C and Part D processes as applicable for an MMP.

(Pages 24-25, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"; 42 C.F.R. §§ 422.562, 422.566, 423.562, 423.566; HPMS memos 8/27/2014, 4/28/2014)

H. Rights of Enrollees

We will assess applicable policies and procedures and other documents to determine whether Part D benefits enrollees are provided immediate access to the coverage determination and redetermination processes via a toll-free phone number and website. We will also review the organization's PBM oversight program to determine whether its scope includes examination of whether the PBM's Part D Systems are properly transmitting codes to network pharmacies that instruct the pharmacies to provide enrollees with a notice at point of sale in certain circumstances where the prescription cannot be filled under the Part D benefit. We will also determine whether Part C reconsideration dismissal procedures have been properly implemented.

(Pages 25-26, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"; State-specific Three-way Contract, Medicare Prescription Drug Benefit Manual, Chapter 18; Medicare Managed Care Manual, Chapter 13; HPMS memo 9/10/2013)

I. Oversight of Delegated Functions

We will review the organization's PBM oversight program to determine whether it includes review of functions delegated to the PBM, and whether the oversight program is occurring, including implementation of corrective actions for identified issues, and reporting of the same to the Contract Management Team.

(Page 26, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans")

3. Coverage Determination Appeals and Grievances (CDAG) – Grievances

A. Oral Coverage Determination Request

We will review coverage determination and redetermination requests to determine whether L.A. Care and its PBM adhered to required procedures for the receipt and handling of oral coverage determination requests. The CMS 2014 Program Audit found that L.A. Care representatives were not properly trained to recognize when and how a coverage determination should be initiated. CMS further found that the pharmacy department failed to initiate the coverage determination request when referred to them from the customer service department on behalf of the beneficiary.

(Finding 4.3.3.1, 2014 Program Audit; 42 CFR 423.568(a); 42 CFR 423.570(b); 42 CFR 423.570(c)(1-2); Medicare Prescription Drug Benefit Manual, Chapter 18, Sections 40.1, and 50.1)

B. Promptly and Appropriately Addressing Grievance Concerns

We will review grievance cases to determine whether a full investigation was conducted and all issues raised in the grievance addressed. The CMS 2014 Program Audit revealed that investigators were not properly trained to determine if a beneficiary might be eligible for a low-income subsidy (LIS), lower LIS level, or could qualify for a lower co-payment through tiering exceptions.

(Finding 4.3.3.2, 2014 Program Audit; 42 CFR § 423.564(a); Medicare Prescription Drug Benefit Manual, Chapter 18, Section 20.3)

C. Processing Reimbursement Requests as Coverage Determinations

We will review claims to determine whether beneficiary requests for reimbursement were properly processed as coverage determinations. The CMS 2014 Program Audit found that reviewers did not recognize how and when a coverage determination should be issued. The audit also revealed that the pharmacy department procedures did not ensure beneficiaries were advised how to submit a written request for reimbursement.

(Finding 4.3.3.3, 2014 Program Audit; 42 CFR § 423.566(b)(1); 42 CFR § 423.568(b); 42 CFR § 423.568(c); 42 CFR § 423.568(g); Medicare Prescription Drug Benefit Manual, Chapter 18, Section 30.3)

D. Effectuating Prior Authorization and Exception Requests

We will review prior authorization and exception request cases to determine whether the requests were appropriately effectuated. In the CMS 2014 Program Audit, it was found that coverage requests that required additional information were not tolled, and instead issued a one-time authorization, closed the case and asked the providers to resubmit the request.

(Finding 4.3.3.4, 2014 Program Audit; 42 CFR § 423.120(b)(2); Medicare Prescription Drug Benefit Manual, Chapter 6, Section 30.2.2; CMS Part D Utilization Management Policies and Requirements Memo, HPMS, October 22, 2010, page 2)

4. Organization Determination Appeals and Grievances (ODAG) – Effectuation Timeliness

A. Timeliness of Notification of Organization Determination

We will review organization determination cases to determine whether L.A. Care notified the beneficiary or the provider, as appropriate, of its decision within 14 calendar days of receipt of a standard organization determination request.

(Finding 4.4.1.1, 2014 Program Audit; Page 9, CMS Memo August 27, 2014; 42 CFR 422.568(b); Medicare Managed Care Manual, Chapter 13, Section 40.1, Paragraph 1)

B. Timeliness of Notification of Expedited Organizational Determinations

We will review expedited organization determination cases to determine whether the beneficiary or provider, as appropriate, was notified of expedited organization determination decisions within 72 hours of receiving the expedited organizational determination request. The CMS 2014 Program Audit identified a sample case that some components of an expedited request, submitted on a single request form, were processed separately and not expedited. The audit also revealed that a process requiring L.A. Care's final approval of delegate approvals caused the adjudication of expedited requests to exceed the expedited organization determination timeframes in some instances. Lastly, the audit found that insufficient holiday staffing created delays in providing expedited organizational determination notices.

(Finding 4.4.1.2, 2014 Program Audit; Page 9, CMS Memo August 27, 2014; 42 CFR § 422.572(a); Medicare Managed Care Manual, Chapter 13, Sections 50.1, Paragraph 1, Bullet 3 and 50.4, Paragraph 1, Bullet 1)

5. Organization Determination Appeals and Grievances (ODAG) – Clinical Decision Making

A. Providing Written Notice of Payment Denials

We will review payment denial cases to determine whether the beneficiary or provider, as appropriate, received written notice of determinations to deny payment in whole or in part. The CMS 2014 Program Audit found that a process of generating denial letters providing beneficiaries with information pertaining to their appeal rights or potential liability had not been implemented. The audit also concluded that there was insufficient internal monitoring and oversight of FDR universe submission accuracy.

(Finding 4.4.2.1, 2014 Program Audit; Page 9, CMS Memo August 27, 2014; 42 CFR § 422.568(d)(1); Medicare Managed Care Manual, Chapter 13, Sections 40.1, Paragraph 3, 40.2.1, and 40.2.3)

B. Description of Appeals Process Included in Remittance Advice/Notice (Non-Contracted Providers)

We will review denied requests for payment from non-contracted providers to determine whether appeal language, including a description of the appeals process, is included in the remittance advice/notice. The CMS 2014 Program Audit concluded that L.A. Care did not have a system for including non-contracted provider appeal language in remittance advice.

(Finding 4.4.2.2, 2014 Program Audit; Page 9, CMS Memo August 27, 2014; Medicare Managed Care Manual, Chapter 13, Section 40.2.3)

C. Appropriate Denials of Service

We will review cases of beneficiary service denials and provider payment for services rendered to beneficiaries to determine whether the denials were appropriate. The CMS 2014 Program Audit determined that an organizational determination request from a contracted provider was inappropriately denied because medical information and records were not received; a pre-service organizational determination request was denied an evaluation recommended rather than an extension granted to perform the evaluation; payment requests were inappropriately

denied for no authorization; a payment request was inappropriately denied for lack of all required information; and inappropriate criteria were used to render a decision on a pre-service request.

(Finding 4.4.2.3, 2014 Program Audit; Page 9, CMS Memo August 27, 2014; 42 CFR § 422.101(a); 42 CFR § 422.101(b); Medicare Managed Care Manual, Chapter 4, Section 10.2)

D. Denial Letter Content

We will review organizational determination denial letters to determine whether the denial notices included an adequate rationale, information specific to the denial, and were written in language easily understandable to the beneficiary. In the 2014 CMS Program Audit, sample cases revealed that denial notices did not include the criteria utilized for the denial and lacked denial-specific information.

(Finding 4.4.2.4, 2014 Program Audit; Page 9, CMS Memo August 27, 2014; 42 CFR § 422.568(d); Medicare Managed Care Manual, Chapter 13, Section 40.2.2, Paragraphs 1 and 3)

E. Enrollee Notification of Right to File Grievance Regarding Sponsor Self-Granted Extensions to Standard Determination Deadlines

We will review grievance cases where L.A. Care granted itself an extension to the standard determination deadline to determine whether the form letter notifying beneficiaries of the extension to the determination deadline contains information explaining the beneficiary's right to file a grievance if s/he disagrees with the decision to grant an extension.

(Finding 4.4.2.5, 2014 Program Audit; 42 CFR § 422.568(b); Medicare Managed Care Manual, Chapter 13, Sections 20.4 and 40.1, Paragraph 2)

F. Demonstrated Outreach to Provider and/or Beneficiary When Additional Information Is Needed to Make Appropriate Clinical Decisions

We will review organizational determination cases to determine whether appropriate outreach was conducted to obtain additional information when such information is needed for an adequate review of clinical information. The 2014 Program Audit found that L.A. Care did not make reasonable and diligent effort to obtain and clarify all necessary medical information from the provider prior to denying requests. Additionally, the audit revealed that L.A. Care was unable to provide documentation of outreach to providers for obtaining or clarifying information necessary to process an organization determination.

(Finding 4.4.2.6, 2014 Program Audit; Page 9, CMS Memo August 27, 2014; Medicare Managed Care Manual, Chapter 4, Sections 110.4, 70.7.1, Paragraph 2, and 70.7.2, Paragraph 1)

6. Organization Determination Appeals and Grievances (ODAG) – Grievances

A. Promptly and Appropriately Addressing Grievance Concerns

We will review grievance cases to determine whether a full investigation was conducted and all issues raised in the grievance addressed. The CMS 2014 Program Audit found that beneficiaries' grievances were not fully identified and/or investigated, and the resolution did not address all grievances.

(Finding 4.4.3.1, 2014 Program Audit; Page 10, CMS Memo August 27, 2014; Medicare Managed Care Manual, Chapter 13, Section 20.3, Paragraph 2, Bullet 6)

7. Organization Determination Appeals and Grievances (ODAG) – Dismissals

A. Process for Dismissing Reconsideration Requests When Appropriate

We will review reconsideration request dismissals to determine whether the dismissals were appropriately processed and whether timely notification of the dismissal was provided to the beneficiary (or other appropriate parties). The CMS 2014 Program Audit found that L.A. Care failed to implement processes for dismissing reconsideration requests when appropriate, and instead incorrectly sent cases to the IRE to be dismissed rather than dismissing them internally and issuing notices to the impacted parties outlining appeal rights and the reason for the dismissal.

(Finding 4.4.4.1, 2014 Program Audit; Change in Part C Reconsideration Dismissal Procedures - HPMS Memo 9/10/2013; Part C Reconsideration Dismissal Procedures – Model Dismissal Notice - HPMS Memo 10/30/2013)

B. Reconsideration Timeframes

We will review reconsideration request dismissals to determine whether the correct reconsideration timeframe was applied. The CMS 2014 Program Audit found that non-contracted providers' appeals were dismissed prematurely, as the requests were forwarded to the IRE after 30 days, rather than remaining open for 60 days.

(Finding 4.4.4.2, 2014 Program Audit; Page 10, CMS Memo August 27, 2014; Medicare Managed Care Manual, Chapter 13, Sections 10.4.1, Paragraph 8 and 60.1.1)

8. Systems, Data, and Connectivity

A. Systems and Reports

We will determine whether applicable departments have appropriate access to and are utilizing required systems and reports, including the Health Plan Management System (HPMS), MARx, Electronic Correspondence Reporting System (ECRS), Medicare Plan Finder (MPF) Communications website, Patient Safety Analysis website, Overutilization Monitoring System (OMS), Acumen websites, and Risk Adjustment Processing System (RAPS).

(Pages 3-8, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans")

B. Prescription Drug Event (PDE)

We will review and document the organization's processes for the administration of prescription drug event (PDE) data, including those relating to submission, testing and certification. We may conduct sampling procedures to verify PDE processes are performing as intended, including those of delegates, such as the PBM, to which any such processes are delegated.

(Pages 3-8, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"); 42 CFR § 423.322(a); Section 2.13.6, Schedule 2 of Navitus Health Solutions, LLC PBM Service Agreement)

9. Reporting

A. Reporting Systems and Requirements

We will determine whether timely and accurate submissions are occurring of required reports, including MMP Core Reporting Requirements and California-specific reporting measures, Health Effectiveness and Data and Information Set (HEDIS), Health Outcomes Survey (HOS), and Consumer Assessment of Healthcare Providers and Systems (CAHPS) measures. We will also determine whether the organization is meeting Part C and Part D reporting requirements, including all applicable MMP Core Reporting and State-specific reporting measures.

(Page 8, CMS Memo November 18, 2014, “2015 Readiness Checklist for Medicare-Medicaid Plans”; HPMS memo 06/11/2013; HPMS email 3/7/2013; Plan Reporting Sites:

http://www.cms.hhs.gov/HealthPlansGenInfo/16_ReportingRequirements.asp#TopOfPage and http://www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/RxContracting_ReportingOversight.html)

10. Contracting, Subcontractor Provisions, and Oversight

A. FDR Contract Changes

We will assess whether downstream contracts for Medicare services meet CMS requirements. The CMS requirements include that Contract Management Team is notified of any changes to First Tier, Downstream, or Related Entity (FDR) contracts at least 60 days prior to the effective date of the new contract; that any new systems involved have been fully tested and are fully functional; and in the case of Pharmacy Benefit Manager changes, that all CMS-mandated steps have been followed, and all members’ 4Rx data updated.

(Pages 8-9, CMS Memo November 18, 2014, “2015 Readiness Checklist for Medicare-Medicaid Plans”; Medicare Managed Care Manual, Chapter 2, Section IV(D)(a); Medicare Prescription Drug Benefit Manual, Chapter 3, Section IV(D)(a); February 2014 NCPDP white paper, “Part D Plans Moving Processors V.4.0,” <http://www.ncdp.org/Resources/Medicare-Part-D>)

11. Customer Service

A. Customer Service Accessibility

We will determine whether call center has been staffed according to management’s expectations, including whether the staffing model incorporates periods of increased volume; whether the call center is available to members and prospective enrollees during the CMS-defined “usual business hours”; whether pharmacy technical support is available at all times any network pharmacy is open; whether interpreter services are available to all call center employees; whether call center staff are sufficiently knowledgeable about the Medication Therapy Management (MTM) program, the Best Available Evidence (BAE) process, and can assist or refer beneficiaries with complaints and coverage determination requests.

(Pages 9-11, CMS Memo November 18, 2014, “2015 Readiness Checklist for Medicare-Medicaid Plans”; Medicare Marketing Guidelines and State-specific Marketing Guidance, Sections 30.5, 30.5.1, 100.1, and Appendices 3 and 5; 42 C.F.R. §§ 422.2264(e), 423.2264(e)); HPMS memo 9/09/2014)

B. Complaint Tracking

We will assess whether of Complaints Tracking Module (CTM) complaints are resolved within the required timeframes. We will also verify that the CMS-developed complaint form is prominently displayed on the L.A. Care websites, and contains direct links to www.Medicare.gov and the website of the Medicare Ombudsman.

(Page 11, CMS Memo November 18, 2014, “2015 Readiness Checklist for Medicare-Medicaid Plans”; HPMS memos 6/28/2013, 12/22/2011, and 11/10/2011; 42 CFR §§ 422.504 and 423.505)

12. Marketing

A. Materials and Website Requirements

We will determine whether basic services and information are available to individuals with disabilities upon request, and that plan materials and information is available in alternative formats upon request. We will also verify the accurate and timely mailing of the Annual Notice of Change (ANOC) and Evidence of Coverage (EOC)/Member Handbook. We will also verify that the L.A. Care websites contain the required information, content, and documents, including a consistently-updated formulary.

(Pages 11-12, CMS Memo November 18, 2014, “2015 Readiness Checklist for Medicare-Medicaid Plans”; HPMS memo 09/09/2014, Medicare Marketing Guidelines and State-specific Marketing Guidance, Sections 30.3, 60.5, 60.7, and 100)

13. Enrollment/Disenrollment

A. Enrollment Processing

We will determine whether all required materials are sent to new enrollees. We will also review applicable records to determine whether plan data is submitted by due dates, whether there is a process in place to transmit sponsor-generated enrollment transactions that include active 4Rx data, and for state-generated enrollments, to transmit active 4Rx data on an update transaction within 72 hours of availability of the TRR transmitting the enrollments.

(Pages 13-14, CMS Memo November 18, 2014, “2015 Readiness Checklist for Medicare-Medicaid Plans”; Plan Communications User Guide; 42 C.F.R. § 423.32(c))

14. Benefits Administration and Beneficiary Protections

A. Beneficiary Benefits and Protections

We will review applicable records to determine compliance with requirements regarding Explanation of Benefits delivery; maintenance of written policies and procedures regarding advance directives; and disenrollment of beneficiaries who reside outside of L.A. Care’s service area beyond a specified period of time. We will also, after June 1, 2015, determine whether physicians and eligible professionals who prescribe covered Part D drugs are either enrolled in Medicare or have a valid record of opting out of Medicare.

(Page 14, CMS Memo November 18, 2014, “2015 Readiness Checklist for Medicare-Medicaid Plans”; 42 CFR §§ 422.128, 423.120(c)(6); Medicare Marketing Guidelines; Managed Care Manual, Chapter 4, Sections 70 and 100.7; HPMS memo 4/30/2010)

B. Quality Improvement Programs

We will review the QI program to determine whether it meets applicable requirements for the services it furnishes to enrollees. We will determine whether compliance has been met with timeframes and requirements for the initial QIP Plan Section and the QIP Annual Update. (Pages 16-17, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"; 42 CFR §§ 422.152, 438.240; State-specific Three-way Contract; HPMS memos 10/17/2014, 8/01/2014; Medicare Managed Care Manual, Chapter 5)

15. Best Available Evidence (BAE) and Low Income Subsidy (LIS)

A. BAE Policy

We will review applicable procedures and other documents to assess the extent of the organization's compliance with CMS' BAE policy. (Pages 17-18, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"; HPMS memos 8/04/2008, 10/16/2008; Medicare Prescription Drug Benefit Manual Chapter 13, Sections 70.5, 70.5.3; Section 2.13.7, Schedule 2 of the Navitus Health Solutions, LLC PBM Service Agreement)

B. LIS Benefit Administration

We will determine whether the organization is properly administering the LIS benefit, including whether the correct CMS LIS levels are being applied to enrollees, whether LIS eligible individuals are being reimbursed excess premiums or cost-sharing; whether the state is being notified of corrections needed in the Loss of Subsidy Date File, and whether appropriate action is taken in response to files concerning deeming from CMS, and maintenance of accurate LIS information.

(Pages 17-19, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"; HPMS memos 11/30/2009, 7/31/2013, 8/30/2006, 10/30/2006, 11/26/2008, 11/23/2009, and 12/09/2010; Medicare Prescription Drug Benefit Manual Chapter 13, Sections 70.1, 70.3.1, 70.5.6; 42 C.F.R. §§ 423.466, 423.800; Plan Communication Guide (PCUG) Section E18, Loss of Subsidy Data File (<http://www.cms.hhs.gov/MMAHelp>; HPMS memos); Section 2.13.8, Schedule 2 of the Navitus Health Solutions, LLC PBM Service Agreement)

16. Coordination of Benefits and TrOOP Balance Transfer

A. Coordination of Benefits (COB) Data Report/File Processing

We will determine whether the Transaction Facilitator is notified of new contract IDs that should be added under the scope of the existing business associate agreement (BAA). We will also verify the establishment and maintenance of systems and procedures for weekly COB data report/file processing, the correct interpretation of the COB file, and compliance with the COB notification process regarding new or update prescription drug coverage information. We will also verify compliance with recent CMS requirements for hospice and ESRD-eligible beneficiaries.

(Pages 19-22, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"; Medicare Prescription Drug Benefit Manual Chapter 14; Medicare Secondary Payer Manual, Chapter 6; Medicare Managed Care Manual, Chapter 4, Section 130; Plan Communication User Guide (PCUG); 2014 Call Letter, Table 5; 2008 Regional Prescription Drug

Event Data Technical Assistance Participant Guide, HPMS memos 11/24/2008, 7/21/2009; Hospice FAQs; 2010 Call Letter and update; 42 C.F.R. §423.466(b))

B. TrOOP Balance Transfer (TBT), Financial Information Reporting (FIR), and Member Reimbursement

We will determine whether the organization's procedures support the correct processing of Information Reporting (Nx or N) transactions received from the Part D Transaction Facilitator; the accurate tracking, accumulation, and reporting of TrOOP for all members; successful resolution of identified TBT problems within 15 days of notification of the problem; and compliance with guidance regarding direct member reimbursement.

(Page 22, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"; Medicare Prescription Drug Manual, Chapter 14, Section 50.4.3 and Table 50.4.3-1 and Chapter 18, Section 30.3)

17. Claims Processing and Transition Process

A. Claims Processing

We will assess the organization's program (and, where applicable, the organization's oversight program over its pharmacy benefit manager (PBM)) as relating to pharmacy point of sale claims processing, preparedness for provider access during Federal Disaster or other Public Health Emergency Declaration, and process for retroactive claims adjustment, refunds and recoveries.

(Pages 22-24, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"; Medicare Managed Care Manual, Chapter 4, Section 30.9; Medicare Prescription Drug Benefit Manual, Chapter 5 and Chapter 18, Section 40.3.1; HPMS memo; HPMS memos 6/16/2008, 7/20/2009, 3/25/2010, 8/27/2010, 12/20/2010, 2/17/2011, 11/7/2012; 42 CFR § 423.466(a); State-specific Three-way Contract; 42 C.F.R. § 423.120(b)(3)(v); Medicare Prescription Drug Benefit Manual)

B. Transition Process

We will assess the organization's oversight program over its pharmacy benefit manager (PBM) to determine whether the transition process is operating in accordance with policy and regulatory requirements.

(Pages 23-24, CMS Memo November 18, 2014, "2015 Readiness Checklist for Medicare-Medicaid Plans"; Medicare Managed Care Manual, Chapter 4, Section 30.9; Medicare Prescription Drug Benefit

18. Health Risk Assessments, ICP, and Care Coordination

A. Risk Stratification

We will review policies and procedures, including review of samples where applicable, to determine whether the organization has an approved health risk stratification mechanism or algorithm to identify new Enrollees with high risk and more complex health care needs. (Section 2.8.1, Three-Way Agreement; DPL 13-002)

B. Health Risk Assessment (HRA) and Individualized Care Plan (ICP)

We will determine whether Health Risk Assessments (HRA) were completed for enrollees in all applicable instances. We will also review organization policies and procedures, including sample

plans where appropriate, to determine whether an ICP was developed for each Enrollee and done in accordance with timeliness and other requirements.

(Sections 2.8.2, 2.8.3, and 2.5.1.9, Three-Way Agreement; DPL 13-002, DPL 13-004; WIC Section 14182.17(d)(2); CMS Model of Care requirements)

C. Continuity of Care

We will review procedures and validate supporting records to determine whether enrollees had continuing access to medically necessary items, services, and medical and LTSS providers.

(Section 2.8.4, Three-Way Agreement; DPL 14-004)

19. Provider Network

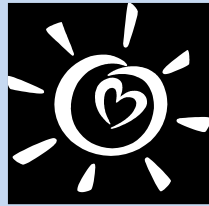
A. Network Adequacy and Requirements

We will review organization records to determine whether the network of providers comply with the required network adequacy thresholds as relating to medical, behavioral health, pharmacy and LTSS, excluding IHSS, providers. We will also assess whether the procedures of the organization are consistent with contractually required obligations, including notifying the CMT of any significant network changes timely, credentialing requirements, linguistic and cultural services, and other obligations.

(Section 2.9, Three-Way Agreement; Section 1, Schedule 2 of Navitus Health Solutions, LLC PBM Service Agreement)

Appendix 1 (2015 Audit Calendar)

	Section	Q1	Q2	Q3	Q4
1	CDAG- Effectuation Timeliness				
2	CDAG - Clinical Decision Making				
3	CDAG - Grievances				
4	ODAG - Effectuation Timeliness				
5	ODAG - Clinical Decision Making				
6	ODAG - Grievances				
7	ODAG - Dismissals				
8	Systems, Data, and Connectivity				
9	Reporting				
10	Contracting, Subcontractor Provisions, and Oversight				
11	Customer Service				
12	Marketing				
13	Enrollment/Disenrollment				
14	Benefits Administration and Beneficiary Protections				
15	Best Available Evidence (BAE) and Low Income Subsidy (LIS)				
16	Coordination of Benefits and TrOOP Balance Transfer				
17	Claims Processing and Transition Process				
18	Health Risk Assessments, ICP, and Care Coordination				
19	Provider Network				



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. ECA 100.0615

Committee: Executive Community Advisory

Chairperson: Elda Sevilla

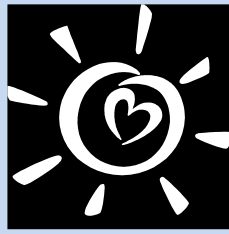
Issue: Approval of additional member (s) to the Regional Community Advisory Committees (RCACs) and Coordinated Care Initiative (CCI) Demonstration Project Councils.

Background: Senate Bill 2092 requires that L.A. Care Health Plan ensure community involvement through a Community Advisory Committee. L.A. Care’s Regional Community Advisory Committee (RCAC) structure is composed of 5-35 members per RCAC. RCAC member recruitment is on-going to ensure the highest possible community involvement. L.A. Care Health Plan developed a Memorandum of Understanding (MOU) with the State of California ensuring that seniors and people with disabilities who are participants in the Coordinate Care Initiative (CCI) Demonstration Project also known as CalMedi-Connect are provided an opportunity to participate in L.A. Care’s consumer stakeholder committees and processes. The Coordinated Care Initiative (CCI) Consumer Councils structure is composed of up to 11 members to ensure the highest possible community involvement and feedback.

Budget Impact: None.

Motion: To approve the following candidate(s) to the Regional Community Advisory Committees (RCAC), and Coordinated Care Initiative Councils (CCI) as reviewed by the Executive Community Advisory Committee (ECAC) during the May 13, 2015 ECAC meeting.

Name	RCAC/CCI Area Council #	Type of Member (Agency, if applicable)
Beverly Caples	CCI Area 1	Consumer
Momshouse (Donna Hill)	CCI Area 1	Community Partner
Leonid Berman	CCI Area 3	Consumer
Earnestine Lawson	CCI Area 3	Consumer
Mary Taylor	CCI Area 3	Consumer
Lolita Willis	CCI Area 3	Consumer
Roberto Santos	RCAC 3	Consumer
Shonovia Escoe	RCAC 3	Consumer
Higinio Carrillo	RCAC 8	Consumer
Cruz Martinez	RCAC 11	Consumer



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. ECA 101.0615

Committee: Executive Community Advisory

Chairperson: Elda Sevilla

Issue: RCAC Vice-Chair Elections.

Background: Per the RCAC/Executive Community Advisory Committee (ECAC) Operating Guidelines, RCAC Vice Chair elections are held once every two years. Per the RCAC Member Handbook, if a Vice -Chairperson resigns the RCAC will have the opportunity to re-elect a Vice-Chairperson. A motion to approve the Vice-Chairperson elect will be submitted to the Board of Governors.

The candidate listed below was elected by members of RCAC 3 as their Vice-Chairperson, during their April 21, 2015 RCAC meeting.

Budget Impact: N/A

Motion: To approve the election of Cynthia Contreas-Wood as Vice Chairperson of the Regional Community Advisory Committee (RCAC) of region 3 to complete the remainder of the term until September 2016 as reviewed by the Executive Community Advisory Committee during the May 13, 2015 meeting.



May 29, 2015

TO: Board of Governors

FROM: John Baackes, *Chief Executive Officer*

SUBJECT: CEO Report – June 2015

The June Board meeting will be my first opportunity to engage the Board of Governors in L.A. Care's strategic planning process for 2015-2016. During open session, we will have a dialogue on a question that will be shared with Board members in advance. The goal of the discussion will be to create a transparent environment to solicit your input on the value L.A. Care should be adding to our members, providers, and community. This effort is being coordinated with the development of L.A. Care's fiscal year 2015-2016 operating budget so that the organization's strategic direction is accounted for in the development of targets and program planning. A discussion guide that further outlines the strategic planning process and the question to be discussed at the June Board meeting is attached to my report. You may want to have this page accessible during the strategic discussion for reference.

Please find below an update on organizational activities that occurred in May 2015. Additional updates will be made at the June 4, 2015 Board meeting.

1. Joint Audit by State Regulators

Starting on July 20, the California Department of Health Care Services (DHCS) and Department of Managed Health Care (DMHC) will be conducting an audit of L.A. Care medical services and operations for the period July 1, 2014 to June 30, 2015. All product lines will be reviewed. Staff is diligently preparing to submit documentation in advance of the onsite audit as part of the desk review and will pull the required medical records for any chart reviews. This is a routine review as L.A. Care was audited last year by both regulatory agencies, but will require a significant amount of staff time to prepare appropriately. Additional information regarding this audit is outlined in the Chief Medical Officer's report.

2. Coordinated Care Initiative Update

On May 27, 2015, L.A. Care hosted a quarterly Coordinated Care Initiative Stakeholder Operational Workgroup Meeting. This is a regularly scheduled meeting for advocates, providers, and other stakeholders to learn about how L.A. Care is implementing the Coordinated Care Initiative and Cal MediConnect. Moving forward, staff plans to work with stakeholders to restructure the meetings away from primarily being an informative/educational forum and move into more of an advisory role.

3. Leadership Changes at Health Care Trade Associations

It was announced this month that Brianna Lierman will become CEO of Local Health Plan of California (LHPC), the trade association publicly-sponsored and nonprofit health plans. Ms. Lierman was previously Vice President of Government Affairs at California Health and Wellness Health Plan (a subsidiary of Centene). L.A. Care is an active member of LHPC.

After 22 years of service, it was announced that Karen Ignagni, President and CEO of America's Health Insurance Plans (AHIP) is leaving the organization to lead EmblemHealth, a health insurer based in New York. L.A. Care is also a member of AHIP.

4. NCQA Distinction in Multicultural Health Care

This month, L.A. Care earned a distinction from the National Committee for Quality Assurance in Multicultural Health Care. I am particularly proud of the organization for achieving this recognition given the diverse membership we serve. With approximately 1.7 million members, meeting their unique needs and providing care that is culturally and linguistically appropriate sets us apart from other health plans. Congratulations to all staff who worked on accomplishing this goal for L.A. Care.

5. Events of Interest

RCAC 4 Meeting – During my opening remarks at the RCAC education conference last month, I committed to members and guests that I would attend a meeting in every region. I am pleased that I was able to participate in my first RCAC meeting on May 19, 2015. It was serendipitous that my first RCAC meeting would represent the individuals from the region of my new Southern California home (RCAC 4 - Hollywood, Wilshire, Central LA, Glendale).

LGBTQ Conference – On May 16, 2015, I made remarks at an L.A. Care continuing medical education program on LGBTQ Health. The day-long program was very well attended with positive feedback from the majority of participants. Participants learned about health disparities, State regulations, and different approaches to sensitive conversations for lesbian, gay, bisexual, transgender, and questioning individuals.

Health Promoter Training – In May, L.A. Care hosted several trainings for our Health Promoters Program. Topics covered included diabetes health education and the Active Steps Program. Health promoters also participated in a focus group to support the overall program evaluation.

In addition, I participated in several events and meetings this month including:

- Venice Family Clinic Art Walk
- Partners in Care Foundation Awards Event
- Hospital Association of Southern California Los Angeles Leadership Meeting
- California Department of Health Care Services All Plan CEO Meeting

Please find attached to my report a listing of events that L.A. Care sponsored in May.

Attachments:

- June Board meeting strategic discussion guide
- May sponsorship list

Background

L.A. Care has changed dramatically over the last decade moving from primarily being a broker/oversight agency with all members enrolled through subcontracted Plan Partners to becoming a health plan with multiple direct lines of business that has experienced rapid membership growth. With the recent stabilization of this growth, L.A. Care has the opportunity to redefine our position in the health care market, refocus our organizational tactics to achieve our desired position, and reinvigorate our organization to maximize performance and success. To accomplish this, we are conducting a strategic planning process to identify where the organization should be in three to five years, the tactics to move the organization in that direction, and the metrics to measure our success.

The input of the Board of Governors is vital to this process. At the June and July Board meetings, we will discuss concepts that will help define L.A. Care's future position. Staff will incorporate the results of these discussions into a document that defines our strategic direction. L.A. Care leadership and staff will identify tactics and an operational plan to guide implementation. The Strategic Direction document will be discussed at the September Board retreat and once approved, will be incorporated into the fiscal year 2015-2016 operating budget.

The discussion at the June meeting will address the value that L.A. Care offers to our members, and the July meeting will address the value that L.A. Care offers to our providers.

Discussion Guide

For the June meeting, Board members will respond to the following questions, first individually (round-robin style) and then as a group.

What value do you and the constituents you represent believe that L.A. Care adds to members, and what value do you think should we add?

- With the recent changes to L.A. Care and the health care environment, does L.A. Care's value proposition change and in what direction?
- How does our role as Local Initiative and supporter of the safety net contribute to the value we provide to members and the community?

May 2015 Participation and Sponsorship List

Event Date	Organization	Event	Location
5/3/2015	Estrella TV	Cinco de Mayo	Whittier Narrows Park
5/7/2015	Human Service Association (HSA)	Spirit of Service Gala	Millennium Biltmore Hotel
5/7/2015	Valley Presbyterian Hospital	Annual Celebration of Excellence	Globe Theatre
5/8/2015	Los Angeles Aging Advocacy Coalition	Summit on Aging	The California Endowment
5/18/2015	Partners in Care Foundation	Vision and Excellence in Health Care Leadership Tribute Dinner	Beverly Hilton Hotel
5/20/2015	Valley Community Healthcare	Grand Opening Party/Casino Royale	Calamigos Equestrian Center
5/17/2015	Venice Family Clinic	Venice Art Walk & Auction Benefit	Venice Beach
5/30/2015	South Bay Children's Health Center	Champions for Children Run/Walk	South Coast Botanical Gardens



May 29, 2015

To: Board of Governors

From: Gertrude S. Carter, MD, *Chief Medical Officer*

Subject: CMO Report for June 2015

Department of Health Care Services/Department of Managed Health Care Audit

L.A. Care has been selected for a coordinated Department of Health Care Services (DHCS) and Department of Managed Health Care Audit (DMHC) Audit. This is a routine medical audit and the on-site DHCS review will occur from July 20 – July 31, 2015. The DMHC on-site review will occur from July 20 – 24, 2015.

DHCS will be conducting the routine medical audit to evaluate the implementation for Medi-Cal contract requirements excluding requirements for Seniors and People with Disabilities (SPDs). DHCS has contracted with DMHC to conduct the routine review to assess the overall performance in meeting the health care needs of SPDs. DMHC will conduct routine reviews for 1) the implementation of health plan services for all non-Medi-Cal lines of business, which include L.A. Care Covered, PASC-SIEU, Healthy Kids; and, 2) a review of the implementation of the Cal MediConnect Program for Medi-Cal based services.

Both have requested specific information from L.A. Care for the time period July 1, 2014 to June 30, 2015. Health Services is working diligently on both the DHCS and the DMHC portions of the audit to get the information to the regulators. I have assigned Medical Directors to take the lead for utilization management, case management, access, quality improvement, long term supports and services, and grievances and appeals sections of the audit. The new Clinical Assurance department will take a lead role in this audit and is responsible for support and final review of all items submitted by the Medical Directors. I am confident my team will provide the necessary documents for this audit and I will keep the Board updated on our progress.

NCQA Multicultural Health Care Distinction

L.A. Care was awarded the National Center for Quality Assurance (NCQA) Multicultural Health Care (MHC) Distinction for its Medi-Cal and L.A Care Covered product lines. This is the second time L.A. Care is being awarded for the Medi-Cal product line and the first time for L.A. Care Covered. With a score of 98.25 out of 100, L.A. Care is recognized as an industry leader in providing culturally and linguistically appropriate services while reducing health care disparities. The award aligns with L.A. Care's organizational goal of maintaining its NCQA accreditation. We will receive automatic credit for five different factors in the accreditation survey. We continue to be one of seven health plans nationwide to be awarded the MHC Distinction for Medi-Cal, and one of five health plans for California Covered.

NCQA Member Connections (MEM 8) Standard

The new MEM 8 standard requires L.A. Care to conduct targeted outreach to identified members to promote member wellness and prevention. The outreach must include reminders for needed care for a condition or risk factor, reminders about missed services, information about evidence-based guidelines, links to web-based self-management tools, and information about community based resources. An interdepartmental team convened to identify existing member initiatives that comply with MEM 8 standard requirements. The team members are in the process of compiling evidence for the upcoming mock audit, scheduled for May 22, 2015.

Access to Care

QI received L.A. Care's 2014 Timely Access to Care and Availability results. The results include appointment availability and after-hours availability. There has been a decrease in L.A. Care's score for after-hours performance over the last three years. Despite an aggressive corrective action process in August, September and October, the 2014 results decreased in comparison to 2013. L.A. Care met with all PPGs the week of May 18th and requested immediate corrective action required (ICARs) for the after-hour availability performance that was due May 26th. The corrective action plan (CAP) for appointment availability is due June 8th. We continue to explore strategies that support this PPGs responsibilities in working with PPC practices to improve performance.

HEDIS Operations

HEDIS 2015 reports are due to state regulators and to NCQA by June 15, 2015. Preliminary rates indicate improvements for key measures compared to prior years, and most measures have exceeded the minimum performance level (25th percentile), with several measures attaining NCQA's 75th and 90th percentiles. HEDIS activities (compliance audit and data collection) are still underway. Final rates, reports and analyses will be available after June 15.

Medicare Star

We are continuing with Part C and Part D intervention efforts by launching the first in a series of monthly interactive voice response (IVR) refill reminder calls for non-adherent members. The first set of calls was completed in April and results indicated that 31% of calls were a live answer 26% were voicemail messages.

We are re-evaluating Star priority areas and developing additional interventions. Priority areas include Health Outcome Survey measures, Care for Older Adults measures, and Diabetes Care. Our Communications department, in conjunction with an external research group, has conducted a series of focus groups for enrolled and disenrolled CMC members. Results of the focus group will be used to develop member retention and satisfaction interventions.

CMS is continuing its audit of our text telephone (TTY) line. Internal monitoring is done daily as staff is tracking and resolving issues as they arise.

In addition, Medicare-Medicaid Plans (MMP) are subject to national and state-specific quality withhold measures. L.A. Care will be responsible for reporting on these measures for Cal MediConnect. All measures are weighted equally. CMS will release withhold methodology and benchmarks for measures on a rolling basis, and MMPs will receive a "pass" or "fail" for each withhold measure. Several HEDIS, CAHPS, and HOS metrics are included in Demonstration Year 1 through 3. These and all Quality Withhold measures will be closely be monitored by the Medicare Operations department and incorporated into the overall Star work plan.

Behavioral Health

We are hosting activities for internal staff throughout May in recognition of Mental Health Month. Staff conducts brown bag lunch sessions to discuss a variety of behavioral health related topics with the goal to reduce stigma in care.

The March Behavioral Health Stakeholder meeting focused on Substance Use Disorder system of care in L.A. County. The April meeting focused on Antipsychotic Use in Foster Care Children and Evidence Based Practice Guidelines. Both meetings were well attended with over 70 participants. The topic of treatment for foster care children is particularly timely due to the recent recommendation from DHCS for health plans to develop a foster care program looking at overall quality of care for this population.

We hosted an all-day continuing medical education (CME) conference on Early and Period Screening, Diagnostic, and Treatment (EPSDT) on March 21, 2015, and on Palliative Care on April 11, 2015. Both conferences attracted over 300 providers, mainly primary care and nurse practitioners and registered nurses.

Health Information Technology (HIT)

Based on learnings from a third-party evaluation of eConsult, eManagement for behavioral health is being enhanced into a broader QI program to improve health outcomes, efficiency and effectiveness, and member and provider satisfaction in identifying and treating conditions. A PCP incentive program for eManagement is being designed. eManagement launch is expected late 2015. An additional program for DSNP authorizations is underway.

Over 1,300 members signed up for Blue Button on the member portal to get their prescription information, using it 3,500 times. The rollout and awareness strategy to all 1.5 million members is being developed. Five solo practices will pilot Blue Button kiosks to allow members to print medication histories onsite for their physicians. The first two kiosks are expected to launch in June.

New Staff

I am pleased to welcome Katrina Miller, M.D., as the new Medical Director for Informatics. Dr. Miller is a family physician. Previously, she was Clinical Information Systems Medical Director for Adventist Health West. She trained in Quality Management through ACPE, is a GE Change Agent Plus and has chaired multiple inpatient and ambulatory quality and peer review committees. She is a Diplomat of both the American Board of Family Medicine and the American Board of Preventive Medicine – Clinical Informatics Specialty. Her BA is from Reed College in Portland, Oregon, her MD is from Eastern Virginia Medical School in Norfolk, Virginia and her residency was at UCLA-Westwood. I am pleased to have Dr. Miller join the Health Services team.



Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. BOG 101.0615

Committee:

Chairperson: Thomas Horowitz, DO

Issue: Amend a contract with Health Integrated to support Los Angeles County Department of Health Services for utilization management (UM) administrative services.

Background: L.A. Care staff seeks approval for the amendment of a contract with Health Integrated to support Los Angeles County Department of Health Services in an amount of \$2,000,000, from July 1, 2015 to December 31, 2015 for utilization management (UM) administrative services. Health Integrated will provide outpatient and inpatient utilization management (UM) services to expand L.A. Care's UM capacity to support the Los Angeles County Department of Health Services (DHS). DHS is a contracted L.A. Care participating provider group serving approximately 210,000 members currently in L.A. Care's directly contracted Medi-Cal line of business (MCLA). Monthly Membership is projected to be around 220,000 members from July 2015 – December 2015.

The contract requires co-management between DHS and L.A. Care for a select set of medical benefits and facility services. Health Integrated will utilize Medi-Cal guidelines, Medi-Cal benefit criteria, applicable evidence based criteria, or any other L.A. Care approved authorization criteria in the performance of all delegated services.

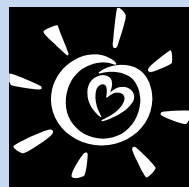
Health Integrated is a management service organization and has achieved National Commission for Quality Assurance certification for utilization management. In July 2012, the Board approved L.A. Care's initial contract with Health Integrated UM administrative services to process DHS member authorizations. To date, the board has approved a total of \$9,802,400 for this contract.

We pay Health Integrated on a PMPM basis. We were able to negotiate the PMPM rate down from \$1.67 to \$1.50 and this new rate went into effect July 1, 2014. In January 2015, we were able to negotiate the rate down further based on membership level increasing past 220,000 members per month. However, this increase in membership did not manifest and the membership has ranged between 200,000 – 220,000 members the last several months. We anticipate paying \$1.50 PMPM for approximately 210,000- 220,000 members from July 1, 2015 – December 31, 2015.

The last amendment extension request was only through June 30, 2015 because L.A. Care planned to bring these UM functions in-house for this population effective July 1, 2015. However, this did not come to fruition due to other higher priority projects that have taken precedence in the department. As a result, we are requesting another 6-month extension through 12/31/15.

Budget Impact: Sufficient funds are budgeted in the Medical Management Department. We intend to reduce DHS's capitation by the cost of Health Integrated's services.

Motion: **To contract with Health Integrated for an amount not to exceed \$2,000,0000 from July 1, 2015 to December 31, 2015, for utilization management administrative services to support Los Angeles County Department of Health Services.**



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. BOG 102.0615

Committee:

Chairperson: Thomas Horowitz, DO

Issue: Approve revisions to the Procurement Policy (AFS-007) and the elimination of the Contract Review and Approval Process Policy (AFS-026).

Background: This Procurement Policy has been previously approved by the Finance & Budget Committee and has been tabled from the past Board of Governors Meeting Agendas because of efforts to address meals and entertainment expenses from the L.A. Care Health Plan Financial Condition Review. The Procurement Policy has no impact on meals and entertainment expenses or the review. It has been updated to reference the new Expense Policy and Travel Expense Policy to direct staff to the proper procedures.

L.A. Care's membership and business has increased dramatically over the recent years, which has directly impacted our operating budget and costs associated with providing services and programs to our members. In support of L.A. Care's commitment to the promotion of accessible, high quality health care that is driven by continuous improvement and innovation, the updated Procurement Policy combines and improves the Purchase of Products, Services, and Capital Assets policy (AFS-007) and the Contract Review and Approval Process policy (AFS-026) which both originated in 2002 and revised in 2010. The updated Procurement Policy aims to better align procurement with L.A. Care objectives and size; ensure fair and equitable procurement processes; provide better clarity and accountability; mitigate risks in the selection of vendors; and ensure effective use of L.A. Care staff resources. The new policy will replace the current policy AFS-007 and eliminate AFS-026.

Summary of changes:

- The creation of a Procurement Council for better and earlier alignment with the contract and vendor selection needs of each Officer and L.A. Care.
- Updated definition and use of the Preferred Vendor program.
- Updated procedures of the Sole Source process.
- Additional language to clarify when staff must conduct a request for proposal and or a request for quotes process from new vendors.
- Updated procedures regarding formal communications to vendors on notice of award to vendors and vendor selection appeals process.
- Additional language regarding deliverables as well as business ethics and confidential information responsibilities of vendor selection teams to ensure fair vendor selection processes.
- New procedures and responsibilities for contract management (ie, amendments, termination, etc.) and vendor management.
- Updated to reference to the new Expense Policy and Travel Expense Policy.

The proposed changes have been fully reviewed and approved by L.A. Care's Regulatory Affairs and Compliance and Legal Departments.

Board of Governors
MOTION SUMMARY

Budget Impact: None

Motion: Approve the revisions of Procurement Policy (AFS-007) and the elimination of the Contract Review and Approval Process Policy (AFS-026).



TITLE: PROCUREMENT
POLICYVENDOR
SELECTIONPROCUREMENT POLICY

SERVICE AREA: FINANCE SERVICES

DEPARTMENT: ACCOUNTING
SERVICES

Policy and Procedure Number	<u>AFS 007</u>		
Total No. of Pages	Page 1 of 32		
Dates			
Effective Date	<u>01/10/2002</u>		
Review/Revision Date	<u>##/##/2015</u>		
Supersedes Policy Number	<u>AFS-026</u>		
PPSA/Mandated	<u>YES</u>	<u>NO</u>	<u>X</u>
Next (Annual) Review Date	<u>##/##/2016</u>		
Administrative	<u>YES</u>	<u>X</u>	<u>NO</u>
Applies to:			
Medi-Cal – Plan Partners	<u>YES</u>	<u>NO</u>	<u>X</u>
Medi-Cal – L.A. Care	<u>YES</u>	<u>NO</u>	<u>X</u>
PASC-SEIU Plan	<u>YES</u>	<u>NO</u>	<u>X</u>
Healthy Families	<u>YES</u>	<u>NO</u>	<u>X</u>
Healthy Kids	<u>YES</u>	<u>NO</u>	<u>X</u>
Medicare SNP	<u>YES</u>	<u>NO</u>	<u>X</u>
Cal MediConnect L. A. Care	<u>YES</u>	<u>NO</u>	<u>X</u>
Cal MediConnect Subcontracted Plans	<u>YES</u>	<u>NO</u>	<u>X</u>
L.A. Care Covered	<u>YES</u>	<u>NO</u>	<u>X</u>

1.0 POLICY:

1.0

1.1 Although not generally subject to the state laws and regulations pertaining to competitive bidding, L.A. Care Health Plan (L.A. Care) has established its own policies and procedures relating to the purchase and procurement of products and services. It is L.A. Care’s policy to purchase products and services on the basis of quality, delivery, and price. L.A. Care will establish purchasing procedures and processes to develop qualified and reliable sources and to obtain quality products and services at fair and reasonable prices through efficient, effective, and competitive procurement methods.

1.2 This policy excludes provider network contracts, employment agreements, grant agreements, sponsorships, legal retainer agreements, and regulatory fees. ~~Purchase Orders can be used as a method of keeping track of payments in cases like grants and sponsorships.~~ Refer to the Expense Policy (AFS-004) for procedures in acquiring non-travel related meals and entertainment. Refer to the Travel Expense Policy (AFS-027) for procedures on all travel related expenses.

~~While L.A. Care, organized as a health authority, is not bound by government (State or local) procurement—Health Plan is generally not subject to the state laws and regulations. Nevertheless, L.A. Care desires to adopt this policy to establish a fair and equitable purchasing process which provides the organization with efficient, cost effective and pertaining to competitive purchasing methods. The *bid requirements as stated* bidding, it has established its own policies and procedures relating to the purchase and procurement of products and services. It is L.A. Care’s policy to purchase products and services on the basis of quality, delivery, and price. L.A. Care will establish purchasing procedures and processes to develop qualified and reliable sources and to obtain quality products and services at fair and reasonable prices through efficient, effective, and competitive procurement methods. The procedures in this policy may only be deviated from with the prior approval of both the Chief Executive Officer (CEO) and the Chief Financial Officer.~~

~~Products, services and capital assets in excess of established dollar amounts noted in this policy will be purchased using competitive bid procedures. The Purchasing (CFO), or their designees. The Procurement Department is primarily responsible for aligning procurement strategies with L.A. Care objectives; coordinating all *bid preparations, communications and negotiations with contractors, vendors and suppliers involved in the provision of products, services and capital assets for L.A. Care.* Bid processes (RFPs etc.) may be *conducted and coordinated by other departments provided the Purchasing Department oversees the process* to insure that purchasing policies and standards are adhered to during the process Vendor Selection activity; and providing efficient procurement processes and tools. To ensure procurement strategies are aligned with L.A. Care objectives, a Procurement Council comprised of the Director of Procurement and L.A. Care Officers or designees will meet on a regular basis to develop, review, and refine procurement strategies and tactics on vendor consolidation opportunities, vendor management, contract management, and process improvement.~~

~~All requests for purchases must be reviewed and approved by the Purchasing/Procurement Department prior to submitting the request for legal review and officer/Officer approval. All purchases of products, services and capital assets will only be made by authorized designated management personnel and according to approved authorization limits as defined in Policy AFS-006.~~

~~1.1~~ — SCOPE

~~1.1.1~~ — This policy *covers the purchase of all products, services and capital assets required for the administration and operational functions* of L.A. Care.

~~1.1.2~~ — This policy does not include contracting with Plan Partners or the purchase of, or contracting with, healthcare providers involved in the actual delivery of healthcare services. Additional exclusions include grant agreements, sponsorships, employee benefits, utilities, insurance, business licenses, regulatory fees, and payroll services.

~~1.2~~ — PURCHASING GUIDELINES

~~1.2.1~~ Bid Methods and Parameters

~~1.2.1.1~~ **Purchase Requisitions:** Products, services (including professional and technical services) and capital assets with a *total value less than \$25,000 do not require a bid process* and may be purchased using a standard Purchase Requisition and/or Check Request Form. *Exception: When estimated annual purchases from one vendor exceed this dollar limit.*

~~1.2.1.2~~ **Request for Quotes (RFQ):** The Request for Quotes purchase method will be used for the procurement of products and services defined as operating expenses and costing *more than \$25,000, but less than \$250,000; and capital asset expenditures costing more than \$25,000, but less than \$100,000.*

~~1.2.1.2.1~~ If an item is a standard product or service, a *minimum of three written* price and specification quotes are required.

~~1.2.1.2.1.1~~ For products of identical quality and specifications, *the lowest price responsive bidder will be used.*

~~1.2.1.2.1.2~~ For products or services which are not identical, but may vary by vendor, the award of a purchase contract will be given to a qualified responsive and responsible bidder whose bid conforms to the requirements and specifications of the RFQ, and who is *determined the most appropriate for LA Care.*

~~1.2.1.2.2~~ If an item is not a standard product or service, the selection of the vendor need not be solely based upon the lowest price if the vendor's experience, customer service, availability and range of products and services, references, etc. dictate that it would be more advantageous to L.A Care.

~~1.2.1.2.3~~ *Documentation of purchase rationale is required* stating the reasons for vendor selection and discussion of significant price differentials, if any exist.

~~1.2.1.2.4~~ A Request for Proposal must be used if the services or product requires more detail specifications and response.

~~1.2.1.2.5~~ *A RFQ may be issued to a limited number of bidders who are known to be qualified.*

~~1.2.1.3~~ Request for Proposals (RFP)

The Request for Proposal purchase method shall be used for the procurement of capital assets and *consulting services costing in excess of \$100,000; and operating expenditures in excess of \$250,000.*

~~1.2.1.3.1~~ The RFP method is a competitive negotiated purchase requiring a standard set of established purchase specifications, contract performance requirements, standard evaluation of RFP responses and an open competitive bid process. All RFP documents will include standard L.A. Care requirements for vendor insurance coverage, performance bonds when applicable, appropriate state or local licenses and other requirements as deemed appropriate by L.A. Care.

~~1.2.1.3.2~~ Evaluation of RFP responses will be based upon a predetermined set of evaluation criteria, which will be applied to all responsive bidders. Responses submitted which are determined to be nonresponsive will not be evaluated.

~~Board approval of recommended contractors may be required in accordance with the Authorization Limits as established by and Approval Limit Policy AFS-006., as that policy may be amended from time to time.~~

~~This policy excludes provider network contracts, employment agreements, grant agreements, sponsorships, and regulatory fees. Purchase Orders can be used as a method of keeping track of payments in cases like grants and sponsorships.~~

~~1.2.1.3.3~~ DEFINITIONS: The RFP method should be used when the selection of a vendor can be made based on the following circumstances and criteria:

2.0 The total

Whenever a word or term appears capitalized in this Policy and Procedure, the reader should refer to the "Definitions" below.

2.1 Best Interest: ~~This is a~~ A discretionary rationale used by the Director of Procurement or his/ ~~or~~ her designee in taking action most advantageous to L.A. Care when it is impossible to adequately delineate other guidance through laws, regulations, or policies in L.A. Care's best interest to consider award based on factors other than the lowest price for the products or services.

2.2 Bidder: A potential vendor who submits a response to an RFI, RFP, or RFQ.

~~1.2.1.3.3.1~~ Category: Commodity or category of purchase price (including tax and freight and installation) of products, capital assets, or services purchased exceeds the aforementioned limits above.

~~1.2.1.3.3.2~~ A complete purchase description and product specification is available.

~~1.2.1.3.3.3~~ The purchase is for a standard product or service, capital or fixed assets.

~~1.2.1.3.3.4~~ — There are at *least two responsible bidders* who can conform to and are willing to meet the bid requirements, product or services specifications.

~~1.2.1.3.3.5~~ — The vendor selection can be made on the basis of price or a fixed fee contract.

~~1.2.1.3.4~~ — For products or services which are not identical, but may vary by contractor, the award of a contract will be given to a qualified responsive and responsible bidder whose bid conforms to the requirements and specifications of the Request for Proposal and who is determined most appropriate for L.A. such as ~~Care~~. A bidder is deemed to be responsive and responsible when:

~~1.2.1.3.4.1~~ — A responsive bidder is one whose bid meets the specifications set forth in the RFP.

~~1.2.1.3.4.2~~ — A responsible bidder is one who has the resources, experience, expertise, service and financial capabilities to complete, in a timely manner, the requirements as specified in the RFP.

~~1.2.1.3.4.3~~ — Contract awards will be made to the lowest priced responsive and responsible bidder whose bid conforms to the terms and conditions of the RFP. Even though the RFP provides for the awarding of a contract to the lowest priced bidder, after the final bidder is selected, L.A. Care may further negotiate the price and terms.

~~1.2.1.3.4.4~~ — *A RFP may be distributed to a limited number of potential contractors* when the purchase requirements are highly specialized and it is reasonably known that a small number of firms or organizations are capable of responding. Examples would be auditing services, specialized consulting services, specialized health education services or projects, etc.

~~1.2.2~~ Preferred Vendors – Request for Qualifications

~~1.2.2.1~~ Preferred Vendor List

~~1.2.2.1.1~~ — A "Preferred Vendor List" may be used for the purpose of establishing ongoing contractual relationships with *"Sole Source" vendors as well as vendors and suppliers who provide products and services to support L.A. Care's recurring business activities* such as office supplies, temporary labor, mail house fulfillment, printing, etc. L.A. Care may use multiple contractors to provide similar products or services at equivalent or similar pricing.

~~1.2.2.1.2~~ The ~~*Request for Qualifications method essentially pre-qualifies a potential vendor and is based upon the RFP methodology*~~ requiring a standard set of established purchase specifications, contract performance requirements, and a standard evaluation of responses.

~~1.2.2.1.3~~ Preferred Vendors will be required to reapply for Preferred Vendor Status at least every three years.

~~1.2.2.2~~ ~~Request for Qualifications (RFQ)~~

~~1.12.3~~ The RFQ method may be used for the purchase of capital assets, and other products, ~~consulting, IT~~ equipment and services, and the ~~*total purchased amount cannot exceed the amount incorporated within the annual operating budget approved by the Board of Governors, or facility services.*~~

~~2.4~~ ~~**Contract:**~~ ~~Contract is a~~An agreement between two parties such as L.A. Care and a Vendor that is enforceable by law, where one party offers a product or service while the other party accepts the product or service and provides payment. Examples of contracts are documents such as Purchase Orders, Purchase Agreements, and Services Agreements – all of which include a description of the product or services, the delivery terms and compensation, as well as terms and conditions. Master Agreements without a description of the product or services, the delivery terms and compensation, as well as other agreements such as ~~L~~Letters of ~~I~~ntent, ~~M~~emoranda of ~~U~~nderstanding, while agreements; are not contracts in that they may not be enforceable by law.

~~2.5~~ ~~**Master Purchase Agreement (MPA):**~~ ~~MPA is a~~ framework document that contains legal terms and conditions to purchase products or services over a specific period of time, and generally includes a price list for offered products or services. Once an order for products or services is issued, the MPA and order, together, comprise a Contract. MPAs are used for recurring purchases.

~~2.6~~ ~~**Master Services Agreement (MSA):**~~ ~~MSA is a~~A framework document that contains legal terms and conditions to purchase services over a specific period of time. On its own an MSA does not describe any services to be delivered. Typically, it is accompanied with a Schedule that describes the services to be provided, the deliverables, a delivery schedule and pricing. MSAs are used when it is anticipated that there will be multiple requirements for a particular ~~v~~Vendor.

~~**Purchase Order/Purchase Agreement:**~~ A simplified Contract that contains standard terms and conditions and a description, pricing, and remittance information used to purchase a product or service from a vendor. It is issued and sent to a vendor typically after a Purchase Requisition has been fully approved.

~~**Purchase Requisition:**~~ An internal document that contains the description, pricing, and total dollar amount of a purchase and that is routed through management for approval based on the dollar amount. After all approvals a Purchase Order is issued and sent to a vendor.

2.7 Preferred Vendors: Vendors selected based on a competitive bidding process to provide products or services to support frequent or recurring requirements for a specified period of time pursuant to the terms of an MPA or MSA. Based on the terms of the MPA or MSA and the dollar value of a specific requirement, further competition may be required.

2.8 Preferred Vendor Listing: Listing of Preferred Vendors located at [Procurement Intranet](#) that contains the Category of a purchase; name of the Preferred Vendor; and directions on how to purchase. It is meant for frequent and recurring purchases.

~~**1.2.2.2.1 Procurement Council:** Formal group comprised of the Director of Procurement and L.A. Care Officers or designees charged to align procurement strategies with the goals and objectives of L.A. Care. Evaluation of responses will be based upon a predetermined set of evaluation criteria, which will be applied to all responsive bidders. Responses submitted determined to be non-responsive will not be evaluated.~~

~~**1.2.2.2.2** The Request for Qualifications method is used to identify firms capable of conforming to the requirements and specifications of the product or service and who are determined to be responsive and responsible contractors.~~

~~**1.2.2.2.3** Qualified bidders will be notified that their responses establish the bidder as a "preferred vendor", and, if necessary, L.A Care may purchase goods or services from the contractor from time to time. Approval of a bidder as "preferred vendor" does not imply an award of a contract nor obligate L.A Care to purchase goods and services from the "preferred vendor".~~

1.2.3 Appeals to Purchase Decisions

1.2.3.1 Scope

~~**1.2.3.1.1** Purchase determination conducted using the following bid methods may be appealed to L.A Care:~~

~~**1.2.3.1.1.1** Request for Proposals~~

~~**1.2.3.1.1.2** Request for Qualifications~~

1.2.3.2 Appeal Guidelines

2.9 All The group will meet on a regular basis to develop, review, and refine procurement strategies and tactics on vendor consolidation opportunities, vendor management, contract management, and process improvement.

2.10 Protected Health Information (PHI): Individually identifiable health information (essentially member information) that is transmitted and maintained in any form or medium. PHI excludes individually identifiable health information in education records covered by the Family Educational Rights and Privacy Act (FERPA), employment records held by L.A. Care in its role as employer, and such information regarding a person who has been deceased for more than ~~fifty (50)~~ years.

- 2.11 Purchase Order/Purchase Agreement:** A simplified Contract that contains standard terms and conditions and a description, pricing, and remittance information used to purchase a product or service from a vendor. It is issued and sent to a ~~v~~Vendor typically after a Purchase Requisition has been fully approved.
- 2.12 Purchase Requisition:** An internal document that contains the description, pricing, and total dollar amount of a purchase and that is routed through management for approval based on the dollar amount. After all approvals a Purchase Order is issued and sent to a vendor.
-
- 2.13 Request for Information (RFI):** An informal process for obtaining additional information relative to a product or service that is needed as part of L.A. Care's market research. This helps L.A. Care identify potential sources or gain a better understanding of what products or services may be available.
- 2.14 Request for Proposal (RFP):** –A formal competitive bidding process to select a Vendor(s) from a pool of vendors who provide or produce the same or similar products or services. An RFP will have a set of requirements or specifications of what is needed and directions for the qualified vendors on how and when to submit their proposals. For this policy, it is typically reserved for high dollar (greater than \$250,000) and more complex purchases that require time and resources.
- 2.15 Request for Quote (RFQ):** An informal competitive bidding process based on price to select a ~~v~~Vendor(s) from a pool of vendors who provide or produce the same or similar product or service. An RFQ is typically used for lower dollar (less than \$250,000 but greater than \$25,000), less complex, and high transaction purchases. It can be used to get competitive pricing regardless of dollar amount when the competitive field is limited to Preferred Vendors in certain Categories like temporary labor and print.
- 2.16 Requestor:** Designated person within a department who initiates purchase requests for either products or services.
- 2.17 Service Agreements:** A Contract used for the one--time purchase of services.
- 2.18 Short List of ~~Vendors~~Bidders:** A subset of the original pool of qualified ~~vendors~~Bidders participating in an RFP who are finalists in a Vendor Selection process based on the evaluation criteria of the RFP.
- 2.19 Sole Source:** An exception to the Vendor Selection process when only one Vendor is considered, in accordance with the process ~~in Section 3.4~~outlined in this policy.
- 2.20 Statement of Work (SOW):** Also known as a scope of work or scope of services, this is ~~is~~the portion of a contract that describes the services to be delivered, the vendor's responsibilities, L.A. Care's responsibilities, timing, and ~~costs~~pricing.

2.21 Vendor: A business entity, organization or individual who provides a product or a non-clinical service to the L.A. Care organization for payment.

2.22 Vendor Selection: A formal, value-based process by which a Vendor is selected from a pool of qualified vendors to perform services or deliver products to L.A. Care. Different Vendor selection techniques are used depending on complexity and dollar value of service or product in need. These techniques include RFPs, RFQs or RFIs.

Vendor Selection Team: A group of L.A. Care staff (may include consultants), led by the Director of Procurement or designee, and a team tailored for the particular purchase, that includes appropriate procurement, business, technical and other expertise who will review proposals to provide a comprehensive evaluation of offers and make recommendations on the selection of vendors.

3.0 PROCEDURES:

- 3.1 The procedures in this policy may only be deviated from with the prior approval of both the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO), or their designees.
- 3.2 The Procurement department is primarily responsible for aligning procurement strategies with L.A. Care objectives, coordinating all Vendor Selection activity, and providing efficient procurement processes and tools.
- 3.3 To ensure procurement strategies are aligned with L.A. Care objectives, a Procurement Council comprised of the Director of Procurement and L.A. Care Officers or designees will meet on a regular basis to develop, review, and refine procurement strategies and tactics on vendor consolidation opportunities, vendor management, contract management, and process improvement.
-
- 3.4 All requests for purchases must be reviewed and approved by the Procurement department prior to submitting the request for legal review and Officer approval. All purchases of products, services and capital assets will only be made by authorized designated management personnel and in accordance with policy AFS-006, "Authorization and Approval Limit," as that policy may be amended from time to time.
- 3.5 Refer to the Expense Policy (AFS-004) for procedures in acquiring non-travel related meals and entertainment. Refer to the Travel Expense Policy (AFS-027) for procedures on all travel related expenses.

~~The procedures in this policy may only be deviated from with the prior approval of both the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO), or their designees. The Procurement department is primarily responsible for aligning procurement strategies with L.A. Care objectives; coordinating all Vendor Selection activity; and providing efficient procurement processes and tools. To ensure procurement strategies are aligned with L.A. Care objectives, a Procurement Council comprised of the Director of Procurement and L.A. Care Officers or designees will meet on a regular basis to develop, review, and refine procurement strategies and tactics on vendor consolidation opportunities, vendor management, contract management, and process improvement.~~

-
- ~~The procurement process for products and services is outlined in this policy. depicted below. The Requestor must use the process flowchart (attachment 6.1) diagram to determine which section applies to the business situation. The Procurement Department can assist the Requestor at any stage of the process.~~

3.6

3.7 Business Requirements Definition:

3.7.1 Before any purchase, there are pre-requisite steps to understand what is being purchased.

3.7.2 The Requestor must first define what they are buying; a product, service, or both, and what Category the product/service fits into. ~~For example, is it a product, service, or both and what Category does it fit into.~~ Product examples include Categories ~~like~~ such as office supplies, IT equipment, promotional items, computer supplies, and print. Service examples include consulting (management or technical), temporary labor, facility services, construction services, mailing services, and assessment services. It is the responsibility of the business unit to adequately define its requirements, including product requirements or scope of work, delivery/schedule and pricing.

3.7.3 The Requestor ~~can~~ may contact the Procurement ~~D~~ department for assistance in preparing product descriptions or SOWs; however, the ultimate responsibility is the business unit.

3.8 Review the Preferred Vendor List for Potential Sources:

3.8.1 Utilizing a Preferred Vendor for frequent or recurring purchases provides the following benefits:

3.8.1.1 Greatly reduces organizational expenses by ensuring L.A. Care takes advantage of any discounts or reduced pricing that are already in a Preferred Vendors eContract.

3.8.1.2 Faster turnaround time because a ~~v~~Vendor and a eContract already exists and a new ~~v~~Vendor does not have to be selected and a new eContract does not need to be negotiated.

3.8.1.3 ~~Minimizes~~Reduces financial, operational, legal, information security, and privacy risks to L.A. Care because a Preferred Vendor is already under an ~~legally~~ approved eContract.

3.8.1.4 Saves L.A. Care resource costs associated with business administration, procurement processing and contracting, and legal review that are typically utilized when new eContracts are put in place.

3.8.2 The Requestor must check the latest Preferred Vendor Listing located at L.A. Care intranet site. The listing will contain the Category of products and services (i.e., office supplies, consulting, temporary labor, IT equipment, etc.), Preferred Vendor, and directions on how to purchase. In almost all cases, a Purchase Requisition and an executed Purchase Order will be required for each purchase. The Requestor can contact the Procurement ~~D~~department for assistance.

3.8.2.1 If the product or service CAN be ordered from the Preferred Vendor Listing, ~~then~~ the Requestor must follow the directions outlined in the listing. In cases such as temporary labor, consulting, or print services, the Preferred Vendor Listing will outline when RFQs should be done to obtain competitive bids among a subset of Preferred Vendors within the same Category. If competition is required, the Requestor must follow ~~§Section~~ 3.17 below (~~6~~ RFQ Process). If the Preferred Vendor Listing outlines that a Contract is required, then the Requestor must follow ~~§Section~~ 3.18~~7~~ below (Contracting Process).

3.8.2.2 If the product or service CANNOT be ordered from the Preferred Vendor Listing, then the Requestor must follow the procedures below.:

3.8.2.2.1 For purchases that are Sole Source, then the Requestor must follow ~~§Section~~ 3.48 below (~~,~~ Sole Source Justification Process). Sole Source purchases are the exception and should only be used when authorized. Depending on the dollar limit, pursuant to ~~§Section~~ 3.8 below ~~4.3~~, Sole Source purchases are reported up to the Board of Governors.

3.8.2.2.2 For purchases greater than \$250,000, refer to ~~go to~~ Section 3.9~~5~~ below (Vendor Selection Process).

3.8.2.2.3 For purchases greater than \$25,000 up to \$250,000, refer to §3.17 below (RFQ Process).

3.8.2.2.4 For purchases up to \$25,000, submit a Purchase Requisition to Procurement department and refer to §3.18 (Contracting Process) to see if a Contract is required.

3.9 Sole Source Purchasing Justification Process

3.9.1 Sole Source procurements may only be utilized in the circumstances and subject to the procedures set forth below.

~~For purchases greater than \$25,000 up to \$250,000, go to Section 3.6 RFQ Process~~

~~For purchases up to \$25,000, submit a Purchase Requisition to Procurement Department and go to Section 3.7 Contracting Process to see if a Contract is required.~~

~~Sole Source Purchasing Justification Process: Sole Source procurements may only be utilized in the circumstances and subject to the procedures set forth below.~~

~~Only viable source for product or service, performance, and price competition are not available.~~

3.9.1.1 Only viable source for product or service, performance, and price competition are not available.

3.9.1.2 Only viable source possessing specialized or unique expertise.

3.9.1.3 Proposals were solicited, however no satisfactory proposals were received or only one satisfactory proposal was received.

3.9.1.4 Additional services are required to complete an ongoing task. It would be prohibitively costly in time and money to seek a new service provider.

3.9.1.5 Maintenance Service Agreements for equipment which must be serviced by the authorized manufacturer service representatives, and there is only one authorized service representative in the geographical area.

3.9.1.6 It is in the Best Interest of LA Care, e.g., administrative cost savings outweigh cost savings that would be realized through competition, steep learning curve for new service provider, knowledge base, etc.

3.9.1.7 It is more cost effective to obtain services by exercising an option under the existing contract.

3.9.1.8 Items requested are based upon previous purchases from this ~~✖~~Vendor and are needed to match the existing product.

3.9.1.9 The requirement is within the general scope of an existing Contract and can be addressed appropriately as an amendment.

3.9.1.10 Emergency circumstances when a product or service is necessary and the time necessary to follow the required procurement process is not available.

3.9.2 Sole Source purchases must be justified before the actual purchase in sufficient detail using the Sole Source Justification form (attachment 6.3~~See Attachment A~~) to explain the basis for suspending L.A. Care's usual Vendor Selection process and receive the required approvals as set forth in this policy. The Sole

Source Justification must be submitted as part of the Purchase Requisition or Board motion package if a motion is required.

3.9.3 Any proposed Sole Source purchase greater than \$25,000 and up to \$250,000 must be approved by a Director or Officer level and the Manager of Procurement. Sole Source purchases over \$250,000 must be approved by Director of Procurement, Officer, CFO, and CEO or designee as well as be reported to the Board of Governors or its Board Committee designee on a quarterly basis.

3.9.4 Emergency Purchases:

3.9.4.1 The CEO or designee may authorize Sole Source purchases in cases that have or could impose significant provable loss to L.A. Care; short turn-around time mandated by regulatory agencies, contractual requirements, or changes in the law; or where human life or property is endangered. When an emergency condition arises and the need cannot be met through normal procurement methods, the emergency purchase shall be made with such competition as is feasible under the circumstances, including soliciting quotes orally. Contracts and other documents related to such emergency procurements shall be executed in accordance with the requirements of policy AFS-006, “~~the~~ Authorization and Approval Limit.” ~~Policy (AFS-006)~~. Within a reasonable time after the conclusion of the emergency, the Officer responsible for the emergency purchase shall provide written documentation stating the basis for the emergency purchase and the reasoning for the selection of the particular ~~Vendor~~. A written account of the emergency circumstances shall be sent promptly to the CEO or designee. Normal purchasing procedures shall be followed as soon as the emergency is over.

3.10 Vendor Selection Process (Purchases > \$250,000):

3.10.1 Prior to starting the Vendor Selection Process, the Requestor should have already checked the Preferred Vendor Listing ~~per Section 3.3~~ and determined if Sole Source is necessary ~~per Section 3.4~~.

3.10.2 If the Requestor’s purchase cannot be fulfilled by a Preferred Vendor and is not a Sole Source, the Requestor must contact the Procurement ~~D~~department to initiate the Vendor Selection Process. The Vendor Selection Process, also known as Strategic Sourcing, is utilized for purchases greater than \$250,000 under this policy.

3.10.3 The Vendor Selection Process consists of the steps outlined in attachment 6.2 and deliverables developed by both procurement and a Vendor Selection team made up of the Requestor and other L.A. Care staff participating in the process.

3.10.3.1 All deliverables (identified in attachment 6.2) are required where they are applicable.

~~Please refer to attachment 6.2, which includes the steps for the Vendor Selection Pprocess as well as a flowchart depicting the overall process. The diagram below depicts the overall process. The process consists of the following steps and deliverables developed by both procurement and a Vendor Selection team made up of the Requestor and other L.A. Care staff participating in the process. The deliverables below are all required where they are applicable.~~

3.10.3.2 Please refer to attachment 6.2, which includes the steps for the Vendor Selection process as well as a flowchart depicting the overall process.

3.10.3.3 After the Vendor Selection Process is complete in most cases, a Contract will be required. See Section §3.18 Contracting Process.

3.10.3.4

3.11 General RFP Contents:

3.11.1 The most current RFP template will be maintained by Procurement Ddepartment and tailored to fit the business need. An RFP shall include, but not be limited to the following:

3.11.1.1 Instructions to vendors

3.11.1.2 Objectives of RFP

3.11.1.3 RFP schedule

3.11.1.4 Business and technical requirements

3.11.1.5 Pricing or total cost of operation (TCO) model template

3.11.1.6 Contract performance requirements, performance standards and guarantees, price adjustments

3.11.1.7 Latest applicable Contract templates (MSA, MPA, Service Agreement, etc.)

3.11.1.8 Evaluation criteria

3.11.1.9 Ability to cancel RFP or reject all proposals.

3.12 Evaluation Criteria:

3.12.1 The selection of the successful Vendor will be based upon evaluation by L.A. Care in accordance with the RFP criteria considering all appropriate factors and criteria (subjective and ~~otherwise~~objective) as L.A. Care may, at its sole discretion, deem relevant and in the Best Interest of L.A. Care. In no event will L.A. Care be limited to selecting a successful bidder based solely upon the lowest price proposed.

3.12.2 Vendors' responses to an RFP will be evaluated on the ~~following~~ factors stated in the RFP, including, ~~but not limited to:~~

3.12.2.1 Ability to meet business and technical requirements

3.12.2.2 Ability to ~~provide a clear approach to~~ meet SOW requirements

3.12.2.3 Ability to provide a comprehensive quality control plan

3.12.2.4 Qualifications and experience

3.12.2.5 Site visit, presentation, and/or demonstrations

3.12.2.6 Price or TCO

3.12.2.7 Willingness to accept L.A. Care's contractual terms and conditions

3.13 Bidders' Conference

3.13.1 :—L.A. Care may conduct a bidders' conference as it deems necessary and appropriate. In such cases, L.A. Care shall include the date, time, and location in the RFP documents. The Vendor Selection Team and the Procurement Department will jointly be responsible for organizing and conducting the bidders' conference.

3.14 Point of Contact; Notice of Award

3.14.1 :—The Procurement Department resource working on the RFP will serve as the single point of contact during a Vendor Selection process. After the Vendor Selection Team evaluates ~~vendor~~bidders' proposals, the Procurement Department resource will formally communicate to the ~~vendor~~bidders ~~along~~during the process. ~~Vendors~~Bidders will be notified if they have or have not made the Short List of ~~Vendors~~Bidders (if applicable) and if they have or have not made the final award. For ~~vendors~~Bidders who did not make the final

~~selection, the Procurement Department resource can may discuss if necessary what requirements of the RFP the vendors Bidders did not meet in L.A. Care's Best Interests.~~

3.15 Vendor Selection Appeals Process

3.15.1 All appeals of a Vendor Selection must be received in writing no later than 10 business days following the announcement formal communication via email to all vendors who participated in the Vendor Selection process. of the purchase award of Contract. Appeals must be addressed and delivered to L.A. Care, attention to the Chief Financial Officer or designee. Only appeals that are based on procedural issues will be considered for review. Procedural issues subject to review may include the following: incomplete or erroneous scoring; bid responses were not fully reviewed; other procedural errors or omissions. The bidder must demonstrate that the claimed error (basis for the appeal) was prejudicial to the bidder, i.e., that but for the error, the bidder would have been selected for award.

3.15.2 All appeal decisions made by L.A. Care will be communicated in writing to the appealing party within 20 business days of receipt of the appeal. All appeal decisions made by L.A. Care are final.

3.16 Disclosure of Proposals and L.A. Care's Evaluation of Proposals

~~1.2 Vendor Selection Appeals Process: All appeals of purchase determinations a Vendor Selection must be received in writing no later than ten (10) business days following the announcement of the purchase award of contract.~~

~~1.2.3.2.1 Contract. Appeals must be addressed and delivered to L.A. Care, attention to the Chief Financial Officer.~~

~~1.2.3.2.2 or designee. Only appeals that are based on procedural issues will be considered for review. Objective evaluation criteria as established by LA Care will not be eligible for appeal. Procedural issues subject to review would may include but would not be limited to the following:~~

~~1.2.3.2.2.1 Incomplete incomplete or erroneous scoring. Bid; bid responses were not fully reviewed.; other~~

~~1.2.3.2.2.2 Other procedural errors or omissions.~~

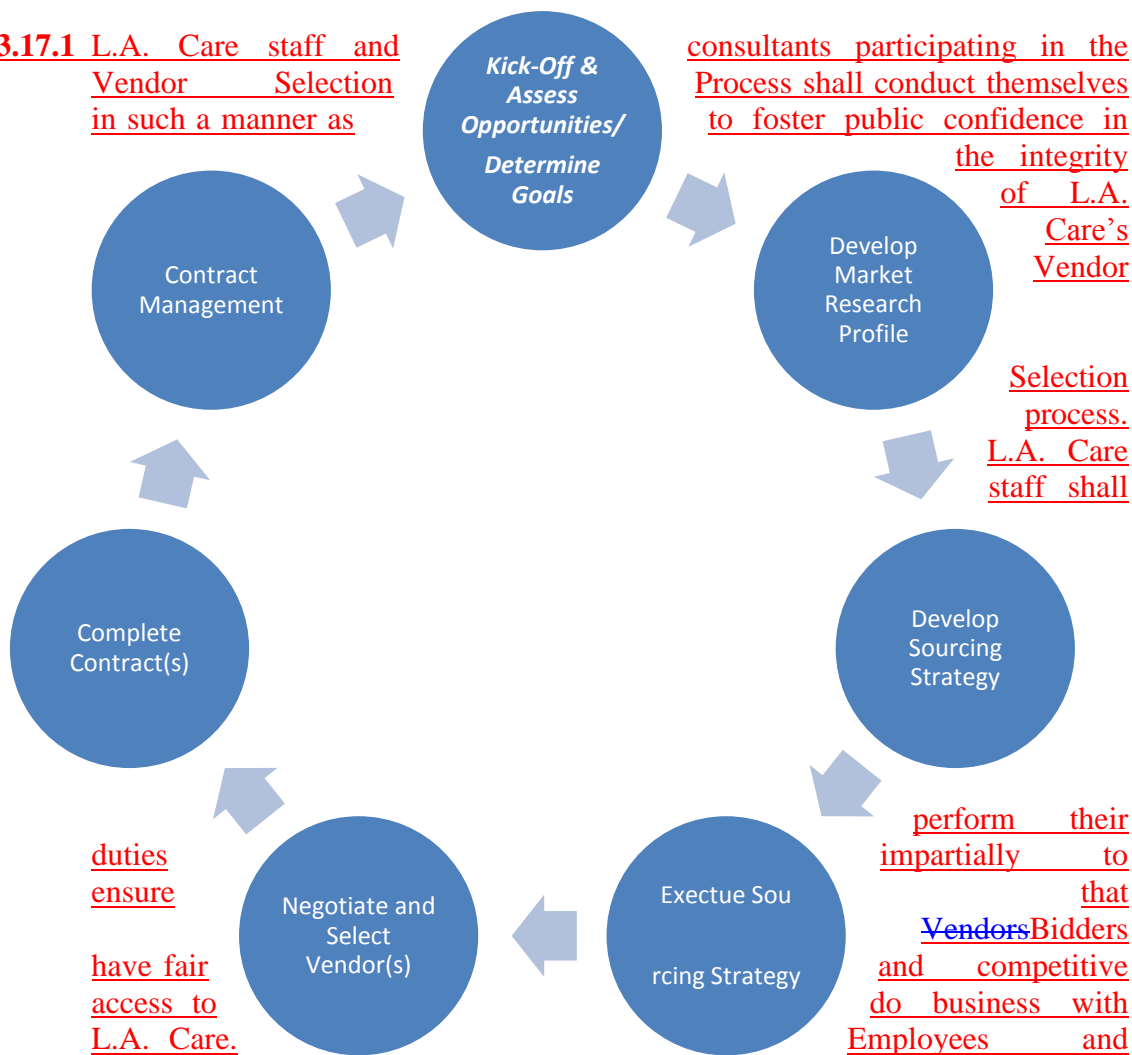
~~1.2.1 All appeal decisions made by L.A. Care will be communicated in writing to the appealing party within twenty (20) business days of receipt of the appeal. All appeal decisions made by L.A. Care are final.~~

~~1.2.3.2.3 All appeal decisions made by LA Care will be final.~~

3.16.1 Disclosure of Proposals and L.A. Care's Evaluation of Proposals. Generally, Vendors' Bidders' proposals and L.A. Care's evaluation of the proposals, including the basis for selection, are considered to be confidential information and should not be shared outside the Vendor Selection Team. If a request for copies of either a Vendor's Bidder's proposal or the evaluation is received, whether orally or in writing, the request must be treated as a request for records under the California Public Records Act (PRA). All such requests must be referred to the Legal Services Department immediately in order to respond to the request in the times mandated by the PRA.

3.17 Code of Conduct:

3.17.1 L.A. Care staff and Vendor Selection in such a manner as



and consultants are subject to applicable state conflict of interests laws and regulations, as well as internal requirements, including obligations of confidentiality and the use of confidential information, as prescribed by L.A. Care's Code of Conduct, the Vendor Code of Conduct and the consultant's Contract with L.A. Care. No L.A. Care employee or consultant shall solicit,

demand, or accept from any person anything of monetary value for, or because of, any action taken, or to be taken in the performance of his/her duties. Any employee or consultant failing to adhere to the above shall be subject to any disciplinary proceeding deemed appropriate by L.A. Care, including and up to termination of employment or the consultant's Contract.

3.18 Request for Quote Process (Purchases between \$25,000 and \$250,000 or as defined in Preferred Vendor Listing):

3.18.1 RFQs help L.A. Care purchase products or services at fair and reasonable prices. Prior to starting the RFQ Process, the Requestor should have already checked the Preferred Vendor Listing ~~per Section 3.2~~ and determined if Sole Source is necessary ~~per Section 3.4~~. If the Requestor's purchase cannot be fulfilled by a Preferred Vendor and is not a Sole Source, then Requestor must follow the steps below. If there is a business need for a competitive bid process beyond just pricing for a purchase below \$250,000, the Procurement Department will use its discretion to direct the Requestor to the Vendor Selection Process in ~~Section 3.95~~.

3.18.2 The Requestor obtains at least three quotes from ~~vendors~~ bidders that provide similar product or service within a Category and selects the vendor based on price and delivery. Procurement director or manager will use discretion if less than three quotes is allowable.

3.18.3 The Requestor submits a Purchase Requisition and all quotes received to the Procurement Department.

3.18.4 A Procurement Department resource will help the Requestor to determine the type of Contract needed. The Requestor must follow ~~Section 3.187~~ (Contracting Process) to finish the purchase.

3.18.5 The Requestor will route any approvals in accordance with policy AFS-006, "~~to the Authorization and Approval Limit.~~" ~~Policy (AFS-006)~~.

3.18.6 The Procurement Department will issue a Purchase Order and send to the ~~V~~ vendor after the approvals have been complete.

3.19 Contracting Process:

3.19.1 Contracts are required and must be reviewed by the Procurement Department and Legal Services Department if ANY of the conditions are true:

3.19.1.1 Purchase greater than \$10,000.

3.19.1.2 Purchase requires PHI exchanged with the Vendor.

3.19.1.3 The Vendor's performance may subject L.A. Care to liability that would be disproportionate to the value of the ~~v~~ Vendor's services.

3.19.2 If the conditions above are not true, then the Requestor should submit a Purchase Requisition to the Procurement Department.

3.19.3 If there is a legitimate, critical business need for an expedited process, the Requestor must contact the Procurement department. This is for exceptions only and is not a substitute for a lack of planning by the Requestor or Requestor's department. Approvals from CEO and/or CFO maybe required.

3.19.4 New Contracts

— The Requestor must submit the Purchase Requisition through the Procurement Department's procurement or contracting system and attach any pertinent information, such as applicable quotes, contract documents, Sole Source Justification, Board motions, cover memos, etc. The following steps and approvals are required. The Procurement Department can assist the Requestor on any of the following steps.

3.19.4.1

— The Requestor must acquire Contract templates from the Procurement Department who will help ensure the latest L.A. Care legally approved Contract templates are properly used for the purchase, including whether or not an MSA master or one-time ~~or Service Agreement~~ is to be used.

3.19.4.2

— The Requestor must draft business requirements ~~of the needs of the Officer or designee that to capture~~ include, at a minimum, a complete and clear description of services or product; expected responsibilities of the ~~Vendor~~ and L.A. Care; any deliverables; service levels; length of service/required delivery dates; purchase amount; and payment process. This is typically a collaborative, iterative review process between the Requestor, ~~Vendor~~, and the Procurement Department if necessary ~~in order to get to a final draft.~~

3.19.4.3

3.19.4.4 The Requestor must check the Vendor against the debarred and exclusion listings maintained by ~~L.A. Care's Compliance Officer~~ the U.S. General Services Administration and the Office of the Inspector General, US Department of Health & Human Services. Procurement must approve all vendor setup and/or changes on vendor maintenance file or record for appropriate control checks such as tax identification numbers before formal setup and/or changes are made into L.A. Care procurement, contract, or financial system. Exceptions to approvals may apply to vendor setups such as for member refunds.

3.19.4.5

The Requestor must prepare the Sole Source Justification and obtain approval, if applicable ~~per Section 3.4.~~

3.19.4.6

The Requestor must ~~acquire~~ obtain the Privacy and Information Security Officer's ~~approval to identify~~ of any privacy or information security and PHI concerns so that ~~to those~~ appropriate terms are incorporated in the ~~Agreement~~ Contract.

3.19.4.7

The Requestor must acquire IT approval to ensure IT-related purchases such as software, hardware, cloud services, etc., meet IT standards and are compatible with L.A. Care systems.

3.19.4.8

The Requestor must obtain approval from both Procurement and the Legal Services ~~D~~ department for negotiation of terms, pricing, vendor performance standards or warranties, indemnity, and insurance requirements are finalized in the Contract.

3.19.4.9

The Requestor must ~~acquire~~ obtain all approvals based on dollar amount in accordance with policy AFS-006, "~~to the A~~ Authorization and Approval Limit, ~~Policy~~" ~~(AFS-006)~~ including ~~filings~~ submitting any motions required for any Finance & Budget Committees or Board of Governors approvals.

3.19.4.10 After all approvals above, the Requestor or Procurement must ~~copies~~ acquire L.A. Care signatures in accordance with policy AFS-006 and Vendor signatures of the final Contract. Electronic signatures are permitted.

3.19.4.11 When the final Contract is fully signed, the Requestor must send one original or electronic copy to the ~~v~~ Vendor, the second original or electronic copy to L.A. Care Legal Services ~~D~~ department, and an electronic copy to the Procurement ~~D~~ department.

3.19.4.12 The Procurement department will issue a Purchase Order and send to the Vendor after the approvals have been complete.

3.19.5 Changes to Unexpired Contracts

3.19.5.1 ~~:-~~If an existing and still active Contract is already in place and needs to be changed or amended to extend the term of the Contract, increase scope, change pricing, or change any Contract provision, then the Requestor must contact the Procurement ~~D~~department to initiate an amendment against the Contract and then follow ~~§~~Section 3.18 (Contracting Process)~~7.1.~~

3.20 Contract Management

3.20.1 ~~:-~~Once a new Contract is in place, the ~~re~~business owner and the Procurement department have ~~are~~ ongoing responsibilities to ensure the ~~v~~Vendor is fulfilling its obligations under the Contract. Contractual terms such as fee adjustments, service levels, performance guarantees, termination rights, etc., can be unique on each contract. Therefore, the Procurement ~~D~~department, the business owner of the Contract, and the Legal Services ~~D~~department (if necessary) will collaborate to determine the appropriate action and communication to a ~~v~~Vendor who is not fulfilling the contractual obligations. The Procurement ~~D~~department will maintain a Contract repository of all ~~vendor~~Contracts and manage expirations by notifying the L.A. Care business owners of the Contracts at least 90 days before they expire (unless a longer period of time is required by the Contract) in order to determine if the contract should be renewed or allowed to expire, or if an RFP needs to be completed. In addition, the Procurement ~~D~~department will analyze all Contract expirations and develop strategies that include vendor and/or contract consolidation opportunities.

3.20.2 Procurement Responsibilities:

3.20.2.1 Monitors vendor contract expirations.

3.20.2.2 Notifies business owner or designee of upcoming expirations at least 90 days prior to Contract expiration.

3.20.2.3 Reviews and analyzes contract expirations for vendor and/or contract consolidation opportunities.

3.20.2.4 Monitors vendor compliance to pricing terms.

3.20.2.5 Co-develop a Vendor ~~M~~management scorecard of key metrics and key performance indicators (KPIs) if necessary.

3.20.2.6 Participates and collaborates with ~~v~~Vendor in developing vendor continuous improvement programs and corrective action plans if necessary.

3.20.2.7 Recommends and develops any contractual amendments with L.A. Care's Legal Services department.

3.20.3 Business Owner or Designee Responsibilities:

- 3.20.3.1 Monitors vendor compliance to performance terms and deliverables.
- 3.20.3.2 Co-develop a Vendor Management scorecard of key metrics and KPIs if necessary.
- 3.20.3.3 Participates and collaborates with vendor in developing vendor continuous improvement programs and corrective action plans if necessary.
- 3.20.3.4 Works with the Privacy Officer in the return or destruction of PHI if necessary.

<u>Procurement Responsibilities</u>	<u>Business Owner or Designee Responsibilities</u>
<ul style="list-style-type: none"> —Monitors vendor contract expirations. —Notifies business owner or designee of upcoming expirations at least 90 days prior to Contract expiration. —Reviews and analyzes Contract expirations for vendor and/or contract consolidation opportunities. —Monitors vendor compliance to pricing terms. —Co-develop a Vendor Management scorecard of key metrics and KPIs if necessary. —Participates and collaborates with vendor in developing vendor continuous improvement programs and corrective action plans if necessary. —Recommends and develops any contractual amendments with L.A. Care legal. 	<ul style="list-style-type: none"> —Monitors vendor compliance to performance terms and deliverables. —Co-develop a Vendor Management scorecard of key metrics and KPIs if necessary. —Participates and collaborates with vendor in developing vendor continuous improvement programs and corrective action plans if necessary. —Works with Privacy Office in the return or destruction of PHI if necessary per Section 3.10.

3.21 Termination of Contracts:

3.21.1 Expiring Contracts

3.21.1.1 —The Procurement Department will notify the business owner at least 90 days prior to Contract expiration. If the business owner does not respond after multiple documented attempts, including escalation to an Officer, then the Contract will be assumed completed. The Procurement Department will assist with Contract close out requirements, but the Requestor and business owner will be ultimately responsible for notifying the Privacy and Information Security Officer if PHI needs to be formally returned to L.A. Care or destroyed.

3.21.2 Terminating Contracts prior to Expiration

3.21.2.1 ~~:-~~ If a Contract needs to be terminated prior to the Contract expiration, the Requestor must contact the Procurement Department. The Procurement Department will assist the Requestor in coordinating the termination with L.A. Care Legal Services Department. Once the Contract is terminated, the Procurement Department will assist with Contract close out requirements, but the Requestor and business owner will be ultimately responsible for notifying the Privacy and Information Security Officer if PHI needs to be formally returned to L.A. Care or destroyed.

3.21.2.2 If a Contract needs to be terminated prior to the Contract expiration for vendor issues such as non-performance or undelivered products and/or services, then the Requestor must contact Procurement Department who will coordinate with L.A. Care Legal Services Department for either a termination for breach of Contract or opportunity to cure vendor issues.

3.22 Vendor Management

3.22.1 ~~:-~~ Vendor Management is applicable and typically reserved for those Vendors that are of high impact to L.A. Care in terms of dollars paid to the Vendor and of high impact to L.A. Care operations in serving its members. The intent is to properly manage the Vendor relationship to manage and mitigate risks and ensure the strategic goals and objectives of L.A. Care are being met. Vendor Management includes all the responsibilities of Contract Management ~~Section 3.9~~ along with the following:

~~-----~~ Agreed upon service levels and/or performance guarantees defined and incorporated in a fully executed Contract between L.A. Care and the vendor.:

3.22.1.1

3.22.1.2 A formal governance structure defined and incorporated in a fully executed Contract between L.A. Care and the vendor.

3.22.1.3 A formal scorecard to measure the contractual service levels, performance guarantees, and program/project milestones.

3.22.1.4 Formal, recurring review meetings outlined in the governance structure ~~from Section 3.11.2~~ between the Officer or designee level and the vendor's executive leadership, when the complexity and scope of the Contract warrants. At a minimum, the meeting agenda should include:

3.22.1.4.1 Review of the vendor scorecard from Section 3.11.3.

3.22.1.4.2 Develop and follow-up on corrective action plans for both L.A. Care and the vendor to resolve any strategic or tactical issues.

3.22.1.4.3 Develop any new innovative strategies and tactics that continuously improve the value and performance of the relationship to achieve L.A Care’s goals and objectives.

4.0 AUTHORITY:

None

5.0 REFERENCES:

5.1 Policy AFS-004, “Expense Policy”

5.2 Policy AFS-006, “Authorization and Approval Limit”

5.3 Policy AFS-027, “Travel Expense Policy”

6.0 ATTACHMENTS:

6.1 Process Flowchart

6.2 Vendor Process Selection Steps & Flowchart

6.3 Sole Source Justification Form

<u>ACCOUNTABILITY MATRIX</u>	
<u>Responsible Department(s)</u>	<u>Policy Section #</u>

<u>ELECTRONICALLY APPROVED BY THE FOLLOWING</u>			
	<u>Officer</u>	<u>Director</u>	<u>Regulatory Affairs & Compliance</u>
<u>Name</u>	<u>Tim Reilly</u>	<u>Patricia Mowlavi</u>	<u>Denise Corley</u>
<u>Department</u>	<u>Executive Services</u>	<u>Accounting Services</u>	<u>Regulatory Affairs & Compliance</u>
<u>Title</u>	<u>Chief Financial Officer</u>	<u>Senior Director</u>	<u>Compliance Officer</u>

IF APPLICABLE

<u>Board of Governors</u>	<u>Motion Number:</u>
----------------------------------	------------------------------

*Note: Please write "N/A" for the Name, Department, and Title of the Director if this approval is not applicable.

<u>POLICY HISTORY</u>				
<u>Date</u>	<u>Department</u>	<u>Policy or Section #</u>	<u>Comment(s)</u>	<u>Next or Annual Review Date</u>
<u>01/10/02</u>	<u>Accounting & Financial Services</u>	<u>AFS-007</u>	<u>New Policy</u>	<u>01/10/03</u>
<u>02/10/10</u>	<u>Accounting Services</u>	<u>AFS-007</u>	<u>Capital Assets defined as items with value greater than \$2,000</u>	<u>02/10/11</u>
<u>##/##/15</u>	<u>Accounting Services</u>	<u>AFS-007</u>	<u>Annual Review; major changes.</u>	<u>##/##/16</u>

2.0 — DEFINITIONS:

- ~~2.1 — **Products and Services:** Products and services include any department supplies, products, services and equipment used for administrative and operational purposes.~~
- ~~2.2 — **Capital Assets Furniture, Equipment and Leasehold Improvements:** Capital Assets are defined as any tangible property item with a value in excess of \$2,000 including tax, installation and freight and a useful life expectancy of one or more years.~~
- ~~2.3 — **Request For Proposal (RFP):** The RFP method is an open competitive bid process that is formalized by requiring a standard set of established specifications, contract performance and evaluation process.~~
- ~~2.4 — **Request For Quotes (RFQ):** The RFQ method is a less formal competitive bid process than the RFP method, usually consisting of written price comparisons from vendors.~~
- ~~2.5 — **Contracts:** Contracts are binding written agreements between L.A. Care and an independent party or vendor for the supply of goods and/or services at a mutually agreed price. All contracts must be reviewed by L.A. Care's Financial Services and Legal Services Departments prior to execution, per Policy AFS-006, Section 1.1.3.~~
- ~~2.6 — **Preferred Vendor:** Vendors and suppliers who provide products and services to support L.A. Care's recurring business activities such as office supplies, temporary labor, mail house fulfillment, printing, etc.~~

~~2.7~~ **Sole Source Vendor:** Vendors and suppliers who provide specific or "one of a kind" products and services, which are unique to L.A. Care's business needs or equipment specifications, such as IT system maintenance and support, data base management systems, software licenses, legal services, etc.

~~3.0~~ **PROCEDURE/S:**

N/A

~~2.0~~ **AUTHORITY:** N/A

N/A

~~3.0~~ **REFERENCE:** N/A

N/A

Accountability Matrix

Responsible Department(s)	Policy Section #

APPROVAL:

APPROVAL:

Regulatory Affairs & Compliance

Name: André G. Acosta Denise R. Corley, **Date:** _____
R.N.
 Title: Compliance Officer

Director **Date:** _____
 Name: Patricia Mowlavi
 Title: Senior Director, Accounting Services

Officer **Date:** _____
 Name: W. Randy Stone Tim Reilly
 Title: Chief Financial Officer

~~IF APPLICABLE~~
~~Board of Governors~~ **Date:** _____
 Motion #:

Policy History				
Date	Department	Policy or Section #	Comment(s)	Annual Review
02/2010	Accounting Services	2.2	Capital Assets defined as items with value greater than \$2,000	



L.A. Care
HEALTH PLAN®

Attachment A

Sole Source Justification

Vendor:

Contract Start/End Date:

Contract Amount:

Date:

Identify applicable justification and provide documentation for each checked item.

- Only viable source for product or service, performance and price competition are not available.
- Only viable source possessing specialized or unique expertise.
- Proposals were solicited, however no satisfactory proposals were received or only one satisfactory proposal was received.
- Additional services are required to complete an ongoing task. It would be prohibitively costly in time and money to seek a new service provider.

- ~~— Maintenance Service Agreements for equipment which must be serviced by the authorized manufacturer service representatives, and there is only one authorized service representative in the geographical area.~~
- ~~— It is in the Best Interest of LA Care, e.g., administrative cost savings outweigh cost savings that would be realized through competition, steep learning curve for new service provider, knowledge base, etc.~~
- ~~— It is more cost effective to obtain services by exercising an option under the existing contract.~~
- ~~— Items requested are based upon previous purchases from this vendor and are needed to match the existing product.~~
- ~~— The requirement is within the scope of an existing Contract and can be addressed as an amendment.~~
- ~~— RFP previously executed. Date: _____~~
- ~~— Other, please explain:~~

Approvals for Purchases from \$25,000 up to \$250,000:

Director/Senior Director/Officer: _____

Manager of Procurement: _____

Approvals for Purchases greater than \$250,000*:

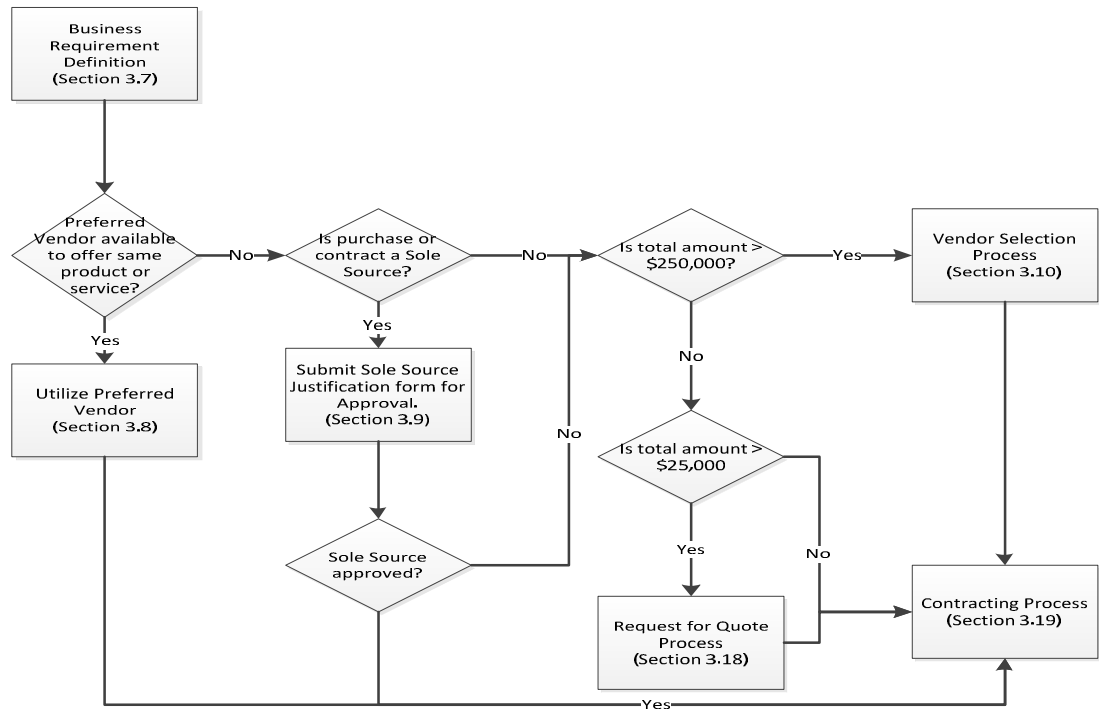
Officer: _____

Director of Procurement: _____

CFO: _____

CEO: _____

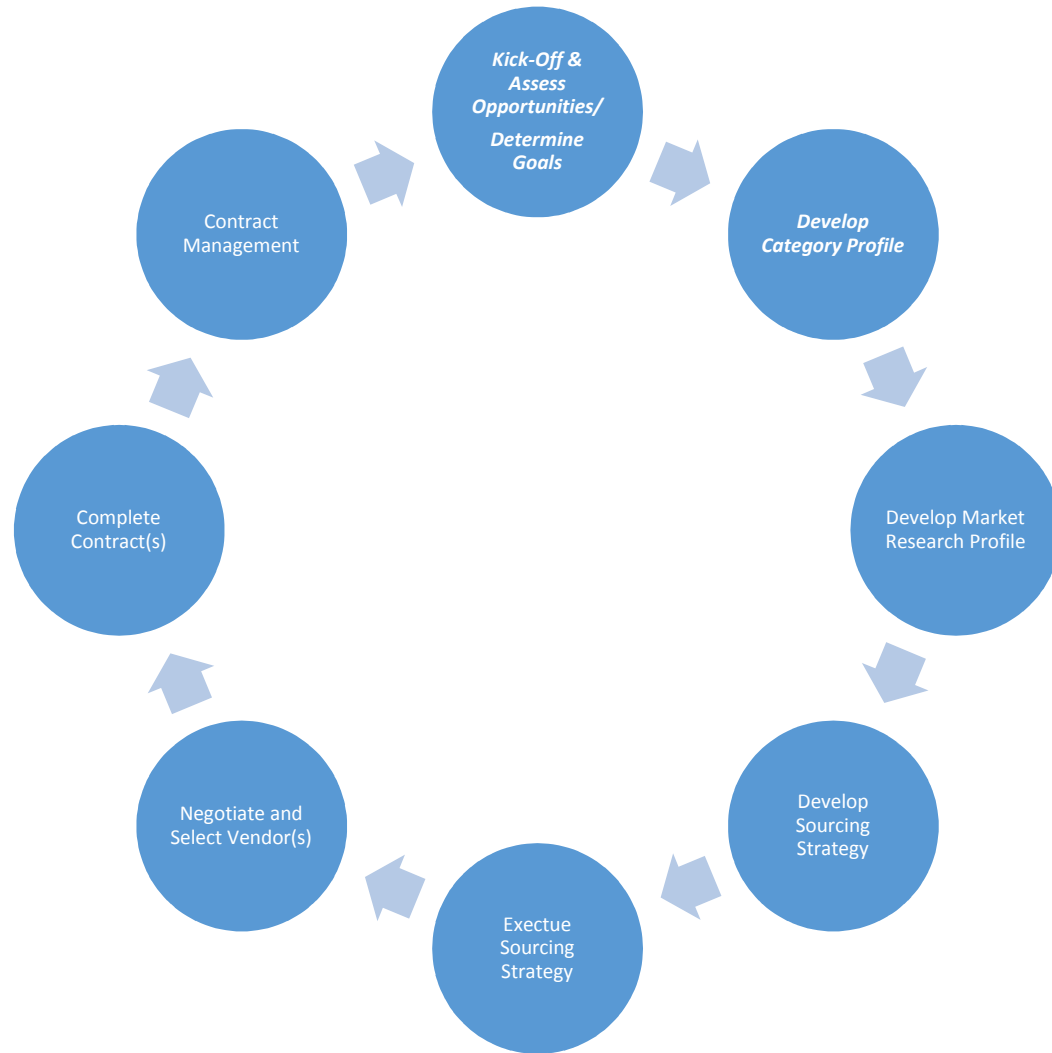
~~*Sole Source purchases greater than \$250,000 will be reported to Board of Governors or its Board Committee designee on a monthly basis.~~



Steps		Key Tasks and Responsibilities		Key Deliverable
		Procurement Resource	Vendor Selection Team	
1	<i>Kick-Off & Assess Opportunities/ Determine Goals</i>	<ul style="list-style-type: none"> • Collects and analyzes high level data • Assesses the opportunities • Determine goals • Identify team decision makers 	<ul style="list-style-type: none"> • Participates in the analysis of the data and assessment of opportunity 	Project charter
2	<i>Develop Category Profile (if applicable)</i>	Determine: <ul style="list-style-type: none"> • What we buy • Potential known vendors • When we buy • Estimated unit cost or fees and expenses 	<ul style="list-style-type: none"> • Reviews and validates deliverables (if applicable) 	<ul style="list-style-type: none"> • List of potential vendors • Vendor spend history report (if applicable) • Current procurement and payment process (if applicable)
3	<i>Generate Market Research Profile (if applicable)</i>	<ul style="list-style-type: none"> • Identify industry leading vendors • Determine vendors value-added capabilities • Identify industry trends 	<ul style="list-style-type: none"> • Reviews and validates deliverables (if applicable) 	<ul style="list-style-type: none"> • Market research report (i.e., Gartner, etc. if applicable) • Additional potential vendors
4	<i>Develop Sourcing Strategy</i>	<ul style="list-style-type: none"> • Develops a sourcing strategy that utilizes a Total Cost of Ownership, (TCO) model • Assess negotiation leverage • Evaluate alternative strategies 	<ul style="list-style-type: none"> • Develops a sourcing strategy that utilizes a TCO model • Assess negotiation leverage • Evaluate alternative strategies 	<ul style="list-style-type: none"> • Business and technical requirements including functional, task, quality, and service level requirements • TCO financial model • Contract strategy • Vendor Management strategy (if applicable)
5	<i>Execute Sourcing Strategy</i>	<ul style="list-style-type: none"> • Develops list of vendors • Leads development of RFP including evaluation criteria and weightings • Sends RFP to qualified, 	<ul style="list-style-type: none"> • Approves final list of vendors • Reviews and approves RFP including evaluation criteria and weightings • Participates in fielding vendor 	<ul style="list-style-type: none"> • Final list of vendors for RFP • RFP • Vendor Proposals • RFP Scoring Report • Short List of Vendors (if

		<p>approved list of vendors</p> <ul style="list-style-type: none"> • Serves as single point of contact between vendors and L.A. Care • Manages and fields vendor questions during RFP process • Moderates Bidder’s Conference if necessary • Applies RFP scoring methodology • Performs Reference Checks • Issues any amendments to RFP • Scores pricing component of vendor proposals using TCO model • Develops Short List of Vendors from RFP scoring • Develops secondary scoring for vendor presentations, site visits, and/or demos if necessary 	<p>questions during RFP process</p> <ul style="list-style-type: none"> • Participates in Bidder’s Conference if necessary • Scores vendor proposals • Approves Short List of Vendors • Participates and scores presentations, site visits, and/or demos if necessary 	<p>applicable)</p> <ul style="list-style-type: none"> • Additional or secondary scoring report from Short List of vendor presentations, site visits, and/or demos (if applicable)
6	<i>Negotiate and Select Vendor(s)</i>	<ul style="list-style-type: none"> • Develops negotiation strategy • Conducts negotiations 	<ul style="list-style-type: none"> • Assists in negotiations as necessary 	Final selection in the Best Interest of L.A. Care
7	<i>Complete Contract</i>	<ul style="list-style-type: none"> • Prepares the final Contract with legal department • Develops procurement and payment process • Incorporates a vendor governance structure if necessary • Implements Vendor Management if necessary 	<ul style="list-style-type: none"> • Reviews procurement and payment process • Reviews final Contract • Signs or acquires contract signatures in accordance with AFS-006 and Sections 3.7.1.9 and 3.7.1.10 • Implements technical and business oversight portions of 	<ul style="list-style-type: none"> • Signed Contract(s) • Final procurement and payment process • Executed Purchase Order

		<ul style="list-style-type: none"> • Sends executed Purchase Order to vendor 	Vendor Management if necessary	
8	<i>Contract Management</i>	<ul style="list-style-type: none"> • Monitors vendor compliance to pricing terms. • Develops a Vendor Management scorecard of key metrics and key performance indicators (KPIs) if necessary. • Participates and collaborates with vendor in developing vendor continuous improvement programs and corrective action plans if necessary. • Recommends and executes any contractual amendments that improve vendor performance. • Monitors contract expirations. • Performs Contract close-out activities (final invoices, release of claims, return of property or information, etc.) 	<ul style="list-style-type: none"> • Monitors vendor compliance to performance terms and deliverables. • Develops a Vendor Management scorecard of key metrics and KPIs if necessary. • Participates and collaborates with vendor in developing vendor continuous improvement programs and corrective action plans if necessary. • Works with the Privacy and Information Security Officer in the return or destruction of PHI if necessary. 	<p>On-going If necessary:</p> <ul style="list-style-type: none"> • Vendor scorecard • Vendor Correction Action Plans • Contract Amendments • Return or destruction of PHI





Sole Source Justification

Vendor: _____

Contract Start/End Date: _____

Contract Amount: _____

Date: _____

Identify applicable justification and provide documentation for each checked item.

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Manager of Procurement: _____

Approvals for Purchases greater than \$250,000*:

Officer: _____

Director of Procurement: _____

CFO: _____

CEO: _____

***Sole Source purchases greater than \$250,000 will be reported to Board of Governors or its Board Committee designee on a quarterly basis.**

Board of Governors

Executive Community Advisory Committee

Meeting Minutes – March 11, 2015



L.A. Care
HEALTH PLAN

L.A. Care Health Plan, 1055 West 7th Street, Los Angeles, CA 90017

ECAC Members	RCAC Members/Public	L.A. Care Board of Governors/Staff	
<p>María Adela Guadarrama, <i>RCAC 1 Chair</i>, Carlos Aguirre, <i>RCAC 2 Chair</i> Lidia Parra, <i>RCAC 3 Chair</i> Hercilia Salvatierra, <i>RCAC 4 Chair</i> Romalda Meza, <i>RCAC 5 Chair</i> Dove Savage Pinkney, <i>RCAC 6 Chair</i> Dalia Cadena, <i>RCAC 7 Chair</i> Ana Romo, <i>RCAC 8 Chair, ECAC Vice Chair</i> Cristina Deh- Lee, <i>RCAC 9 Chair</i> Aida Aguilar, <i>RCAC 10 Chair</i> * Elda Sevilla, <i>RCAC 11 Chair, ECAC Chair</i> Silvia Poz, <i>At Large Member</i> Demetria Saffore, <i>At Large Member</i></p> <p>* Excused Absent ** Absent *** Via teleconference</p>	<p>Russell Mahler, <i>RCAC 1</i> Ana Rodriguez, <i>RCAC 2</i> Cynthia Contreas-Wood, <i>RCAC 3</i> María Argueta, <i>RCAC 4</i> Guadalupe Reynoso, <i>RCAC 5</i> Olivia Avalos, <i>RCAC 6</i> Fátima Vázquez, <i>RCAC 7</i> Samouth Von, <i>RCAC 9</i> Engracia López, <i>RCAC 10</i> Estela Vejar, <i>RCAC 11</i> Savy Pol, <i>CCI Area 4</i></p> <p>Eduardo Kogan, <i>Interpreter</i> Sina New, <i>Interpreter</i> Paulina Laurent, <i>Interpreter</i></p>	<p>Hilda Pérez, <i>Consumer Member, Board of Governors</i> Ozzie López, <i>Member Advocate, Board of Governors</i> John Wallace, <i>Interim Chief Executive Officer</i> Maribel Ferrer, <i>Senior Director, Member and Medi-Cal Operations</i> Clayton Chau, MD, <i>Medical Director, Behavioral Health & Provider Continuing Education Departments.</i> Diana Amaya, <i>Member Retention Unit, Member Services Department</i> Idalia Chitica, <i>Community Outreach Lead Field Specialist CO&E</i> Kristina Chung, <i>Community Outreach Field Specialist, CO&E</i> Auleria Eakins, <i>Community Outreach Manager CO&E</i> Jerry Edmond, <i>CCI Field Specialist, CO&E</i> Whitney Franz, <i>Poject Manager, Quality Improvement</i> Felicia Gray, <i>Community Outreach Liaison CO&E</i> Hilda Herrera, <i>Community Outreach Liaison CO&E</i> Judy Hsieh Bigman, <i>Resource Specialist, CO&E</i> Devina Fan, <i>Health Promoter Program Manager CO&E</i> Susan Ma, <i>CCI Field Specialist, CO&E</i> Frank Meza, <i>Community Outreach Field Specialist, CO&E</i> Roland Palencia, <i>Director, Community Benefits Department</i> Jose Ricardo Rivas, <i>Community Outreach Liaison CO&E</i> Mike Shook, <i>Director, Quality and Improvement</i> Hilda Stuart, <i>Committee Liaison, Board Services</i> Paola Valdivia, <i>Special Projects Manager</i> Prity Thanki, <i>Local Government Advisor, Government Affairs</i> Martin Vicente, <i>Community Outreach Field Specialist CO&E</i> Maria Weaver, <i>Member Retention Unit, Member Services.</i></p>	
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS		ACTION TAKEN
CALL TO ORDER	Elda Sevilla, <i>ECAC Chair</i> , called the meeting to order at 10:05 a.m.		
APPROVE MEETING AGENDA	Chairperson Sevilla announced the following changes to todays' meeting agenda: Item IV. (D) Health Services Report will not be provided, item VII. (B) Behavioral Health Services will be discussed earlier on the agenda, and item IV. Member issues will not include Chair's presentation		Approved unanimously as amended.

APPROVED

	of new issues submitted to the Interdisciplinary Team (IDT). During this agenda item, Mike Shook, <i>Director of Quality Improvement</i> , will report on the status of previously submitted issues, and answer questions from the Committee. The agenda for today's meeting was approved as amended.	12 AYES (Aguirre, Cadena, Deh-Lee, Guadarrama, Meza, Parra, Poz, Romero, Saffore, Salvatierra, Savage Pinkney and Sevilla.)						
APPROVE MEETING MINUTES	<p>Carlos Aguirre, <i>RCAC 2 Chair</i>, noted an error under approval of meeting minutes. He noted that he only abstained for the ECAC Chair election. The February 11, 2015 meeting minutes were approved as amended.</p> <p><u>PUBLIC COMMENT:</u> Cynthia Contreas-Wood, <i>RCAC 3 member</i>, noted inconsistency on the meeting minutes, and requested that all questions be documented on the minutes, to help the reader have a better understanding of the discussion¹.</p>	Approved unanimously as amended by Mr Aguirre. 12 AYES						
STANDING ITEMS								
ECAC CHAIRPERSON REPORT Elda Sevilla, <i>Chair</i>	<p>Chairperson Sevilla presented the following motion:</p> <p><u>Motion ECA 100:</u> To approve the following candidate(s) to the Regional Community Advisory Committees (RCAC) as reviewed by the Executive Community Advisory Committee (ECAC) during the September 10, 2014 ECAC meeting.</p> <table border="1"> <thead> <tr> <th>Name</th> <th>RCAC #</th> <th>Type of Member</th> </tr> </thead> <tbody> <tr> <td>Shekelia Harvey</td> <td>3</td> <td>Consumer Partner</td> </tr> </tbody> </table>	Name	RCAC #	Type of Member	Shekelia Harvey	3	Consumer Partner	Approved unanimously. 12 AYES This motion will be forwarded to the next Board of Governors meeting on April 2.
Name	RCAC #	Type of Member						
Shekelia Harvey	3	Consumer Partner						
BOARD MEMBER REPORT	<p>Hilda Pérez, <i>Consumer Board Member</i>, reported that the Board met on March 5, 2015.</p> <ul style="list-style-type: none"> • The Board approved several motions. (<i>A list of the motions approved can be requested from the Board Services Department</i>). <ul style="list-style-type: none"> ○ The Board approved schedule changes to the March, April and July Executive and Finance & Budget Committee meetings. The new meeting dates are March 24, April 30, and July 22. ○ The Board also approved a motion to delegate authority to the Finance & Budget Committee, to approve agreements necessary for L.A. Care to meet the National Committee for Quality Assurance (NCQA) Standards for Member Connection including vendor contracts for member self-management tools and web portal. 							

¹ ECAC approved a motion at the March 2013 ECAC meeting, to address this concern. Future meeting minutes will reflect this request.

- Elda Sevilla, *ECAC Chair*, Demetria Saffore, *RCAC 1*, Herceys Donis, *RCAC 4*, Lourdes Servin, *RCAC 5*, Mary Romero, *RCAC 6*, Fátima Vázquez, *RCAC 7*, María G. Cervantes, *RCAC 8*, Blanca Villagrán, *RCAC 10*, María Angel Refugio, *RCAC 11*, and Andria McFerson, *CCI Area 3* attended the meeting. ECAC member Saffore, advocated for a Family Resource Center (FRC) in the Antelope Valley area and requested that minutes of the ECAC ad hoc Committee be available to members. Member Sevilla also advocated for an FRC in the Pomona area, and for the reinstatement of the Active Steps Program in all RCAC regions.
- The Board welcomed Kimberly Uyeda, MD, as a new member of the Board of Governors. Dr. Uyeda is the Director of Student Medical Services for the Los Angeles Unified School District, and was nominated by the American Academy of Pediatrics California District IX to replace Dr. Thomas Klitzner on L.A. Care’s Board of Governors. Dr. Uyeda has been an active member of the Children Health Consultant Advisory Committee (CHCAC).
- Board Member Pérez talked about the Interdisciplinary Committee and its efforts to develop a meaningful process to resolve member issues submitted by ECAC and RCACs.

Board Member Pérez requested that an invitation to the April 30 RCAC health and advocacy conference be extended to John Baackes, L.A. Care’s new Chief Executive Officer (CEO). Maribel Ferrer, *Senior Director of Member and Medi-Cal Operations* informed the Committee that Mr. Baackes has confirmed his attendance, and will offer opening remarks at the conference.

Board Advocate Member López noted that at the last Board meeting he requested that an assessment of the needs for the entire L.A. Care membership be conducted, to identify strategies for possibly establishing FRCs in all of the RCAC areas. Board Member López had previously requested that a presentation on L.A. Care’s Community Health Investment Funds (CHIF) be provided at ECAC, and a presentation will be delivered later on today’s agenda. In addition, he requested staff to research on the possibility to stream Board meetings to make them accessible via television or internet in an effort to improve access.

Board Member López informed the Committee that he worked for the City of Los Angeles for over 20 years, and had a brief tenure with the Metropolitan Transportation Authority (MTA). He announced that as of January 12, 2015 he was appointed as Director of Workforce Development at AltaMed Health Services. Board Member López noted that although he is now working for a healthcare provider, his role on L.A. Care’s Board of Governors is to advocate on behalf of all of L.A. Care members.

Board Member López encouraged ECAC and RCAC members to continue submitting their questions and concerns, so that he, and Board Member Pérez can inform the Board and its various Committees.

L.A. CARE SENIOR STAFF REPORT

John Wallace, *Interim Chief Executive Officer (CEO)*, reported:

Announcements

- As mentioned earlier by Board Member Pérez, Board action was required to help the organization comply with new NCQA Standards for Member Connections (MEM) related to member engagement. L.A. Care must have a secure portal for members to be able to access certain information such as prescription history, self-health information, as well as the ability to refill prescription medication, replace a member identification card, and other functions that currently require a phone call. This system must be implemented by July 2015 to retain accreditation. L.A. Care will ensure that the portal is also accessible through a phone application.
- In regards to the request made by Board Member López to stream Board meetings, Mr. Wallace noted that staff is working on this request, and that the service may be available at the May Board meeting. He noted that previous notice will be given to ensure public participation.
- John Baackes, CEO is relocating from Philadelphia and will start on March 23, 2015. He conducted a site visit on March 9, 2015 and met with several staff to review L.A. Care's operations. Staff has diligently worked on a smooth transition plan for Mr. Baackes.
- On behalf of L.A. Care's Management team, Mr. Wallace congratulated Board Member López in his new position with AltaMed. He noted that AltaMed is not only an important partner to L.A. Care but a vast health care provider, and innovator in the community.
- L.A. Care's spending practices were recently reviewed by the Los Angeles County Auditor Controller. Based on the recommendations from the audit, L.A. Care will be making a number of changes to the approval process of discretionary items mainly around meals and travel in an effort to develop a more transparent process. More information will be provided at future meetings.
- The new Martin Luther King (MLK) Community hospital will re-open in the summer of 2015. The new hospital is a pleasant and modern facility with single occupancy rooms. L.A. Care is working with MLK to ensure that this hospital is an option for L.A. Care members.
- The Board was informed of a recent cyber-attack to Anthem. This attack may have impacted some of L.A. Care's members assigned to Anthem however Anthem has not provided L.A. Care with detailed information on who those members are. L.A. Care continues to work with Anthem to identify the affected members. Anthem will send letters directly to those members, to explain the issue and inform them on next steps.
- The budget for the Healthy Kids 0-5 program is set to end June 30, 2015. L.A. Care is working diligently to keep the program open until December 31, 2015. There are 350 children enrolled in the program, however the program is now closed to new enrollment. L.A. Care will work with the County and community clinics to find alternate programs for

impacted members to continue receiving appropriate care.

Membership

- The L.A. Care membership increased by 15,860 members, of which 10,931 joined L.A. Care’s direct Medi-Cal line of business (MCLA).
- There are approximately 14,000 members currently enrolled in the Cal MediConnect (CMC) program, also known as the duals pilot. All health plans participating in the CMC program are experiencing low membership due to the high opt-out rate. L.A. Care is developing strategies to outreach to all eligible individuals.
- Open enrollment for Covered California was extended through April 30, 2015. Mr. Wallace asked Committee members to refer eligible individuals to the Covered California website to submit an application. The L.A. Care membership for the Covered California product is at approximately 22,000.

Cristina Deh-Lee, *RCAC 9 Chair*, suggested that the new phone application include the ability to submit complaints, and get a prompt response, in reference to the NCQA MEM Standards. Mr. Wallace will confirm if this is an option and will note this suggestion as a priority. Auleria Eakins, *Manager, CO&E* asked if L.A. Care has considered hosting a consumer focus group to seek input on the process for the NCQA Standards for Member Connections (MEM). Mr. Wallace acknowledged the idea, and advised her to speak to the staff leading the project, Jim Banks, *Senior Director, Quality Improvement and Health Assessment*, and Bruce Pollack, *Senior Director, Project Management Office*.

Board Member Pérez asked if a demonstration can be provided to the Committee once the web portal and phone applications are implemented. She also asked about L.A. Care’s strategy to advertise these new tools to its members. Mr. Wallace acknowledged the request and requested staff to schedule a presentation about this topic.

Dove Savage-Pinkney, *RCAC 6 Chair*, noted concerns about the closing of programs, such as Healthy Kids as referenced by Mr. Wallace, and asked if members receive information about other available options, and guidance on how to make an educated decision. She asked if members are able to compare benefits, and inquired on ways in which this information is relayed to the members. Mr. Wallace informed that the information that can be provided to members depends on specific program regulations. He also informed about the Health Insurance Counseling and Advocacy Program (HICAP), which provides accurate and unbiased information to clients. Mr. Wallace requested an informational presentation be provided to this Committee about community based organizations that can help answer questions from the consumers, in addition to information about available program options, and tips on how the selection process works.

	<p>Ms. Savage Pinkney shared concerns in regards to the status reports received from the Interdisciplinary Committee. She opined that member’s identity can be protected as long as the status report does not include the members’ name. Mr. Wallace informed about regulations protecting privacy breaches, including members’ name, zip codes, and other identifiable information and noted that L.A. Care is working on ways to improve the delivery of information.</p> <p>Lidia Parra, <i>RCAC 3 Chair</i> informed that some RCAC 3 members expressed that CVS refused to fill their prescription medication, and referred them to other pharmacies because they no longer have a contract with L.A. Care. Mr. Wallace informed that CVS is a contracted pharmacy, and part of L.A. Care’s network. He asked Ms. Parra to advise members to call the Member Services Department for an investigation of the issue. Romalda Meza, <i>RCAC 5 Chair</i> informed that she received a letter from L.A. Care stating that CVS would no longer work with L.A. Care. Ms. Ferrer noted that she is not aware of this notice but will follow up on this issue.</p> <p>Board Member López publicly acknowledged Mr. Wallace for his support as interim CEO, and the entire leadership team for a job well done.</p> <p><u>PUBLIC COMMENT:</u></p> <p>Ms. Contreas-Wood asked if MLK hospital is a County facility. Mr. Wallace informed that MLK is a private community non-profit hospital, not governed by the County Board of Supervisors. The hospital has its own independent Board of Governors which includes former L.A. Care Board Member Robert Tranquada, MD. Elaine Batchlor, MD, MPH, former Chief Medical Officer at L.A. Care, is the CEO at MLK.</p>	
<p>HEALTH SERVICES REPORT</p>	<p>This item was not discussed.</p>	
<p>GOVERNMENT AFFAIRS UPDATE</p>	<p>Prity Thanki, <i>Local Government Advisor</i> reported (<i>A copy of the report can be requested through the CO&E Department</i>):</p> <p><u>Federal Judge Ruling on the expanded Deferred Action for Parental Accountability (DAPA), and Deferred Action for Childhood Arrivals (DACA).</u></p> <ul style="list-style-type: none"> • On February 16, 2015, a federal judge issued an order that temporarily blocks President Obama’s executive action regarding DAPA and DACA. • The judge ruled that these two programs should not move forward because Texas and 25 other states are challenging them. • The Obama Administration is acting quickly to reverse the judge’s decision but the start date of these programs may be delayed. DACA was supposed to begin on February 18, 2015 and DAPA was scheduled to start in mid-May 2015. • This ruling only affects the expanded DACA and DAPA. Applications for the original 	

	<p>DACA issued in 2012, renewals, and extensions under original DACA are not affected.</p> <ul style="list-style-type: none"> • L.A. Care’s Government Affairs Department is monitoring this issue and will keep the Committee informed. <p><u>Covered California Extended Enrollment</u></p> <ul style="list-style-type: none"> • As mentioned earlier by Mr. Wallace, Covered California is offering a special enrollment extension until April 30, 2015. This extension is for people who say they were not aware of the tax penalty for being uninsured. • In 2014 the tax penalty for being uninsured is \$95 per adult or \$47.50 per child under 18 years of age. The maximum penalty is \$285 per family or 1% of income. • In 2015 the penalty will increase to \$ 325 per adult or 2% of income, and in 2016 it will increase to about \$695 per adult or 2.5% of income. <p>Ms. Thanki encouraged Committee members to let people in the community know of the extended enrollment deadline to help them avoid paying the tax penalty.</p> <p><u>Covered California Adult Dental Coverage</u></p> <ul style="list-style-type: none"> • In August 2014, Covered California announced that it would offer adult dental coverage as an add-on plan for an additional cost starting in 2015. • On February 24, 2015 Covered California announced that they will not offer a dental coverage option in 2015 due to challenges with their current registration system. • Pediatric dental coverage is already included as an essential health benefit for all children’s health plans. <p><u>Mandatory Open Enrollment for Medi-Cal Managed Care</u></p> <ul style="list-style-type: none"> • At the last meeting, the Committee was informed that the Department of Health Care Services (DHCS) is proposing legislation that would lock Medi-Cal beneficiaries under family and child aid codes in their managed care plan for one year, and only allow them to change plans during a mandatory open enrollment period. This proposal would have no impact on the Medi-Cal Expansion population. • Advocates oppose this proposal because they think it limits choice, and may limit continuity of care with the same provider, if a beneficiary is not able to change plans to access their provider. • L.A. Care Government Affairs Department will continue to monitor this proposal, and will keep the Committee informed. <p><u>PUBLIC COMMENT:</u> Russell Mahler, <i>RCAC 1 member</i>, asked if DHCS will restore adult dental benefits in the future. Ms. Thanki informed that adult dental benefits were terminated several years ago, and Advocates continue asking for a restoration of these benefits. Although there have been discussions</p>	
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	<p>around this issue, there is no specific timeline for these benefits to be restored.</p> <p>Ms. Deh-Lee asked for clarification if Medi-Cal beneficiaries are losing their dental benefits. Ms. Thanki noted that the dental information for adults as provided at today’s meeting pertains to the Covered California program not Medi-Cal.</p> <p>Ana Romo, <i>RCAC 8 Chair, ECAC Vice Chair</i>, asked for validation on the following statement that she has heard in the community: Undocumented individuals who apply for a drivers’ license do not qualify for DAPA. Ms. Thanki informed that DAPA and DACA are both immigration issues, and noted that she does not have information on how they relate to drivers’ license.</p> <p>Ms. Savage Pinkney asked if any organization is taking s proactive steps to inform the public about Covered California, and tax penalties that would be incurred if uninsured. Ms. Thanki informed the Committee that this is a nationwide issue, and noted that Covered California has increased its marketing and advertising campaigns to address this issue.</p> <p><u>PUBLIC COMMENT:</u></p> <p>Estela Vejar, <i>RCAC 11 member</i>, asked if the delays with DACA and DAPA have an impact on individuals who filed in 2012 and are currently in the renewal process. Ms. Thanki informed the Committee that there should not be a delay for individuals that applied in 2012 as long as they are not in the expanded DACA. Ms. Thanki reiterated that DACA and DAPA are immigration issues, and L.A. Care’s Government Affairs Department provides updates as a courtesy to members, as it may be an important issue for many members. She advised to contact the Immigration and Naturalization Services Agency to obtain more information about these programs.</p>	
<p>HEALTH PROMOTER PROGRAM UPDATE</p>	<p>Devina Kuo Fan, <i>Health Promoter Program Manager</i>, reported:</p> <p><u>Health Promoter’s (HPs) continuing education meetings-Group A (2012 graduates) and B (2014 graduates).</u></p> <ul style="list-style-type: none"> • HPs met on February 27, and had a practice session on MyPlate, and received updates on immigration reform (DACA, DAPA). CO&E is monitoring President Obama’s executive action, and keeping HPs informed. • HPs met also met on March 6, and received information on State budget, and training on how to communicate with Your Doctor Curriculum. HPs also participated in a telephone activity to show the importance of effective communication. • HPs will meet again on March 27. This session will focus on mental health and self-care, and HPs will also have an opportunity to practice the How to Communicate with Your Doctor Curriculum, and effective communication skills learned previously. 	

	<p><u>HPs in the 2015 Active Steps Program (ASP) RCACs 1,6,7.</u></p> <ul style="list-style-type: none"> • On February 25, HPs participated in a data collection training session in Lancaster. • On February 26, HPs received training on motivational interviewing part I. The second part of this training will be done on March 20. • The ASP in RCAC 1 began on March 9. HPs assisted with data collection, body measurements and surveys. On March 18, they will be teaching ASP participants on how to set specific, measurable, attainable, realistic, and time-bound (SMART) goals. <p><u>HPs in the Community</u></p> <ul style="list-style-type: none"> • HPs in groups A and B continue providing presentations in the community on access to care (urgent care versus emergency care), and health care reform. • HPs will participate in the Animo College Prep. Academy, 2nd Annual Family Night. HPs will host a resource table for continued collaboration with Green Dot public schools (<i>flyer can be requested through the CO&E Department</i>). <p><u>Spring RCAC Health Advocacy Conference</u></p> <ul style="list-style-type: none"> • The three interns from the University of Southern California are developing a fun and interactive activity on how a bill becomes a law. • HPs will showcase a mental health theater to introduce the Behavioral Health Services section of the Agenda. <p><u>Affordable Care Act (ACA)</u></p> <ul style="list-style-type: none"> • As noted earlier, special open enrollment period was extended until April 30, 2015. • People who enrolled before the 15th of the month will be covered on the 1st day of the following month. • A quick overview of the Covered California website was conducted to demonstrate how to find information regarding local events, certified enrollment locations, agents, and county resources. The web based tool allows people to search for certified insurance agents in California using name, zip code, and preferred language. www.coveredca.com • Examples of tax penalties were provided for single individuals and families. In 2014 the penalty is \$95 or 1% of income. Ms. Fan noted that the penalties will increase in the years to come. 	
<p>AT-LARGE MEMBER UPDATE (MEMBER RECRUITMENT/CCI)</p>	<p>Demetria Saffore, and Silvia Poz, <i>At-Large Members</i>, reported (<i>a copy of the reports can be requested by contacting CO&E</i>):</p> <p>The first CCI consumer Council meeting for Area 3-South Los Angeles took place on February 25, 2015 from 10:00 a.m. to 12:30 p.m. at L.A. Care’s Inglewood FRC. At this meeting, CCI Council meeting learned about the CCI Council, and participated in an educational session presented by Bryan Gaines from USC. A few RCAC 6 members were also in attendance to</p>	

offer support and learn more about the CCI Council.

Susan Ma, *CCI Field Specialist*, reported:

- The CCI consumer Council meeting in Area 2-San Fernando Valley will take place on March 25, 2015 from 10:00 a.m. to 12:30 p.m. at L.A. Care’s Pacoima FRC, at 10807 San Fernando Blvd., Pacoima, CA 91331. The CCI Council from Area 1-Antelope Valley will be joining this meeting.
- Based on the need of the CCI Council, it was determined that the Councils will meet on a bi-monthly basis rather than on a quarter basis.

Board member Pérez asked for information on attendance at the CCI Council meeting in Area 3, and if transportation is provided for members of the public who wish to attend CCI Council meetings in their area. Ms. Ma informed that there are a total of six Council members in Area 3, three of which have dual RCAC/CCI membership. Seven members of the public also attended the meeting on February 25. Ms. Ma informed that transportation will be provided to potential CCI Council members who wish to attend a meeting in their belonging area. She reminded everyone that the CCI Council meetings are public and anyone is welcomed to attend.

Board member López asked about L.A. Care’s strategies to distribute materials, and outreach to members for upcoming CCI Council meetings. Ms. Eakins informed that L.A. Care does specific zip code mailings to members who live within a certain mile radius from where the CCI Council will be held. Ms. Eakins noted that L.A. Care has not been successful with this outreach mechanism, thus staff is identifying other outreach strategies such as partnering with Regional Centers and Senior Centers in the CCI Council Areas. Current CCI Council members have also been asked to assist L.A. Care with outreach efforts.

In reference to Board member López’s question, Board member Pérez inquired about proactive steps that L.A. Care staff are taking to disseminate the information throughout the community, and asked about the measures that L.A. Care is taking to address the high CCI/CMC opt-out rate in the county. Ms. Ferrer informed the Committee that one of the reasons for the high opt-out rate in the program may be due to non-contracted Medicare providers asking their patients not to join. Ms. Ferrer added that the high opt-out rate is a country-wide issue and the Centers for Medicare and Medicaid Services (CMS) and the DHCS are aware of the issue and have begun working with health plans to identify strategies and mechanisms to help reduce the high opt-out rate.

In regards to L.A. Care’s CCI Council meetings, Ms. Ferrer noted that staff is actively looking for other opportunities to engage consumers, and acknowledged the value of the CCI Council meetings. In addition, Ms. Eakins informed that other mechanisms for outreach efforts include collaborating with other departments to help increase awareness about the CCI Councils. Examples of those collaborations are providing follow up to potential members, as a result of

the outbound calls from the Member Outreach & Engagement (MORE) department, and working with the Communications department on a webinar for community clinics and community partners to provide more information about the CCI Councils.

Ms. Poz reported that there is one candidate for RCAC membership approval. She reviewed the membership attachment (*Attachment can be requested through the CO&E department*).

- Five interest cards were received on February 2015 from RCACs 3, 4, and 9.
- A total of 313 interest cards have been received to date. Not all interest cards are processed due to lack of eligibility, or because L.A. Care is looking for specific product lines to reflect the overall L.A. Care membership.
- Fifty two new members have joined the RCACs since membership reopened.

Board member Pérez noted the number of vacancies across all RCACs, and suggested the need to have a discussion around member recruitment. Ms. Deh-Lee requested that a training session on how to outreach to community partners be provided to the Committee. Ms. Eakins noted that the Managed Care Plan Consumer Advisory Committees acknowledged that all health plans are having difficulties recruiting advisory members, and they are in the process of forming a special Committee to discuss ideas around meeting time, location, incentives and refreshments. In reference to the suggestion made by Ms. Deh-Lee, Ms. Ferrer indicated that a training session on how to outreach, and recruit community partners can be provided to the Committee in the future.

Board member López acknowledged past success related to the RCACs advocacy work on the proposed RCAC term limits. He noted the need for RCACs to continue to work closely with the CO&E staff to identify individual strategies for each RCAC, depending on the needs of the specific communities within a RCAC. Board member López noted that Howard A. Kahn, former L.A. Care CEO, once indicated that ECAC and the RCAC are an integral part of the organization, and have accessibility to the organizations' Board of Governors and to the CEO. Board member López requested that a plan be developed to increase RCAC membership.

Ms. Poz requested L.A. Care's staff guidance, support, and participation when attending a meeting at a local regional center. She asked if RCAC and CCI Council meetings can be held at the regional centers. Ms. Ferrer reiterated statement from Board member López and noted that each RCAC will have different needs, and will require a different strategy. She requested that these types of request be communicated with the assigned Field Specialist.

PUBLIC COMMENT:

Ms. Contreas-Wood noted that each RCAC is unique, and that all RCACs do the same but in different ways. She opined that there is room within the RCACs to include people who meet the basic criteria but not all the criteria that L.A. Care is looking for in new members, especially in RCACs with great declines. Ms. Contreas-Wood suggested allowing a number of seats to be

	filled with certain available member categories while continuing to recruit for the rest. Ms. Ferrer acknowledged the concern and suggestion. She reminded the Committee that the RCAC membership must reflect the diverse population of the overall L.A. Care's membership.	
NEW BUSINESS		
BEHAVIORAL HEALTH SERVICES (BHS)	<p>Clayton Chau, MD, <i>Medical Director, Behavioral Health & Provider Continuing Education Departments</i> Reported:</p> <ul style="list-style-type: none"> • Early Periodic Screening Diagnostic and Treatment Services (EPSDT), is a set of benefits established in 1967 by the federal government. • It is required that all Medicaid programs in the country provide EPSDT for children and youth under 21 years old. • The purpose of EPSDT is to ensure that services are available and accessible, and to assist eligible children and youth to obtain the needed health care services. • Commercial insurance plans have similar set of requirements for children and youth under 21 however these requirements are less than those included in EPSDT for Medi-Cal members. L.A. Care will co-sponsor a conference about EPSDT on Saturday, March 21, 2015. The conference is targeted to providers and clinicians. • A primary care physician should do EPSDT screening when the child enrolls in their membership panel, and annually throughout the screening process specifically around immunizations. The American Pediatric Association also requires pediatricians to conduct certain physical exam screenings on an annual basis. A family can also request a pediatrician to conduct a complete screening when their child is sick or if they suspect their child has a disability. • The components of EPSDT are health and developmental history including a complete physical and mental health exam. The physical exam includes: Immunizations, laboratory tests, lead toxicity tests, blood tests, sickle cell anemia (particularly for African American children), health education counseling, vision, dental and hearing services, in addition to mental health and substance abuse. • At a prior meeting the Committee learned about the Applied Behavior Analysis (ABA) for children, related to Autistic Spectrum Disorder (ASD). Most states, including California decided to include ABA services under EPSDT so that all children and youth under 21 have an opportunity to be screened for ASD. • The Health Resources and Services Administration (HRSA) published an article for parents, related to EPSDT, (<i>A copy of the article will be forwarded to the CO&E Department for translation and distribution</i>). • Under the Medi-Cal program occupational (OT), physical (PT) and speech therapy (ST) for adults is limited to two times per month, but there is no limit for children. Upon evaluation, a qualified licensed therapist in the respected field, can determine the number of sessions 	

	<p>that the child or youth under 21 will need per week or month. If a pediatrician denies or limits the number of OT, PT or ST session for a child, the parent should inform L.A. Care for intervention.</p> <ul style="list-style-type: none"> • The purpose of the EPSDT is to screen, detect and treat early before the condition worsens. • Medical necessity for adults is different than medical necessity under EPSDT. Under EPSDT medical necessity is a treatment that will help a child function better and adjust better in their community. • DHCS continuously reminds health plans about EPSDT. On December 12, 2014 they reissued a letter to the plans reminding them of EPSDT, and the importance of conducting the screening so that children and youth under 21 receive timely services if needed. <p>Board member Pérez asked Dr. Chau to explain about Beacon and how it relates to BHS. Dr. Chau informed that Beacon is a vendor that contracts with L.A. Care to provide services through their network of psychiatrists and therapists to provide mental health services. A physician can refer a child and youth under 21 to Beacon, if they require services from a mental health provider. He noted that the BHS department does not do direct care for members. BHS monitors Beacon and ensures access and quality of services.</p> <p>Ms. Deh-Lee requested a written summary of this presentation. Dr. Chau noted that the information will be recorded in the meeting minutes.</p> <p>Ms. Parra that her daughter’s pediatrician referred her to the school district for speech therapy because Medi-Cal would not cover these services. Dr. Chau informed about educational related conditions, and noted that the school district would be responsible if the condition only occurs in the school environment, and during the school session. However schools have to assess if it is medically necessary to treat the condition. If the school is contracted with Medi-Cal, it can bill the health plan for those services as Medi-Cal is the primary payer. Dr. Chau asked Ms. Parra to contact L.A. Care’s Member Services for a follow up.</p> <p><u>PUBLIC COMMENT:</u> Engracia López, RCAC 10, informed the Committee about the increased number of parents who do not want to get their children immunized. Dr. Chau noted that parents currently have the ability to ask their children’s provider for a waiver not to immunize their children.</p> <p>Ms. Contreas-Wood informed the Committee that a parent can request not to immunize their children due to personal beliefs or medical waivers. She noted that medical waivers are done when the child has a condition that may be adversely affected by immunization.</p>	
STANDING ITEMS <i>Continued</i>		
COMMUNITY	This item was not discussed.	

ENGAGEMENT ECAC members		
NEW BUSINESS Continued		
COMMUNITY HEALTH INVESTMENT FUNDS PROGRAM(CHIF)	<p>Roland Palencia, Director, Community Benefits Department presented: <i>(A copy of the presentation can be requested through the CO&E Department):</i></p> <ul style="list-style-type: none"> • The Board of Governors established the CHIF program in the year 2000. • The goals of the program are to improve community and public health, expand health insurance coverage, and strengthen the safety net (including private, non-profit clinics, and Los Angeles County Department of Health Services). • There are two overall strategies: <ul style="list-style-type: none"> ○ To align CHIF grant-making to L.A. Care’s business needs, and priority goals that will benefit L.A. Care members. Through this grant-making process L.A. Care helps clinics develop infrastructure, which allows them to resolve internal issues. ○ To provide general support to projects that can benefit all uninsured or underserved, including L.A. Care members. • Since the start of the CHIF fund, over \$46.2 million has been granted to a total of 372 projects at community clinics and DHS. Last year, a total of \$3,810,000 was granted to fund 31 initiatives and ad hoc projects. • L.A. Care has two approaches to funding: Initiatives and Ad Hoc. <ul style="list-style-type: none"> ○ Initiatives have specific parameters and strict criteria; a timeline, and maximum amount of funds that an agency can apply for, in addition to specific details on the qualifying projects. Some recurring initiatives funded by L.A. Care include: the Asthma Community Health Improvement, and the Robert Tranquada M.D. Safety Net. ○ Ad Hoc are special projects that don’t fit any of the initiatives. Ad Hoc grants include: New models of care for high-need, high cost members, a \$200,000 grant provided to the Corporation for Supportive Housing. This grant addressed the special needs of the 10% with the most complex medical, mental, physical and social needs. Another Ad Hoc grant provided last year, was in the amount of \$60,000 to the Achievable Clinic. This grant was to obtain special designation from Health Resources and Services Administration (HRSA). This would help increase the amount of compensation for community clinics serving the complex needs of developmentally disabled populations. • The CHIF priorities for fiscal year 2014-15 include health care reform, Medi-Cal expansion, and patients with complex needs, strengthening and expanding health information technology Infrastructure (Health Information Exchange Network, eConsult/ eManagement expansion to include behavioral health, and a data analytics project), in addition to oral health, and ad hoc projects. 	

	<ul style="list-style-type: none"> • L.A. Care funds agencies that meet CHIF guidelines and priorities, and has external community content experts as advisors on its Initiative Review Committees and most ad hocs. This Committee makes recommendations to the Board for approval of funds. <p>Ms. Parra noted that community clinics mostly serve undocumented and low-income individuals, and asked if anything is available for those with higher incomes. Mr. Palencia informed that community clinics serve everyone including documented individuals who may have private insurance or Medi-Cal. He noted that community clinics also work with a sliding scale and those who have higher incomes may be able to obtain services for a certain fee depending on their income.</p> <p><u>PUBLIC COMMENT</u></p> <p>Ms. Contreas-Wood asked for clarification regarding process related to the Initiative Review Committee and Board of Governors approval, and also asked for the approximate number of applications received on an RFA. Mr. Palencia informed that L.A. Care releases a Request for Applications (RFA) to agencies that meet the criteria. The Initiative Review Committee reviews the applications that are submitted and forwards request for Board approval only if the grant is above \$150,000. Mr. Palencia noted that this is a competitive process and some agencies may not get a grant even if they meet the criteria. In regards to the second question, Mr. Palencia noted that L.A. Care usually receives between 27-30 applications for the oral health initiative, but L.A. Care is limited as to how many it can fund. Last year, L.A. Care was able to fund 14 out of 27 applicants.</p> <p>Board member López noted that the purpose of this presentation is to create awareness, and encourage ECAC to spread the word within their communities about the available grants that L.A. Care offers. Mr. Palencia informed that L.A. Care has funded the majority of clinics in Los Angeles County, and he encouraged Committee members to contact him if they have any questions regarding a particular clinic.</p> <p>Carlos Aguirre asked if there is a timeframe for agencies to submit their application. Mr. Palencia informed that there are specific deadlines for those applying for funds through initiatives however applications for the ad hoc grants have rolling deadlines.</p>	
OLD BUSINESS		
ECAC AD HOC COMMITTEE-BOARD ELECTIONS	<p>Carlos Aguirre, <i>RCAC 2 Chair</i> reported:</p> <ul style="list-style-type: none"> • At the December 10, 2014 meeting, ECAC formed an ad hoc Committee to review the election process in preparation for 2016 elections, and report back to ECAC. • The ad hoc Committee met on Wednesday, February 11, 2015 immediately following the regularly scheduled ECAC meeting. • Carlos Aguirre, <i>RCAC 2 Chair</i>, Silvia Poz, <i>At Large Member</i>, Ana Romo, <i>RCAC 8 Chair</i>, and Demetria Saffore, <i>At Large Member</i> attended this meeting. 	

	<ul style="list-style-type: none"> • The Committee reviewed the election process for Consumer and Consumer Advocate as approved by ECAC for the 2012 elections, and discussed potential improvements to the process. The details of the potential improvements will be brought to ECAC when finalized by the ad hoc Committee. • The ad hoc Committee members agreed to meet again after the regularly scheduled ECAC meeting on May 13. This meeting will serve to refine the improvements, and discuss recommendations to ECAC to improve the election process for 2016. • The election process should be completed by the end of 2015. <p>Board Member Pérez noted that at the last Board meeting, Ms. Saffore informed the Board of Governors about the lack of meeting minutes for the 2016 Board Elections ad hoc Committee. Board Member Pérez also noted that minutes for an ad hoc Committee that met to review the roles and responsibilities of the At Large members, were not available either. Board Member Pérez asked Committee members if they feel that is necessary that minutes be taken at ad hoc Committees so that everyone is kept informed of the progress being made and for transparency purposes.</p> <p><u>PUBLIC COMMENT</u></p> <p>Ms. Contreas-Wood noted that the suggestions and recommendations made by the ad hoc Committee should be taken to the RCACs for additional comments. Ms. Savage-Pinkney and Ms. Poz agreed that progress reports be made available to ECAC and the RCACs to seek input. Ms. Chitica informed the Committee that the recommendations made by the ad hoc Committee will be brought to ECAC for review. She noted that ECAC will determine if these recommendations ought to be taken to the RCACs for additional feedback. Ms. Chitica reminded the Committee that the ad hoc Committee was tasked to provide recommendations to improve the election process, and noted that these recommendations will be presented to ECAC for review and discussion. If the Committee decides to take these recommendations back to the RCACs, the item will be placed on the Agenda for each RCAC to hold a discussion. ECAC will review all the recommendations and will approve recommendations and revisions to the election process.</p>	
<p>RCAC MEMBERSHIP AND RECRUITMENT</p>	<p>Ms. Eakins reported:</p> <p>Over the past couple of months, staff has heard multiple concerns related to member recruitment, and thus it has been decided to eliminate the RCAC Ambassador program and request that all RCAC members assist with recruitment efforts in their assigned RCAC with the diligent support from their Field Specialist.</p> <p>Board Member Pérez requested a guideline be provided clarifying the recruitment process, goals, eligibility criteria and deadlines. Ms. Eakins informed the Committee that CO&E is working</p>	

	with other departments such as Cultural & Linguistics, MORE on materials that require review and approval from the Regulatory Affairs and Compliance department, and the Department of Health Care Services. She noted that there are language barriers in all of the RCACs and informed the Committee that the materials will be translated into several threshold languages. She reminded Committee members of the importance of collaborating with the assigned staff to attend community meetings, health fairs and having available materials to distribute.	
2015 ADVISORY MEMBER ACKNOWLEDGEMENT FORM	<p>Ms. Chitica reported:</p> <p>At the last meeting the Committee was informed of RCAC work plan events for 2015. Some Committee members shared concerns related to the clarity of the commitment required from members. The RCACs that met in February held work plan discussions during their meetings, and were able to volunteer for community meetings or events. Staff developed a form which will be distributed at the March and April RCAC and CCI Council meetings. The form is being translated to Spanish and Khmer. <i>(This form is currently available in English, and a copy can be requested through the CO&E department).</i> The form includes the following requirements:</p> <ul style="list-style-type: none"> • Attending RCAC or CCI Council meeting (Including RCAC work plan events, and other L.A. Care sponsored events). RCAC members may not have more than two absences (excused or unexcused) and one medically excused absence (with doctor's note) in a fiscal year. • Attending ECAC and Board of Governors meeting as assigned. • Attending CO&E conferences as scheduled. • Attending two community meetings in their assigned areas from February 2015 through September 2015. • Attending one tabling event prior to September 30, 2015. • Following the L.A. Care Code of Conduct, Advisory Committee Member Standards of Behavior, and the Standard Advisory Meeting Rules. <p>During the March and April meetings, members will be asked to sign, and date the form to acknowledge receipt and understanding of their duties as Advisory Committee members.</p> <p>Ms. Savage-Pinkney noted that allowed number of absences in a year makes it difficult for members, and further noted that establishing strict rules on attendance contradicts the overall goal of increasing membership in the RCACs.</p>	
ECAC LEADERSHIP TRAININGS	Ms. Chitica informed that the next ECAC leadership training is scheduled on Monday, March 23, 2015, from 8:30 a.m. to 3:00 p.m., at L.A. Care Health Plan. Staff will make phone calls to confirm attendance. RCAC Vice Chairs are welcomed to attend.	
STANDING ITEMS (Continued)		

MEMBER ISSUES

- **RCAC 1**
- **RCAC 2**
- **RCAC 3**
- **Interdisciplinary Committee**

Board Member Pérez noted that the English issue summary received in the mail included an extra issue that was not included in the Spanish issue summary. Ms. Ferrer indicated that this was sent in error, and a retraction was sent to correct that. That particular issue will go through the appeals and grievance process for review and resolution. Board Member Pérez read the issue out loud and noted that the member complained about poor customer service received from Member Services staff, lack of receipt of a member identification card, lack of timely internal communication to help member access prescribed medication for chronic illnesses, and using processes that lengthened the time to resolve the issue for example using U.S postal mail rather than fax or e-mail. Board Member Pérez noted that many people in the community have expressed dissatisfaction with the services received from the Member Services department. Ms. Ferrer informed the Committee that the issue read by Board Member Pérez is undergoing an appeals and grievance process. She noted that L.A. Care offers members the opportunity to fax documents, and thus the need to investigate further. She noted that the affected member will receive acknowledgement from L.A. Care indicating that the organization is aware of the issues she encountered with the Member Services process, in addition to a written resolution. Ms. Ferrer noted the importance of reporting individual issues and processing them through the appeals and grievances process for proper documentation, and tracking purposes.

Ms. Ferrer reminded the Committee that the purpose of the Interdisciplinary Committee is to review systemic and global issues rather than individual member issues. She noted that L.A. Care must adhere to privacy protection laws and can't discuss an individual issue in a public setting.

PUBLIC COMMENT:

An unidentified member of the public addressed the Committee and introduced herself as the member who encountered the above mentioned issues with the Member Services Department. She reiterated the issues discussed by Board Member Pérez, and added additional detail. She expressed dissatisfaction with customer service and access to care, and demanded an apology from L.A. Care, change in L.A. Care's policy and procedures, and that members be treated with respect. Ms. Ferrer indicated that this issue is being investigated, and apologized for the inconvenience.

Mike Shook, *Director of Quality Improvement* reported:

Updates to issues were provided in the ECAC meeting materials for review of the Committee. Several issues have been closed since the February ECAC meeting, while a few continue to be in process as the Interdisciplinary Team (IDT) works to investigate and close out the issue in a satisfactory manner.

- Issue submitted by RCAC 11 in regards to quality of service, and priority of service to cash paying patients, discrimination and service charges to Medi-Cal patients. This issue is in process as it includes multiple unnamed clinics, and it is unknown which of the issues

	<p>occurred at the Pomona Valley Hospital location. Without further detail, the IDT can't probe specifically but will share in general the member concerns. Another recommended step is to promote a campaign to educate members about their rights. There were concerns in regards to translation and interpretation services, and the IDT will work with the Cultural & Linguistics department to develop an information sheet on how to access interpretation services.</p> <p>Mr. Shook reiterated the importance of reporting issues to the Member Services department to help track issues and possible trends. He noted that the IDT is working on a meaningful and improved process, and has coordinated standing meetings twice a month to discuss the issues that are presented. He informed the Committee that they will receive an update on the five new issues at the April meeting, and a resolution to those issues at the May meeting.</p> <p><u>PUBLIC COMMENT:</u></p> <p>Ms. Contreas-Wood referred to last month's meeting minutes, and asked for clarification on the compliance parameters that Linden Optometry was approved for, given that they were not allowing Medi-Cal patients to make weekend appointments. Mr. Shook informed the Committee that L.A. Care follows guidelines from the Department of Health Care Services, which includes timely access to routine and specialist care services. He noted that L.A. Care investigated the issue and no evidence or trends were found however, he noted that L.A. Care continues to monitor this site to prevent this situation from reoccurring in the future. Mr. Shook further noted that at a prior meeting there was a public comment from a member who escalated the concern to the Department of Public and Social Services, and was subsequently able to get a weekend appointment. Mr. Shook encouraged everyone to report any issues they encounter so that the issues can be recorded and tracked.</p> <p>Ms. Saffore asked for reasons why a Consumer member is not allowed to be part of the Interdisciplinary team to keep L.A. Care accountable. Mr. Shook informed the Committee that the Health Insurance Portability and Accountability Act have strict regulations to protect patient's privacy. The IDT is comprised of L.A. Care staff from different departments, who work together to try to resolve the issues that are presented, and be accountable to members and the community. Ms. Deh-Lee asked if there is a waiver that a member can sign if they would like their issue to be dealt without any privacy restrictions. Mr. Shook will seek advice from L.A. Care's Legal Counsel and Regulatory Affairs and Compliance department.</p> <p>Due to time constraints, the Committee unanimously agreed to continue this discussion at the April meeting.</p>	
PUBLIC COMMENT		

ADJOURNMENT		
	Chairperson Sevilla adjourned the meeting at 1:22 p.m.	

RESPECTFULLY SUBMITTED BY:

Hilda Stuart, *Committee Liaison, Board Services*
Samantha Leewood, *Interim Manager, Board Services*

APPROVED BY:

Elda Sevilla, *ECAC Chair*
Date _____

Board of Governors

Executive Community Advisory Committee

Meeting Minutes – April 8, 2015



L.A. Care
HEALTH PLAN

L.A. Care Health Plan, 1055 West 7th Street, Los Angeles, CA 90017

ECAC Members	RCAC Members/Public	L.A. Care Board of Governors/Staff
<p>María Adela Guadarrama, <i>RCAC 1 Chair</i>, Carlos Aguirre, <i>RCAC 2 Chair</i> Lidia Parra, <i>RCAC 3 Chair</i> Hercilia Salvatierra, <i>RCAC 4 Chair</i> Romalda Meza, <i>RCAC 5 Chair</i> Dove Savage Pinkney, <i>RCAC 6 Chair</i> Dalia Cadena, <i>RCAC 7 Chair</i> Ana Romo, <i>RCAC 8 Chair, ECAC Vice Chair</i> Cristina Deh- Lee, <i>RCAC 9 Chair</i> Elsa Gervacio, <i>RCAC 10 Vice Chair</i>, Elda Sevilla, <i>RCAC 11 Chair, ECAC Chair</i> Silvia Poz, <i>At Large Member</i> Demetria Saffore, <i>At Large Member</i></p> <p>* <i>Excused Absent</i> ** <i>Absent</i> *** <i>Via teleconference</i></p>	<p>Adriana Martinez, <i>RCAC 1</i> Pedro Martinez, <i>RCAC 1</i> Russel Mahler, <i>RCAC 1</i> Maricruz Álvarez, <i>RCAC 2</i> Elizabeth Cooper, <i>RCAC 2</i> Mirna González, <i>RCAC 4</i> Susana Rios, <i>RCAC 5</i> Rosario Moreno, <i>RCAC 8</i> Rosa Santizo, <i>RCAC 9</i> Wilma Ballew, <i>CCI Council Area 2</i> Jean Walker, <i>CCI Council Area 3</i></p> <p>Eduardo Kogan, <i>Interpreter</i></p>	<p>Hilda Pérez, <i>Consumer Member, Board of Governors</i> Ozzie López, <i>Member Advocate, Board of Governors</i> John Baackes, <i>Chief Executive Officer</i> John Wallace, <i>Chief Operating Officer</i> Maribel Ferrer, <i>Senior Directorm Member and Medi-Cal Services</i> Idalia Chitica, <i>Community Outreach Lead Field Specialist CO&E</i> Kristina Chung, <i>Community Outreach Field Specialist, CO&E</i> Auleria Eakins, <i>Community Outreach Manager CO&E</i> Jerry Edmond, <i>CCI Field Specialist, CO&E</i> Dulce Fernandez, <i>Manager, Facility Site Review, FSR</i> Whitney Franz, <i>Project Manager, Quality Improvement</i> Felicia Gray, <i>Community Outreach Liaison CO&E</i> Hilda Herrera, <i>Community Outreach Liaison CO&E</i> Judy Hsieh Bigman, <i>Resource Specialist, CO&E</i> Anna Kazaryan, <i>Quality Improvement Specialist, QI</i> Devina Kuo Fan, <i>Health Promoter Program Manager CO&E</i> Susan Ma, <i>CCI Field Specialist, CO&E</i> Frank Meza, <i>Community Outreach Field Specialist, CO&E</i> Peter Prampetch, <i>Analyst, CO&E</i> Jose Ricardo Rivas, <i>Community Outreach Liaison CO&E</i> Mike Shook, <i>Director, Quality and Improvement</i> Hilda Stuart, <i>Committee Liaison, Board Services</i> Paola Valdivia, <i>Special Projects Manager</i> Martin Vicente, <i>Community Outreach Field Specialist CO&E</i> Jasmine Young, <i>Director, Provider Relations, PNO</i></p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Elda Sevilla, <i>ECAC Chair</i> , called the meeting to order at 10:04 a.m.	
APPROVE MEETING AGENDA	Chairperson Sevilla announced that the Government Affairs update will not be provided. She noted that a written report is available in English and Spanish. The Agenda for today's meeting was approved as amended.	Approved unanimously 12 AYES (Aguirre,

APPROVED

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		Cadena, Deh-Lee, Gervacio, Guadarrama, Meza, Parra, Poz, Romo, Saffore, Salvatierra, and Sevilla.)																					
APPROVE MEETING MINUTES	The majority of Committee members indicated that they did not receive the March 11, 2015 meeting minutes prior to today’s meeting. Committee members unanimously agreed to defer the approval of the March 11, 2015 meeting minutes until the May meeting.	The March 11, 2015 meeting minutes will be approved at the May 13, 2015 meeting.																					
STANDING ITEMS																							
ECAC CHAIRPERSON REPORT Elda Sevilla, <i>Chair</i>	Chairperson Sevilla presented the following motions: <u>Motion ECA 100:</u> To approve the following candidate(s) to the Regional Community Advisory Committees (RCAC), and Coordinated Care Initiative Councils (CCI) as reviewed by the Executive Community Advisory Committee (ECAC) during the April 8, 2015 ECAC meeting. <table border="1" data-bbox="543 946 1654 1279"> <thead> <tr> <th data-bbox="543 946 938 1057">Name</th> <th data-bbox="942 946 1236 1057">RCAC #</th> <th data-bbox="1241 946 1654 1057">Type of Member (Agency, if applicable)</th> </tr> </thead> <tbody> <tr> <td data-bbox="543 1060 938 1094">Andria McFerson</td> <td data-bbox="942 1060 1236 1094">RCAC 6</td> <td data-bbox="1241 1060 1654 1094">Consumer</td> </tr> <tr> <td data-bbox="543 1097 938 1131">Higinio Carrillo</td> <td data-bbox="942 1097 1236 1131">RCAC 8</td> <td data-bbox="1241 1097 1654 1131">Consumer</td> </tr> <tr> <td data-bbox="543 1135 938 1169">Elizabeth Lyons</td> <td data-bbox="942 1135 1236 1169">CCI Council Area 2</td> <td data-bbox="1241 1135 1654 1169">Consumer</td> </tr> <tr> <td data-bbox="543 1172 938 1206">Hillary Marides</td> <td data-bbox="942 1172 1236 1206">CCI Council Area 2</td> <td data-bbox="1241 1172 1654 1206">Consumer</td> </tr> <tr> <td data-bbox="543 1209 938 1243">Mary Jo Fernando</td> <td data-bbox="942 1209 1236 1243">CCI Council Area 2</td> <td data-bbox="1241 1209 1654 1243">Consumer</td> </tr> <tr> <td data-bbox="543 1247 938 1281">Deaka McClain</td> <td data-bbox="942 1247 1236 1281">CCI Council Area 4</td> <td data-bbox="1241 1247 1654 1281">Consumer</td> </tr> </tbody> </table> <u>PUBLIC COMMENT</u> In regard to motion ECA 100, approval of RCAC and CCI Council membership, Elizabeth Cooper, <i>RCAC 2 member</i> noted underrepresentation of certain communities such as Asian Pacific Islanders, Seniors and People with Disabilities, and Gay and Lesbian. She asked ECAC Chair about recruitment strategies to include these underrepresented communities. Chairperson Sevilla	Name	RCAC #	Type of Member (Agency, if applicable)	Andria McFerson	RCAC 6	Consumer	Higinio Carrillo	RCAC 8	Consumer	Elizabeth Lyons	CCI Council Area 2	Consumer	Hillary Marides	CCI Council Area 2	Consumer	Mary Jo Fernando	CCI Council Area 2	Consumer	Deaka McClain	CCI Council Area 4	Consumer	Motion ECA 100 and ECA 101 were approved unanimously 12 AYES Motion ECA 100 and ECA 101 will be forwarded to the May 7 Board of Governors meeting.
Name	RCAC #	Type of Member (Agency, if applicable)																					
Andria McFerson	RCAC 6	Consumer																					
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	<p>acknowledged the concern, and deferred to staff for an answer.</p> <p><u>Motion ECA 101</u> To approve the election of Elizabeth Bonilla as Vice Chairperson of the Regional Community Advisory Committee (RCAC) of region 4 to complete the remainder of the term until September 2016 as reviewed by the Executive Community Advisory Committee during the April 8, 2015 meeting.</p>	
BOARD MEMBER REPORT	<p>Hilda Pérez, Consumer Board Member, reported that the Board met on April 2, 2015, and welcomed John Baackes as the new Chief Executive Officer of L.A. Care Health Plan.</p> <ul style="list-style-type: none"> • The Board approved several motions. <i>(A list of motions approved can be requested from the Board Services Department).</i> The list is currently available in English, and will be provided to ECAC members in Spanish later this month. <ul style="list-style-type: none"> ○ The Board approved Shekelia Harvey as a new Consumer member in RCAC 3. ○ The Board approved L.A. Care to enter into a three year contract with Inovalon to provide software services and support on Healthcare Effectiveness Data and Information Set (HEDIS) Reporting Solutions for the Los Angeles County Department of Health Services (DHS). The total contract amount is \$1,500,000 from May 1, 2015 through June 1, 2018. ○ The Board approved the execution of a contract with Cerner Wellness Corporation (Cerner), to provide online member health appraisal and self-management tools, as required by NCQA member connections (MEM) standards. This is also a three-year agreement with Cerner Corporation, to provide online member health appraisal and self-management tools for all lines of business with a total cost not to exceed \$3,000,000, from April 1, 2015 to June 30, 2018. ○ The Board approved in concept reforms to expenses related to meals including elimination of alcoholic beverages; creation per person, annual limits by functional activity; and periodic reporting to the Board of Governors; The Board instructed staff to implement necessary changes to administrative policies and procedures; and report back at next Board of Governors meeting on the implementation of changes. • Antonia Rodas, <i>RCAC 1</i>, Elizabeth Cooper, <i>RCAC 2</i>, María Méndez, <i>RCAC 5</i>, Norma Aguirre, <i>RCAC 8</i>, Sheila Thach, <i>RCAC 9</i>, Estela Vejar, <i>RCAC 11</i>, Demetria Saffore, <i>CCI Council Area 1</i>, Ana María Barrosa, <i>CCI Council Area 2</i>, and Robert Dixon, <i>CCI Council Area 3</i> attended the meeting. Board member Pérez encouraged everyone to attend a future Board meeting. <p><i>Dove Savage Pinkney, RCAC 6 Chair joined the meeting.</i></p>	
L.A. CARE SENIOR STAFF REPORT	<p>John Baackes, <i>Chief Executive Officer</i>, addressed the Committee, and noted that one of the reasons for his interest in joining L.A. Care was the fact that it is a public agency with a strong stakeholder</p>	

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	<p>Board, which includes member, provider, and county representatives. Mr. Baackes noted that L.A. Care has experienced rapid growth in the last three years, and can utilize its strengths to be a more effective force in the community, advocating for better outcomes, and needed access and services. He informed the Committee that he will make an attempt to attend some of the RCAC meetings in the future.</p> <p>Adela Guadarrama, <i>RCAC 1 Chair</i>, and Ms. Savage Pinkney welcomed Mr. Baackes. Ms. Guadarrama asked for his support in the opening of a Family Resource Center (FRC) in the Antelope Valley area. She also requested that more specialty care be available in the area. She informed the Committee that there are approximately 500,000 residents in the Antelope Valley, and noted that it is difficult to travel to Los Angeles to see a specialist. Mr. Baackes informed the Committee that he will visit all of the FRCs, and noted that staff will identify locations where to establish additional FRCs, and develop a roll out plan over the next few years. Maribel Ferrer, <i>Senior Director, Member and Medi-Cal Services</i>, informed the Committee that L.A. Care is considering two additional centers, the Antelope Valley being considered as one of the two, and noted that Christina Delgado, <i>Administrative Manager, FRCs</i>, and staff are currently researching on demographics as directed by John Wallace, <i>Chief Operating Officer</i>. Ms. Ferrer informed the Committee that Mr. Baackes is supportive of the effort. In regard to specialty care services, Mr. Baackes informed the Committee that L.A. Care is committed to find ways to increase provider participation in the area.</p> <p>PUBLIC COMMENTS</p> <p>Russell Mahler, <i>RCAC 1 member</i> and Ms. Cooper welcomed Mr. Baackes. Ms. Cooper requested that funds for the RCACs and CCI Councils not be decreased or eliminated. She noted the importance of having refreshments available to consumer members participating in these meetings. Ms. Cooper further noted that she read the media article that was recently released, and that at the last Board meeting, Board members did not object to RCAC/CCI Council meeting spending. Additionally, Ms. Cooper requested adequate budget for the CO&E department.</p>	
<p>L.A. CARE SENIOR STAFF REPORT (Continued)</p>	<p>Mr. Wallace noted that L.A. Care is on its third week of transition with Mr. Baackes as the new CEO. He noted that it has been a smooth transition overall. Mr. Wallace reported:</p> <p>County Auditor-Controller Report</p> <ul style="list-style-type: none"> • ECAC/RCAC meeting or activity spending was not the concern in the report’s findings. • The main concern in the audit report finding was regarding policies related to L.A. Care’s Management authority on discretionary spending. • Policies are being revised to clearly distinguish staff’s authority in regards to spending, and to ensure they are consistent with other public agencies. 	

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	<p><u>Interdisciplinary Committee</u></p> <p>Mr. Wallace informed that he recently met with Ms. Ferrer, Gertrude S. Carter, MD, <i>Chief Medical Officer</i>, and Auleria Eakins, <i>Manager, CO&E</i>, to address concerns shared by the Committee in regard to the Interdisciplinary Committee. He reported the following:</p> <ul style="list-style-type: none"> • A plan is being developed to work closely with ECAC in an effort to develop an effective structure. Staff will seek assistance from an external entity to interview Committee members and gather ideas and comments. • The issue reported last month by a former L.A. Care Covered member resulted in policy changes to ensure that prescriptions be available to member, regardless if there is an eligibility question at the end of the month. • Committee’s input is taken seriously and staff follows up to resolve issues accordingly. The challenge is finding a reporting mechanism that will satisfy the need of the Committee without violating privacy laws. Staff would like to develop an appropriate process to report back to the Committee. <p><u>Membership</u></p> <ul style="list-style-type: none"> • The L.A. Care membership increased by 30,620 members for a total Medi-Cal membership of 1,643,219 million members. • The L.A. Care Covered product continues to grow, with 20,486 members currently enrolled. It is expected that approximately 21,000 members will be enrolled by the end of the special enrollment period. • The Cal MediConnect product for dual eligible members currently has 15,065 members enrolled. <p>At the request of Board Member Pérez, Mr. Wallace announced that at the last Board meeting, the Board approved a sponsorship for a Health Pavillion at the 2015 Whittier Narrows Regional Park “Cinco de Mayo” Celebration. Mr. Wallace welcomed everyone to attend this event. In regard to the contract with Cerner, Mr. Wallace explained that this contract relates to the member portal that will allow members to order identification cards, refill prescriptions, and access health education information online. Mr. Wallace noted that L.A. Care is working on a smart phone application at the request of the Committee. Staff will conduct a presentation at a future meeting to gather feedbacks on useful features.</p> <p>Ms. Saffore asked if L.A. Care’s budget is available for public inspection. Mr. Wallace informed the Committee that the budget is reviewed by the Board in September or October, and the budget is available in the Board materials during those months. He noted that a copy of the budget can be requested through Board Services Department.</p>	

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	<p><u>PUBLIC COMMENT</u></p> <p>Ms. Cooper congratulated Mr. Wallace for his successful duration as Interim Chief Executive Officer, and asked if L.A. Care could fund the American Disability Act, and other community events. She inquired about the way in which grants are funded to organizations, and how organizations can apply for these funds. Mr. Wallace informed that the Community Health Investment Program (CHIF) is managed by Roland Palencia, <i>Director of Community Benefits</i>. This program supports services or infrastructure of initiative based projects such as increasing dental access in the community. CHIF also funds ad hoc projects to cover special need in the community, for example the creation of the Antelope Valley Health Center. Mr. Wallace noted that L.A. Care also offers sponsorships through its Communications Department. Organizations can submit their request to Jejuana Johnson. Mr. Wallace directed staff to invite Ms. Johnson to a future meeting to speak to the Committee about the sponsorship criteria.</p>	
<p>GOVERNMENT AFFAIRS UPDATE</p>	<p>This item was not discussed. A written report was distributed to Committee members in English and Spanish. <i>(A copy of the report can be requested through CO&E Department).</i></p>	
<p>HEALTH PROMOTER PROGRAM UPDATE</p>	<p>Devina Kuo Fan, <i>Health Promoter Program Manager</i>, reported:</p> <p><u>Health Promoter’s (HPs) continuing education meetings-Group A (2012 graduates) and B (2014 graduates).</u></p> <ul style="list-style-type: none"> • HPs met on March 27, and received a mental health & self-care training session. During this training session, HPs practiced relaxation exercise, dynamic interaction activities, and discussed holistic health. • On April 10 HP Elizabeth Johnson, <i>Executive Director of the California Senior Leaders Alliance</i>, and L.A. Care Health Promoter, will pilot a Coordinated Care Initiative (CCI) training session to obtain feedback from HPs. The training session will also include a presentation from Kahinos Holistic Health regarding nutrition and diabetes. • On April 24, Kahinos Holistic Helath will return to present on “Relationship with Sugar”, and Harder +Company Community Research will report on the evaluation results for year one of the HPs program. <p><u>HPs in Active Steps Program (ASP) in RCAC 1, Antelope Valley</u></p> <ul style="list-style-type: none"> • On March 20, HPs participated in a motivational interviewing training part 2. Part 3 training is scheduled on April 16. • On Monday, April 6, HPs taught “MyPlate for Healthy Menus”, and on April 20, they will teach a third class called “Rethink Your Drink: Be Sugar Savvy”. 	

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	<p><u>HPs in the community</u></p> <ul style="list-style-type: none"> • HPs in group A & B continue to give presentations in the community on health topics and participate in community events. • Upcoming event: <ul style="list-style-type: none"> ○ In celebration of Cambodian New Year Week, Cambodian HPs will teach “MyPlate for Healthy Menus” to a group of Cambodian Seniors on April 15, 2015. The presentation will take place at the CA Recreation Center in Long Beach. ○ Cambodian HPs held an extra practice session on March 30 and will practice again on April 9. <p><u>Spring RCAC Health Advocacy Conference on April 30</u></p> <ul style="list-style-type: none"> • University of Southern California interns are working on an interactive activity of How a Bill Becomes a Law. Reviewing the California legislature (Senate, Assembly), SB4 Health For All Act, and SB 103 Soda Labeling Bill. • HPs will perform mental health theater to introduce the Behavioral Health Services section. Theater auditions will take place on Friday, April 10, and rehearsals will be held on Monday, April 13 and Friday, April 24. <p><u>ACA update</u></p> <ul style="list-style-type: none"> • Committee members were encouraged to remind people of the April 30, 2015 deadline of the special enrollment period for people who didn’t know or understand the “fee” for not enrolling in coverage. <p>Board member Pérez inquired on the status of a prior request made by Chairperson Sevilla in regard to the ability to host an ASP in RCAC 11. Ms. Ferrer acknowledged that the request has been submitted, and informed that L.A. Care’s current fiscal year budget included the ASP for some of the RCACs. She noted that the ASP was initially a pilot project that would be evaluated to assess its benefits to the community. Program evaluations prove the ASP to be successful, thus staff is looking into continuing and expanding the program for the next fiscal year beginning on October 1, 2015. Budget planning for the next fiscal year has begun, and a budget for the ASP in all RCACs has been included. Ms. Ferrer noted that Gertrude S. Carter, MD, <i>Chief Medical Officer</i> is supportive of the expansion of the pilot.</p> <p>Board member Pérez inquired about the possibility for her and Board member López to be involved in budget planning discussions. Ms. Ferrer indicated that staff will plan a strategic planning session for next fiscal year as done in the past. She noted that feedback can be provided at ECAC meetings for consideration, and reminded Board member Pérez that the budget is</p>	

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	<p>presented to the Board for review and approval. Hilda Stuart, <i>Committee Liaison</i>, informed the Committee that Board Member López sits on the Finance & Budget Committee and thus has an opportunity to review and discuss the budget before the Board of Governors reviews and approves. Auleria Eakins, <i>Manager, CO&E</i> and Idalia Chitica, <i>Lead Field Specialist</i>, will be working with staff on individual RCAC budgets. RCAC Chairs will have the opportunity to review on a bi-monthly basis to discuss spending for special areas. Ms. Ferrer noted that staff has heard concerns in regard to ECAC and RCACs not spending their entire budget, and reminded the Committee that the budget is based on a RCACs full capacity. She noted that the budget allotted would be spent in its totality if RCACs had maximum membership.</p>	
<p>OVERVIEW OF ECAC REPORTS</p>	<p>Peter Prampetch, <i>Analyst, CO&E</i>, reported (<i>a copy of the report can be obtained by contacting CO&E</i>) the total membership in all 11 RCACs is 223 members of which 192 are consumers. There are 162 available seats throughout the 11 RCACs. Mr. Prampetch reminded Committee members to continue their recruitment efforts, and noted that members are removed from the RCACs if they have two consecutive absences. Ms. Eakins requested that Mr. Prampetch includes CCI Council membership to future reports.</p> <p><u>Fiscal Year 2014-15 Budget Report on First Quarter</u></p> <ul style="list-style-type: none"> • Total budget for FY 2014-15 is \$450,000 of which approximately \$129,980 or 30% of the budget was spent in the first quarter. • Committee members reviewed expenses incurred in the first quarter and all line items were within budget. Ms. Ferrer requested Mr. Prampetch to include a comparison of each quarter's budgeted amount versus actual expenses for that quarter. Ms. Ferrer noted the importance of keeping an accurate account on quarterly budget and expenses for future fiscal year's budget planning. • Starting in June 2015, RCAC Chairs will receive an individual RCAC budget report. A sample report was provided, and reviewed by the Committee. Ms. Ferrer encouraged Committee members to review the sample report and provide comments and suggestions. <p>Mr. Prampetch noted that member stipends, transportation, and reimbursement expenses will increase in April due to the scheduled RCAC conference. Board member Pérez inquired about the amount of last fiscal year's budget compared to this year's budget amount. Ms. Ferrer informed that the budget is based on prior history, and explained that the Finance Department takes the prior budget as a starting point. Staff reviews to make recommendations on areas that need increased funding. Board Member Pérez requested staff to follow up on the amount of last year's budget. Board Member Pérez and Ms. Ferrer reminded members to provide input in regard to budgeting in advance for activities that intertwine with L.A. Care's mission, and are of benefit to the members and the community.</p>	

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	<p>Carlos Aguirre, <i>RCAC 2 Chair</i> asked for clarification if RCAC and CCI budgets are combined, and if the RCACs’ budget has increased from prior years. Mr. Prampetch informed that the expense report provided includes spending for the CCI Councils. Ms. Ferrer requested that a breakdown of CCI Council spending be included in future reports.</p> <p>Ms. Savage Pinkney noted that promotional items spending incurred in the first quarter does not necessarily mean that the items have already been distributed in the community, and added that purchased items can be used in the second or third quarter. She also noted that an area for potential funding increase would be “rent” due to the increased services in additional areas. Ms. Ferrer informed that promotional items are purchased in bulk to obtain better pricing. In regard to suggestion related to increasing budget towards rent, Ms. Ferrer noted that expansion of this budget item need be considered due to the fact that 54% has already been spent in the first quarter. She noted that rent includes RCAC meeting sites, and conference site.</p> <p>Ms. Savage Pinkney asked for clarification on reimbursements. Mr. Prampetch informed that reimbursements include child care expenses and mileage for attending RCAC and ECAC meetings.</p> <p><u>PUBLIC COMMENT</u></p> <p>Ms. Cooper noted that the Ambassadors do more than just recruitment. She shared concerns about the lack of budget and staffing for this program and asked if the program has been terminated as she has not received a formal notice of such action. She acknowledged the increasing membership in the CCI Councils, and noted that any concerns related to the budget be forwarded to Board Member López, with a request to report back to the Committee. Ms. Cooper also shared concerns in regard to the CCI Council budget and staffing. Board Member Pérez requested that a letter be sent to the RCAC Ambassadors notifying them of the reasoning behind the closure of the program, and next steps.</p> <p>Ms. Eakins reminded Committee members that at the March meeting it was decided to dissolve the Ambassador program, and make recruitment priorities inclusive to all RCAC members with diligent support from staff. Ms. Eakins noted the need for additional and continued education at each RCAC meeting to develop strong and effective outreach efforts. Ms. Cooper noted her objection to the comments and reasoning however welcomed additional training. Ms. Cooper asked for additional funding for the CCI, RCACs and CO&E field staff. She acknowledged staff and requested these issues be addressed. Ms. Ferrer acknowledged Ms. Cooper’s concerns, and informed that there is a budget to support the work of the CCI and RCAC Field Specialists and Liaisons. Ms. Ferrer added that there is a budget for the CCI Councils, and reiterated that a separate line item for the CCI Council budget will be presented at the next meeting.</p>	

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	<p>In regard to recruitment, Board Member Pérez requested staff to consider allowing more spaces in the RCACs be occupied by Medi-Cal recipients to help fulfill the current vacancies throughout the RCACs. She noted that the CCI Councils offer a possibility for Seniors and People with Disabilities to join and advisory Council. Ms. Eakins informed that RCAC work plan includes the opportunity to attend community meetings and events to present, and distribute information about L.A. Care and to offer an opportunity to join the RCACs and CCI Councils. She noted the importance of actively collaborating with the assigned Field Specialist to promote the RCACs within the community.</p> <p>Board Member López informed the Committee that the goal of the consumer member representatives on the Board is to empower the RCACs to take ownership and manage their respective budgets throughout the year. He reminded Committee members that L.A. Care allocates a certain amount of funds to invest in the community through ECAC and RCACs. He reiterated the importance of maximizing the funds available in the budget, and encouraged Committee members to forward ideas and suggestions specific to the need of each individual RCAC.</p> <p>Carlos Aguirre, <i>RCAC 2 Chair</i>, thanked Board Member López for the time spent at today’s meeting and his advocacy efforts on behalf of the RCACs in relation to the budget. Mr. Aguirre noted concerns related to the Board Members’ new job responsibilities with AltaMed, and inquired about the Board Members’ availability to attend RCAC meetings. Board Member López indicated that he changed employment twice within the past year, and apologized for not attending all RCAC meetings. He assured the Committee of his due diligence in advocating to the Board on behalf of the RCACs. Board Member López noted that significant improvements have been made over the past two years, and offered to discuss in further detail at a future meeting. Board Member López noted that he has been unable to attend RCAC meetings during the first quarter of the year, and mentioned that he last attended a RCAC 2 meeting. He informed the Committee that his intent is to visit the RCACs and will be able to do so moving forward.</p>	
AT-LARGE MEMBER UPDATE (MEMBER RECRUITMENT/CCI)	<p>Demetria Saffore, and Silvia Poz, <i>At-Large Members</i>, reported (<i>a copy of the reports can be requested by contacting CO&E</i>):</p> <p>The first CCI consumer Council meeting for Area 2-San Fernando Valley took place on March 25, 2015 from 10:00 a.m. to 12:30 p.m. CCI Council members received an overview and identified expectations for the Council and Council members. There was a learning session from guest speaker Denny Chan from Justice in Aging about the current CCI status in Los Angeles County. Council members received a flyer for the upcoming spring conference, and were encouraged to attend. Council members discussed CCI Area 2 meeting schedules, and unanimously agreed to meet on the 4th Wednesday of every other month from 10:00 a.m. to 12:30 p.m. The meeting was</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>attended by one CCI Council Area 1 member, and five CCI Council Area 2 members. Additionally, seven members of the public were present. Three applications for CCI Council Area 2 membership were received at this meeting.</p> <p>Jerry Edmond, <i>CCI Field Specialist, CCI Areas 1 and 3</i> reported:</p> <p><u>CCI Council Area 1</u></p> <ul style="list-style-type: none"> • CCI field staff visited a couple of senior centers in Palmdale and Lancaster, to meet with Directors and discuss ways to identify seniors that are currently enrolled in L.A. Care. • There is one CCI Council member in Area 1. It is expected that more applications will be received by the end of the month. • On April 21, L.A Care staff will participate in a resource fair to be held at Antelope Valley Senior Center in an effort to recruit members for CCI Council Area 1. <p><u>CCI Council Area 3</u></p> <ul style="list-style-type: none"> • CCI field staff including Nancy Molina, <i>CCI Liaison</i>, visited multiple senior centers in CCI Council Area 3. • There are 10 CCI Council members in Area 3. • On April 10, 2015 staff is scheduled to visit Ladera Heights Senior Center to outreach to approximately 60 seniors. <p>Board Member Pérez inquired about the maximum membership allowed per CCI Council and asked if there is a deadline to fulfill CCI Council membership. Mr. Edmond informed that each CCI Council can have up to 11 members, and noted that currently CCI Council Areas 1 and 2, and 3 and 4 hold joint meetings due to low membership, and to maximize available resources. He indicated that the intent is to recruit members to each CCI Council, and be able to hold meetings in each of the four Council areas by early May. Board Member Pérez requested that a yearly schedule of CCI Council meetings be provided to the Committee.</p> <p>Susan Ma, <i>CCI Field Specialist, CCI Area 2 and 4</i>, reported:</p> <p><u>CCI Council Area 2</u></p> <ul style="list-style-type: none"> • On April 7, 2015, staff is scheduled to attend a Consumer Advisory Committee meeting at North Los Angeles Regional Center. • Staff will contact Las Palmas Senior Center in San Fernando to schedule a presentation. <p><u>CCI Council Area 4</u></p> <p>There are two Council members currently enrolled in CCI Area 4. Staff recruitment activities include the following:</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • Visit to the Citizen’s Advisory Commission on Disabilities on March 12, 2015, • Visit to the Long Beach Senior Center, California Senior Center, Cesar E. Chavez Park Community Center, and Silverado Park Community Center. <p>Future meetings and presentations in Area 4 include:</p> <ul style="list-style-type: none"> • Disabled Resource Center (one of six independent living centers in Los Angeles County). • CCI presentation at Silverado Park Community Center on April 20. • CCI Presentation at California Recreation Community Center on April 29. • On April 15, CCI staff will provide a presentation to a Cambodian group at California Recreation Center in conjunction with L.A. Care Health Promoters who will be teaching about nutrition. <p>As of February 2015 CCI staff began collaborating with the Member Outreach Retention and Engagement (MORE) team to help identify potential CCI Council members. Since then, CCI staff has received between four and five referrals per week, and in the month of March a total of 14 referrals were received. Staff is currently following up on the referrals, of which two have been identified as potential Council Area 3 members. An invitation has been extended to these two potential members to attend the next meeting on April 22, 2015.</p> <p>Ms. Savage Pinkney asked if the senior center meetings attended by CCI staff are already established meetings, and about the best approach to deliver an appropriate message to people who want to join a health plan but do not know how to select a provider. Ms. Ma suggested that individuals who are interested in joining a health plan be referred to Health Care Options (HCO) or the Health Insurance Counseling and Advocacy Program (HICAP) to receive unbiased information on benefits and health plans. Ms. Eakins informed the Committee about strict regulations that only allow L.A. Care to provide general and unbiased information so that the person is able to make their best informed decision.</p> <p>Ms. Poz reported that there is one candidate for RCAC membership approval. She reviewed the membership attachment (<i>Attachment can be requested through the CO&E department</i>).</p> <ul style="list-style-type: none"> • Six interest cards were received in March 2015 from RCACs 3, 7, and 8. • A total of 319 interest cards have been received to date. Not all interest cards are processed due to lack of eligibility, or because L.A. Care is looking for specific product lines to reflect the overall L.A. Care membership. • Fifty three new members have joined the RCACs since membership reopened. 	
COMMUNITY	<ul style="list-style-type: none"> • Chairperson Sevilla informed that the Pomona Unified School District will host a parent 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ENGAGEMENT	<p>conference, followed by a college and career fair on Tuesday, April 14, 2015. The conference will be from 8:30 a.m. to noon, exhibits and parent resources will be available from 4:00-5:30 p.m.</p> <ul style="list-style-type: none"> • Ms. Saffore informed of the “New Eyes for the Needy”- Eyeglass voucher program. She encouraged everyone to call 973-376-4903 for more information. • Dalia Cadena, <i>RCAC 7 Chair</i>, inquired about L.A. Care’s participation at an upcoming three day festival in Huntington Park. Ms. Chitica asked for contact information for the festival’s organizer to follow up on space availability for a resource table. • Christina Deh-Lee informed that RCAC 9 will host a resource table at a Cambodian New Year Celebration. The event will take place on April 25 at El Dorado Park located at 7550 Spring Street Long Beach, CA. Ms. Deh-Lee noted that there will be a \$30.00 pre-sale admission fee per vehicle which will increase to \$40.00 on the day of the event. The event will have traditional Cambodian ceremonies and modern performances, a live band with famous Cambodian singers, carnival games, slides, and face painting, merchandise and resource booths as well as exotic food booths. • Ms. Deh-Lee also informed about a three mile street fair in Long Beach. The event is scheduled for June 6, 2015, and asked staff if possible for L.A. Care and RCAC 9 to participate, and have a resource booth at this event. She will contact staff to provide additional information. 	
MEMBER ISSUES <ul style="list-style-type: none"> • RCAC 2 • Interdisciplinary Team (IDT) 	<p>Mr. Aguirre reported an individual member issue that was received at the February 23, 2015 RCAC 2 meeting. The member submitting the concern reported access issues with San Fernando Clinic. Member stated that she had no choice but to take her child to Olive View Hospital emergency room due to high fever and throat infection, after multiple unsuccessful phone calls to the clinic. The clinic acknowledged the lack of front desk personnel to answer phone calls. Member expressed concerns about the lack of access to the clinic, and potential unnecessary over use of emergency room visits when child is sick.</p> <p>In response to clarification question from Ms. Eakins regarding the issue report date on the above case, Judy Hsieh Bigman, <i>Resource Specialist</i>, indicated that although the issue was reported at the February 23, 2015 RCAC 2 meeting, additional information was required before the issue could be presented to ECAC. Ms. Eakins requested that a reference be added to future reports to justify if there is a delay for presenting the issue to the Committee.</p> <p>Mike Shook, <i>Director, Quality Improvement</i>, acknowledged receipt of the case referenced above and informed that this will be reviewed by the IDT during their regularly scheduled meeting tomorrow. This issue will most likely be handled through a grievance process.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Mr. Shook provided the following status update regarding issues that were pending from last month's ECAC meeting, in addition to the ones submitted by ECAC last month:</p> <ul style="list-style-type: none"> • Issue submitted by RCAC 8 in regard to private and community clinics in RCAC region 8 not accepting new Medi-Cal patients unless they had prior history with the clinics. Upon investigation of this issue, the IDT identified that the Wilmington Health Center (Broad Clinic) had closed panels and weren't accepting new members due to the transition of paper charts to electronic health records. As of February 2015 panels have reopened with the exception of one provider whose ratio is currently higher than allowed by the state. This issue has been resolved however, Mr. Shook asked Committee members to forward any further issues to their assigned Field Specialist as well the Member Services Department. • Issue reported by RCAC 11 in regard to quality of service and priority to cash paying patients, discrimination and service charges to members with Medi-Cal. The IDT investigated the case and identified issues with Culture and Linguistic Services. The Provider Network Operations (PNO) and Cultural and Linguistics Departments are drafting a letter to be sent to Pomona Valley Hospital and various clinics in the Pomona area, the purpose of the letter is to inform the providers on how to access interpreter services. Ms. Ferrer asked that a copy of the correspondence be brought back to the ECAC along with the status update. • Issue reported by RCAC 7 in regard to unacceptable sanitary conditions at La Libertad Medical Clinic and All Care Medical Group. A site review was conducted in the past for All Care Medical Group with a passing score. On February 27, the Facility Site Review (FSR) Department conducted an unannounced focused reviewed walk-through of Pediatric, Family Practice, Internal Medicine, and Lab areas on the second and third floors, and looked at cleanliness and infection control. Every unit was surveyed and staff questioned regarding access, safety, and infection control criteria. Staff acknowledged that this site has processes in place to ensure that the facility is clean. At the time of the unannounced visit the FSR found that the facility was clean, neat, and well maintained. In regard to La Libertad Medical Clinic, Mr. Shook informed the Committee that this is clinic is not contracted with L.A. Care thus the FSR Department can't conduct a site visit. Ms. Ferrer requested that the results of the unannounced site visit be presented at the next meeting. • Issue reported by RCAC 6 in regard to prolonged wait time at Saint Francis Medical Center's urgent care. The issue was investigated, and on March 4, 2015, the PNO Department was informed that St. Francis only has an emergency room and not an urgent care center. Mr. Shook reminded members that emergency rooms and urgent care centers triage the member's condition and those people with a life threatening condition are treated first.- • Issue presented by RCAC 11 in regard to prolonged wait time at East Valley Health Centers in West Covina and Pomona, including for those with previously scheduled appointments, 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>delayed authorization process to see a specialist., and lack of follow up. L.A. Care’s most recent site reviews for the East Valley Health Center West Covina, and Pomona locations occurred on September 25, 2015 and May 29, 2014 respectively. At that time, both locations received corrective action plans which identified referral process problems and lack of chart documentation regarding member follow up and follow through on referrals. Each site addressed the deficiencies noted in their corrective action plans however there is opportunity for L.A. Care to monitor the progress and educate providers and staff. L.A. Care’s PNO Department to reach out to these facilities and get an update on their progress.</p> <ul style="list-style-type: none"> • Issue presented by RCAC 1 in regard to concerns related to appointment making process at the South Valley Health Center. The South Valley Health Center is a county facility, and thus the IDT has engaged staff from the Safety Net Initiatives Department who is currently investigating this concern as they work directly with DHS sites or county facilities. A report on the resolution of this issue will be provided at the May ECAC meeting. • Issue presented by RCAC 1 in regard to difficulty obtaining a specialist referral from primary care physician. Additional information regarding this case was received two weeks ago, and this will be discussed at tomorrow’s IDT team meeting. It is desired that a final report on this issue be provided at the next meeting. • Issue presented by RCAC 2 in regard to lack of cultural competency and sensitivity at North West Valley Health Corporation and Wellness Center. The issue relates to concerns about providers’ gender, and reproductive health and gynecological issues with young women. Members asked if L.A. Care has compliance guidelines around cultural competency and sensitivity, and if L.A. Care offers provider training sessions related to cultural competency and sensitivity. Staff received information about the clinic, and is investigating if the issue reported involves an isolated provider or if this is an overall clinic issue. Mr. Shook noted the need for additional information from the member who submitted the concern to further investigate the issue. The assigned Field Specialist in RCAC 2 was requested to follow up and gather more information on this case. Mr. Shook reiterated the importance of tracking trends and handling this as a grievance if this involves a specific member and provider. • Issue presented by RCAC 3 in regard to lack of Urgent Care facilities in the Pasadena area. Mr. Shook informed the Committee that there are four Urgent Care Centers in the area which are affiliated with different participating provider groups. Mr. Shook noted that L.A. Care is geo-mapping the area to identify available resources, and has identified opportunities of adding specific services to this area. Currently PNO has gathered a list of existing Urgent Care Centers in Los Angeles County, and L.A. Care will share the list with the Nurse Advise Line for them to be able to refer members when needed. <p>Mr. Shook reminded Committee members that staff is working on the development of a policy</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>and procedure, and will share this document with the Committee once it becomes available. Board Member López requested that a process chart be included in the policy and procedure.</p> <p>Board Member López asked if there is an established timeframe to solve issues that are presented to the IDT. Mr. Shook reminded the Committee that at a prior meeting, it was unanimously agreed upon by Committee members that staff would provide an update on the issue within 30 days, and a final resolution would be provided within 60 days from receipt of all necessary documentation. Ms. Ferrer noted the need to gather complete data related to the issue in order to allow staff to begin the investigation. Ms. Eakins added that Field Staff will receive further training to transfer individual issues to the Member Services Grievance Department for immediate follow up.</p> <p>Board Member López requested if possible to have a stop light report to list by color those issues that have been resolved (green), those in progress (yellow) and those that have been recently received (red). He noted that once this report is reviewed and approved by ECAC it can be shared at the Board of Governors meeting. Staff will work on this request and will bring a draft for Committee members' review at the May meeting.</p> <p>Ana Romo, <i>RCAC 8 Chair</i>, and Ms. Deh-Lee acknowledged process improvements of the IDT, and the viable results to the issues that are being submitted.</p> <p>Board Member Pérez requested that a presentation from the IDT team be scheduled at a future Board meeting. She asked that the presentation highlights progress, and difference made towards solving member issues. Ms. Ferrer acknowledged the request, and noted the need to work with Board Services to get item on a future meeting Agenda.</p> <p>Ms. Deh-Lee asked for an update on the possibility to develop a confidentiality waiver. Mr. Shook informed about conversations held with L.A. Care's Legal, and Regulatory Affairs and Compliance Departments around this request. He noted that this request needs to be carefully reviewed by those Departments and may be a lengthy process. He reminded the Committee that L.A. Care is required by law to protect members' confidentiality.</p> <p>Lidia Parra, <i>RCAC 3 Chair</i>, informed that CVS pharmacy continues to refer L.A. Care members to other pharmacies in order to get their prescriptions filled. Ms. Ferrer informed that L.A. Care's Pharmacy Department confirmed that CVS is a contracted pharmacy with L.A. Care. She requested that additional information be gathered in regard to the specific CVS pharmacy involved in this issue, and that the concern be documented for appropriate follow up.</p> <p><u>PUBLIC COMMENT:</u> An unidentified member of the public shared concerns about a community clinic refusing urgent</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>medical care to her son because they only work with appointments and do not accept walk-ins. She noted that the clinic's appointment system is not efficient, and members are usually asked to wait an entire month or year to get an appointment for a physical exam. Staff from the Member Services Department present at today's meeting will document the concern and conduct an appropriate follow up.</p>	
OLD BUSINESS		
<p>RCAC SPRING CONFERENCE</p>	<p>Ms. Hsieh Bigman reported:</p> <ul style="list-style-type: none"> • The RCAC spring conference is scheduled on April 30, 2015 from 8:00 a.m. to 3:00 p.m. at the Cathedral of Our Lady of Angels in Downtown Los Angeles. • The Agenda will include internal and external guest speakers such as Susie Baldwin, MD, MPH, <i>Chief, Health Assessment Unit, Office of Health Assessment and Epidemiology, Los Angeles County Department of Public Health</i>, who will be presenting on key indicators of health throughout L.A. County. • RCAC members will have an opportunity to discuss key indicators of health, how they affect individual RCAC regions, and what RCAC members can do to help advocate within L.A. Care and other organizations • There will also be a behavioral health panel discussion to provide information on behavioral health benefits and how to access them. • Flyers and save the date postcards were sent in the mail, and members have had an opportunity to confirm their attendance. • Staff is identifying bus pick up locations and times. Ms. Chitica informed that L.A. Care will not provide bus transportation to RCAC 4 members because the event is within the RCAC 4 area. Ms. Hsieh Bigman noted that L.A. Care will reimburse mileage and validate parking for those members who choose to drive to the conference. • Resource tables will be available, to include staff from L.A. Care's Pharmacy Department, who will be providing general information, additionally, they will be available to do medication reconciliation with those members who bring the medications they are currently taking. The Pharmacist will be able to provide individual assistance to review medications and give a summary to the member, as well as answer any questions. Committee members were asked to inform their RCAC members about this added service. <p>Romalda Meza, <i>RCAC 5 Chair</i>, asked if guests are welcomed to attend. Ms. Hsieh Bigman informed that this conference is only for L.A. Care RCAC, CCI Council members, and Health Promoters. Ms. Chitica reminded the Committee that children should not be brought to the conference unless they are breastfeeding.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ECAC AD HOC COMMITTEE BOG ELECTIONS	<p>Ms. Chitica reminded Committee members that the ad hoc Committee will meet again immediately after the regularly scheduled ECAC meeting on May 13. Mr. Aguirre, Ms. Saffore, Ms. Poz, and Ms. Romo are scheduled to attend. Ms. Chitica noted that these members volunteered to be part of the ad hoc Committee during the December 2014 ECAC meeting. She informed Committee members that having more than seven members in attendance at an ad hoc Committee would constitute having a regular meeting. Ms. Chitica further noted that the task of the ad hoc is to discuss ideas and recommendations to improve the election process. Those ideas and recommendations made by the ad hoc will be presented to ECAC for review, discussion, and approval.</p> <p>Ms. Eakins noted the possibility for RCAC members to forward their ideas to their respective RCAC Chair, who in turn can forward the information to the ad hoc Committee.</p> <p><u>PUBLIC COMMENT:</u></p> <p>Ms. Cooper asked if the ad hoc Committee meetings are open to the public. Ms. Chitica will verify information with Board Services, and will provide an update at a future meeting.</p> <p>Ms. Cooper expressed concerns about the election process and noted that she would like to ensure that the process is fair. She further noted interest in knowing who will be eligible to vote at the elections (CCI, members, RCAC members, L.A. Care members). She indicated that it is important to include parents and representatives of those L.A. Care members that aren't able to articulate before ECAC makes final comments regarding the election process. Ms. Cooper requested answers to her questions and concerns.</p> <p>Board Member Pérez requested minutes for the last ad hoc Committee meeting and that a response is brought back to ECAC in regard to the possibility of opening the ad hoc Committee to members of the public.</p>	
ECAC LEADERSHIP TRAINING	<p>Ms. Chitica informed that the next ECAC leadership training is scheduled for Tuesday, April 28, 2015 from 8:30 a.m. to 3:00 p.m. at L.A Care head quarter offices. Ms. Chitica reminded Committee members that these training sessions are mandatory for Chairs, Vice Chairs and At Large members.</p>	
PUBLIC COMMENTS		
	<ul style="list-style-type: none"> Ms. Kuo Fan announced that L.A. Care's Behavioral Health Services Department will be hosting a Palliative Care Symposium on April 11, 2015 from 8:30 a.m. to 3:00 p.m. at the Glendale Hilton. Members are invited to attend the symposium to engage in conversations with providers about major illnesses and end of life issues. Transportation and interpretation services will be available for those members who register today (<i>Flyers were available for those interested in attending</i>). 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • Nancy Molina was introduced as the new CCI Liaison that will be working with Ms. Ma and Mr. Edmond. • Ms. Savage Pinkney announced that Assembly Member Sebastian Ridley Thomas is inviting members of the 4th and 5th District to participate in a legislative breakfast and informational hearing on Friday, April 10, 2015 at the California African American Museum in Exposition Park. This is a free event that will provide opportunities to hear discussions from service providers, state and county agencies, on issues related to autism and mental health disorder in communities of color. Interested individuals can register by calling 310-342-1070. • Ms. Cooper noted the need for L.A. Care to conduct additional outreach and education around cultural diversity. She noted the high infant mortality rate amongst African American. Ms. Cooper acknowledged the Long Term Care Department staff which assisted her in a courteous and professional manner, and also acknowledged CO&E staff. She asked Board members López and Pérez to advocate for funding for the CO&E Department, CCI Councils and RCACs. 	
ADJOURNMENT		
	Chairperson Sevilla adjourned the meeting at 1:15 p.m.	

RESPECTFULLY SUBMITTED BY:

Hilda Stuart, *Committee Liaison, Board Services*
Linda Merkens, *Manager, Board Services*

APPROVED BY:

Elda Sevilla, *ECAC Chair*
Date _____

L.A. Care Legislative Matrix Updated as of May 18, 2015

The following matrix includes legislation currently being tracked by L.A. Care's Government Affairs Department. This list does not include all bills currently being monitored; instead, this is a shortened list Government Affairs believes should be flagged for your attention. If there are any questions, please contact Cherie Fields, at cfields@lacare.org or by or by telephone at (916) 930-0043.

AB 11	AUTHOR:	Gonzalez [D]
	TITLE:	Employment: Paid Sick Days: In-Home Supportive Services
	SUMMARY:	Revises the definition of an employee under the Healthy workplaces, Healthy Families Act of 2014 to include providers of in home support services. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee – Suspense File

AB 50	AUTHOR:	Mullin [D]
	TITLE:	Medi-Cal: Nurse Home Visiting Programs
	SUMMARY:	Requires the State Department of Public Health to develop a grant application and award grants to counties for other evidenced-based home visiting program. Requires the Department to develop and implement a plan to ensure that Nurse-Family Partnership and other evidenced-based nursing home visiting programs are offered and provided to Medi-Cal eligible pregnant women. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee

AB 68	AUTHOR:	Waldron [R]
	TITLE:	Medi-Cal
	SUMMARY:	Creates the Patient Access to Prescribed Epilepsy Treatments Act. Requires any drug in the seizure and epilepsy therapeutic class would be a Medi-Cal covered benefit. Requires a managed care plan to provide coverage regardless of whether the drug is on the plan's formulary, if the provider demonstrates the necessity, not on the Medi-Cal managed care plan formulary, and consistent with specified federal rules, under which the beneficiary is entitled to an urgent appeal. To read the current text of the bill, click here .
	POSITION:	Watch, CAHP – Oppose
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee

AB 72	AUTHOR:	Bonta [D]
	TITLE:	Medi-Cal: Demonstration Project
	SUMMARY:	Requires the State Department of Health Care Services to submit an application to the federal Centers for Medicare and Medicaid Services for a waiver to implement a demonstration project that, among other things, continues the state's momentum and successes in innovation achieved under the demonstration project for better care coordination for seniors and persons with disabilities. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Senate Health Committee

AB 73	AUTHOR:	Waldron [R]
	TITLE:	Medi-Cal Benefits: Prescription Drugs
	SUMMARY:	Provides, to the extent permitted by federal law, that drugs in specified therapeutic drug classes that are prescribed by a Medi-Cal beneficiary's treating provider are covered benefits. Requires that a Medi-Cal managed care plan cover the if the treating provider demonstrates that the drug is medically necessary, not on a Medi-Cal managed care plan formulary, and consistent with federal rules and regulations for labeling and use, under which circumstance the beneficiary would be entitled to appeal. To read the current text of the bill, click here .
	POSITION:	Watch, CAHP – Oppose
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee

AB 97	AUTHOR:	Weber [D]
	TITLE:	In-Home Supportive Services
	SUMMARY:	Requires the State Department of Social Services to program its Case Management Information and Payroll System to be able to receive payments from managed care health plans for additional personal care service and related domestic service hours, to issue a single payroll check to providers, and to differentiate between the two types of authorized hours. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee

AB 159	AUTHOR:	Calderon [D]
	TITLE:	Investigational Drugs, Products, and Devices
	SUMMARY:	Permits a manufacturer of an investigational drug, biological product, or device to make the product available to eligible patients with a serious or life-threatening disease or condition. Authorizes a health benefit plan to provide coverage for such products made available pursuant to these provisions. Prohibits disciplinary action for any product or drug recommendation if consistent with a certain protocol. Prohibits altering a provider's Medicare or Medicaid participation due to an access recommendation. To read the current text of the bill, click here .
	POSITION:	Watch, CAHP – Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee

AB 187	AUTHOR:	Bonta [D]
	TITLE:	Children's Services Program: Medi-Cal: Managed Care
	SUMMARY:	Extends the termination of the prohibition against the State Children's Services Program from being incorporated into a Medi-Cal managed care contract entered into after a specified date, until the State Department of Health Care Services has completed evaluations of specified pilot programs created as part of a specified demonstration. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP – Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee – Suspense File

AB 211	AUTHOR:	Gomez [D]
	TITLE:	In-Home Supportive Services
	SUMMARY:	Modifies the definition of the Coordinate Care Initiative for the purposes of determining which provisions become inoperative if the condition is not met, and excludes, among others, those provisions that establish the In-Home Supportive Services Employer-Employee Relations Act. Establishes the Statewide Authority and determines the duties of, and when those duties are assumed by, the Authority. Establishes the IHSS Fund. Requires counties to pay the County IHSS Maintenance of Effort. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee – Suspense File

AB 294	AUTHOR:	Lackey [R]
	TITLE:	Health and Human Services: State Plans: Waivers
	SUMMARY:	Requires a department within the Health and Human Services Agency that has received approval of an operational state plan by a federal agency, or that has applied and has been approved for a waiver from a federal law or regulation, to make any and all approved plans or waiver applications available to the public by publishing that information on the home page of the department's Internet Web site. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Senate

AB 339	AUTHOR:	Gordon [D]
	TITLE:	Health Care Coverage: Outpatient Prescription Drugs
	SUMMARY:	Requires health care service plan contract or a health insurance policy providing coverage for outpatient prescription drugs, to provide coverage for medically necessary prescription drugs, including those for which there is not a therapeutic equivalent. Requires copayments, coinsurance, and other cost sharing to be reasonable. Provides the formula for a specified supply. Requires coverage for single-tablet and extended release regimens, unless certain conditions apply. Relates to higher tier placement. To read the current text of the bill, click here .
	POSITION:	Watch, CAHP – Oppose
	SPONSOR:	N/A

	DISPOSITION:	Assembly Appropriations Committee
AB 366	AUTHOR:	Bonta [D]
	TITLE:	Medi-Cal: Reimbursement: Provider Rates
	SUMMARY:	Amends existing law that establishes the Medi-Cal program. Requires claims for payments pursuant to the inpatient hospital reimbursement methodology to be increased for the 2015-16 fiscal year. Requires the State Department of Health Care Services to increase each diagnosis-related group payment amount based on increases in the medical component of the Consumer Price Index. Relates to reimbursement reductions and managed care plan rate range increases. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee
AB 374	AUTHOR:	Nazarian[D]
	TITLE:	Health Care Coverage: Prescription Drugs
	SUMMARY:	Prohibits a health care service plan or health insurer that provides medication pursuant to a step therapy or fail-first requirement from applying that requirement to a patient who has made a step therapy override determination request if, in the professional judgment of the prescribing physician, the step therapy or fail-first requirement would be medically inappropriate for that patient for specified reasons. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP - Oppose
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee
AB 461	AUTHOR:	Mullin [D]
	TITLE:	Coordinated Care Initiative
	SUMMARY:	Authorizes a Medi-Cal beneficiary receiving services through a regional center who resides in the County of San Mateo to participate voluntarily in a demonstration project that enables beneficiaries dually eligible for the Medi-Cal program and the Medicare Program to receive a continuum of services that maximizes access to, and coordination of, benefits between the programs. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly
AB 533	AUTHOR:	Bonta [D]
	TITLE:	Health Care Coverage: Out-of-Network Coverage
	SUMMARY:	Requires a health care service plan contract or health insurance policy to provide that if an enrollee or insured obtains care from a contracting health facility, at which, or as a result of which, the enrollee receives covered services provided by a nonparticipating provider, the enrollee or insured is required to pay such provider only the same cost sharing required if the services were provided by a contracting individual health professional. Prohibits owning a nonparticipating provider more. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee
AB 623	AUTHOR:	Wood [D]
	TITLE:	Abuse-Deterrent Opioid Analgesic Drug Products
	SUMMARY:	Prohibits, where an abuse-deterrent opioid analgesic drug product is available, a health care service plan or insurer from requiring the use of opioid analgesic drug products without the abuse-deterrent properties in order to access such opioid analgesic drug products. Require such plan or insurer to allow a provider to prescribe, and if otherwise covered, to provide coverage for, a less than certain supply of the opioid analgesic drug product. Requires informing the patient on proper storage and disposal. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP – Oppose
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee
AB 627	AUTHOR:	Gomez [D]
	TITLE:	Audits of Pharmacy Benefits
	SUMMARY:	Makes nonsubstantive changes to existing law that imposes specified requirements on an audit of pharmacy services provided to beneficiaries of a health benefit plan and provides that those requirements do not apply to an audit conducted because a pharmacy benefit manager, carrier, health benefit plan sponsor, or other 3rd-party payer has indications that support a reasonable suspicion that criminal wrongdoing, willful misrepresentation has occurred. To read the current text of the bill, click here .

	POSITION:	Watch; CAHP – Watch
	SPONSOR:	N/A
	DISPOSITION:	Senate
AB 635	AUTHOR:	Atkins [D]
	TITLE:	Medical Interpretation Services
	SUMMARY:	Requires the State Department of Health Care Services to seek federal funding to establish a program to provide and reimburse for certified medical interpretation services except sign language interpretation services, to Medi-Cal beneficiaries who are limited English proficient. Offers medical interpreter services to Medi-Cal providers serving beneficiaries on either a fee-for-service or managed care basis. To read the current text of the bill, click here .
	POSITION:	Watch
	DISPOSITION:	Assembly Appropriations Committee – Suspense File
AB 648	AUTHOR:	Low [D]
	TITLE:	Community-Based Services: Virtual Dental Home
	SUMMARY:	Establishes the Virtual Dental Home program to expand the virtual dental home model of community-based delivery of dental care to the residents of this state who are in greatest need. Authorizes the program administrator to encourage development and expansion of the delivery of dental health services in community clinics and school programs. To read the current text of the bill, click here .
	POSITION:	Watch
	DISPOSITION:	Assembly Appropriations Committee – Suspense File
AB 690	AUTHOR:	Wood [D]
	TITLE:	Medi-Cal: Federally Qualified Health Centers
	SUMMARY:	Includes a marriage and family therapist within those health care professionals under the Medi-Cal program. To read the current text of the bill, click here .
	POSITION:	Watch
	DISPOSITION:	Assembly Appropriations Committee – Suspense File
AB 796	AUTHOR:	Nazarian[D]
	TITLE:	Health Care Coverage: Autism: Pervasive Disorders
	SUMMARY:	Expands eligibility for person to be qualified autism service professional to include those who possess a bachelor of arts or science degree, a registered psychological assistant, a registered psychologist, or an associate clinical social worker. Expands eligibility to qualify as autism service paraprofessional to include person with high school diploma or equivalent and related work experience. To read the current text of the bill, click here .
	POSITION:	Watch
	DISPOSITION:	Assembly Business and Professions Committee
AB 845	AUTHOR:	Cooley [D]
	TITLE:	Health Care Coverage: Vision Ware
	SUMMARY:	Authorizes the executive board that governs the Health Benefit Exchange to construct, manage, and maintain an Internet Web site that is separate and clearly distinct from the Exchange's internet Web Site, to inform consumers about participating individual and employer-based vision plans that are available to qualified individuals and qualified employers. Requires the Web site to provide an option for consumers to learn more about, and enrollment in, a vision plan through a licensed agent. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP – Watch
	DISPOSITION:	Assembly Appropriations Committee – Suspense File
AB 858	AUTHOR:	Wood [D]
	TITLE:	Medi-Cal: Federally Qualified Health Centers
	SUMMARY:	Relates to the Medi-Cal program and visits. Relates to federally qualified health center services and rural health clinic services. Provides that a maximum of visits taking place on the same day at a single location shall be reimbursed when either after the first visit the patient suffers illness or injury requiring additional diagnosis or treatment or the patient has a medical visit and another health visit or both. Updates provisions regarding per-visit rates and billings. To read the current text of the bill, click here .

	POSITION:	Support, CAHP – Watch
	SPONSOR:	CPCA
	DISPOSITION:	Assembly Appropriations Committee – Suspense File
AB 859	AUTHOR:	Medina[D]
	TITLE:	Medi-Cal: Obesity Treatment Plans
	SUMMARY:	Requires the creation of an Obesity Treatment Action Plan to diagnose, treat, and reduce the incidence of adult obesity in the Medi-Cal program. Requires a report on the plan to the Legislature. Requires the plan to include evidence-based principles and obesity treatment guidelines, a plan for identifying and screening patients for obesity, and a review of coverage services to treat obesity. Limits plan application to Medi-Cal fee-for-service plans. Requires seeking federal approvals and participation. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee
AB 1018	AUTHOR:	Cooper [D]
	TITLE:	Medi-Cal: Early and Periodic Screening and Diagnosis
	SUMMARY:	Requires to permit county mental health plans to contract with local educational agencies (LEAs) to provide services for Medi-Cal eligible pupils under Early and Periodic Screening, Diagnosis, and Treatment program. Requires the State Department of Health Care Services to permit an LEA to make claims for federal financial participation directly to the Department. Requires the Department to examine methodologies for increasing LEA participation in the Medi-Cal program to help LEAs meet health care needs. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee – Suspense File
AB 1102	AUTHOR:	Santiago [D]
	TITLE:	Health Care Coverage: Special Enrollment Periods
	SUMMARY:	Requires certain health care service plans to authorize and permit an enrollee or subscriber to assign the enrollee or subscriber's right to reimbursement for health care services covered under the plan contract by a noncontracting physician and surgeon who furnishes services. Requires certain disability insurers to pay group insurance benefits to a physician and surgeon rendering health care services to an insured upon obtaining consent of the insured. Requires the provision of an estimate to the insureds. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP – Oppose
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee
AB 1114	AUTHOR:	Bonilla [D]
	TITLE:	Health Care Coverage: Eligibility and Enrollment
	SUMMARY:	Amends the Health Care Reform Eligibility, Enrollment, and Retention Planning Act that requires Health and Human Services Agency to establish standardized single, accessible, application forms and related renewal procedures for State health care program. Revises those provisions to include letters, as well as forms and notices developed for purposes of creating the standardized application and renewal process. Defines the nature of these forms, letters, and notices. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP – Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee – Suspense File
AB 1117	AUTHOR:	Garcia [D]
	TITLE:	Medi-Cal: Vaccination Rates
	SUMMARY:	Requires the establishment of the Childhood Immunization Quality Improvement Fund. Requires the submission for a waiver for a demonstration project to implement the program. Requires a plan to collect and spend fund moneys, including voluntary contributions for Medi-Cal managed care plans to be used for provider support and reward payments to Medi-Cal managed care plans. Requires contracting with researchers to develop and support an evaluation of effectiveness of the project. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP – Oppose
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee – Suspense File
AB 1162	AUTHOR:	Holden [D]
	TITLE:	Medi-Cal: Tobacco Cessation

	SUMMARY:	Provides that tobacco cessation services are covered benefits under the Medi-Cal Program. Requires that those services include unlimited quit attempts and counseling sessions and a treatment regimen of any medication approved by the federal Food and Drug Administration for tobacco cessation. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee

AB 1231	AUTHOR:	Wood [D]
	TITLE:	Medi-Cal: Nonmedical Transportation
	SUMMARY:	Adds to the schedule of benefits under the Medi-Cal program nonmedical transportation for a beneficiary to obtain covered specialty care Medi-Cal services, if those services are more than 60 minutes or 30 miles from the beneficiary's place of residence. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee

AB 1261	AUTHOR:	Burke [D]
	TITLE:	Community-Based Adult Services: Adult Day Health
	SUMMARY:	Establishes the Community-Based Adult Services program as a Medi-Cal benefit and would specify eligibility requirements for participation in the CBAS program. Requires that CBAS providers be licensed as Adult Day Health Care centers and certified by the California Department of Health Care Services as CBAS providers. Requires CBAS providers to meet specified licensing requirements. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee – Suspense File

AB 1305	AUTHOR:	Bonta [D]
	TITLE:	Limitations on Cost Sharing: Family Coverage
	SUMMARY:	Relates to the Knox-Keene Health Care Service Plan act of 1975. Requires for family coverage limits on annual out-of-pocket expenses to include a maximum out-of-pocket limit for each individual covered by the plan contract or policy that is less than or equal to the maximum out-of-pocket limit for individual coverage under the plan contract or policy. Requires a family plan deductible to be no more than a deductible on an individual plan contract or policy. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP – Likely Oppose
	SPONSOR:	N/A
	DISPOSITION:	Assembly Appropriations Committee

SB 4	AUTHOR:	Lara [D]
	TITLE:	Health Care Coverage: Immigration Status
	SUMMARY:	Relates to the Patient Protection and Affordable Care Act. Provides a waiver to allow individuals who are not eligible to obtain health coverage because of immigration status to obtain coverage from the State Health Benefit Exchange. Provides for the facilitation of enrollment for certain individuals not eligible for Medi-Cal coverage. Requires health care service plans and health insurers to sell a specified product. Creates the State Health Exchange Program for All Californians relative to the exchange. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Senate Appropriations Committee – Suspense File

SB 26	AUTHOR:	Hernandez [D]
	TITLE:	Health Care Cost and Quality Database
	SUMMARY:	Requires the Secretary of the State Health and Human Services to contract to administer the State Health Care Cost and Quality Database. Requires the contractor to report a health care entity that fails to comply with specified requirements. Requires all disclosures to comply with State and federal privacy and data security. Prohibits the disclosure of individually identifiable health data. Requires a review committee to develop parameters for establishing and maintaining the database. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP - Watch
	SPONSOR:	N/A
	DISPOSITION:	Senate Appropriations Committee

SB 33	AUTHOR:	Hernandez [D]
	TITLE:	Medi-Cal: Estate Recovery
	SUMMARY:	Requires the Department of Health Care Services to make claims only in specified circumstances for those

		health care services that the State is required to recover under federal law. Defines health care services. Limits any claims to only the real and personal property or other assets the State is required to seek recovery from. Waives a homestead of modest value. Deletes the proportionate share provision and deletes the requirement that the Department make a claim upon the death of the surviving spouse. To read the current text of the bill, click here .
	POSITION:	Support, CAHP – Support
	SPONSOR:	N/A
	DISPOSITION:	Senate Appropriations Committee – Suspense File
SB 36	AUTHOR:	Hernandez [D]
	TITLE:	Medi-Cal: Demonstration Project
	SUMMARY:	Requires the State Department of Health Care Services to submit an application to the federal Centers for Medicare and Medicaid Services for a waiver to implement a demonstration project that continues the state's momentum and successes in innovation achieved under the demonstration project described in existing law. To read the current text of the bill, click here .
	POSITION:	Watch
	DISPOSITION:	Assembly
SB 43	AUTHOR:	Hernandez [D]
	TITLE:	Health Care Coverage: Essential Health Benefits
	SUMMARY:	Prohibits limits on habilitative and rehabilitative services from being combined on health care service plans. Authorizes the Department of Managed Health Care and the Department of Insurance to adopt emergency regulations implementing amendments made to provisions under the federal Patient Protection and Affordable Care Act. To read the current text of the bill, click here .
	POSITION:	Watch
	DISPOSITION:	Senate Appropriations Committee
SB 125	AUTHOR:	Hernandez [D]
	TITLE:	Health Care Coverage
	SUMMARY:	Extends annual enrollment periods under the federal Patient Protection and Affordable Care Act and the Knox-Keene Health Care Services Plan Act. Requests the University of California to include essential health benefits and the impact of the State Health Benefit Exchange in a specified analysis, and to assess legislation that impacts benefit design, cost sharing, and premiums. Defines small employer. Extends the Health Benefit Review Program and an annual charge on health service plans and insurers. To read the current text of the bill, click here .
	POSITION:	Support, CAHP – Support, LHPC – Support
	DISPOSITION:	Assembly Health Committee
SB 128	AUTHOR:	Wolk [D]
	TITLE:	End of Life
	SUMMARY:	Enacts the End of Life Option Act. Authorizes an adult who meets certain qualifications, and who has been determined by his or her attending physician to be suffering from a terminal disease to make a request for medication for the purpose of ending his or her life. Prohibits a will or other agreement being impacted by such a decision. Prohibits insurance impact by such a decision. Provides civil and criminal immunity. Provides for a crime to alter or forge a request, and a felony for coercion. To read the current text of the bill, click here .
	POSITION:	Watch
	DISPOSITION:	Senate Appropriations Committee
SB 137	AUTHOR:	Hernandez [D]
	TITLE:	Health Care Coverage: Provider Directories
	SUMMARY:	Requires health care service plans and insurers for services at alternative rates to make a provider directory available on its Internet Web site, including those who accept new patients. Requires a standard provider director template. Provides for a consistent plan to permit agencies to construct multiplan directories. Prohibits requiring information seekers to demonstrate coverage or to provide policy information. Requires notification when a provider is not accepting new patients. To read the current text of the bill, click here .
	POSITION:	Watch
	DISPOSITION:	Senate Appropriations Committee – Suspense File

SB 147	AUTHOR:	Hernandez [D]
	TITLE:	Federally Qualified Health Centers
	SUMMARY:	Requires the Department of Health Services to authorize a pilot project for federally qualified health centers that agree to participate. Requires the determination of the supplemental capitation amount for each aid category to be paid to each principle health plan that contains at least one participating center in its provider network. Relates to the payment of wrap-cap payments by principle health plans. Requires an evaluation of the project by an independent entity and to report to the Legislature. To read the current text of the bill, click here .
	POSITION:	Support, CAHP – Watch, LHPC - Watch
	SPONSOR:	L.A. Care, CPCA, CAPH
DISPOSITION:	Senate Appropriations Committee – Suspense File	

SB 149	AUTHOR:	Stone [R]
	TITLE:	Investigational Drugs: Biological Products or Devices
	SUMMARY:	Permits a manufacturer of an investigational drug, biological product, or device to make the product available to eligible patients with a terminal disease and to provide a related report. Provides the Medical Practice Act does not require a health benefit plan or governmental agency to provide coverage for the cost of such products made available under these provisions. Authorizes a health benefit plan to provide coverage for such products. Prohibits action against a physician for making a recommendation. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
DISPOSITION:	Senate Appropriations Committee	

SB 199	AUTHOR:	Hall [D]
	TITLE:	In-Home Supportive Services: Reading Services for Blind
	SUMMARY:	Includes within the definition of supportive services assistance in reading and completing financial and other documents for recipient of services under the In-Home Supportive Services program who is blind. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
DISPOSITION:	Senate Appropriations Committee – Suspense File	

SB 243	AUTHOR:	Hernandez [D]
	TITLE:	Medi-Cal Reimbursement Rates: Provider Rates
	SUMMARY:	Amends existing law that establishes the Medi-Cal program. Requires claims for payments pursuant to the inpatient hospital reimbursement methodology to be increased for the 2015-16 fiscal year. Requires the Department of Health Care Services to increase each diagnosis-related group payment claim amount based on increases in the medical component of the State Consumer Price Index. Relates to reimbursement reductions and managed care plan and fee-for-service rate range increases. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
DISPOSITION:	Senate Appropriations Committee	

SB 277	AUTHOR:	Pan [D]
	TITLE:	Public Health: Vaccinations
	SUMMARY:	Eliminates the exemption from existing specified immunization requirements based upon personal beliefs. Allows an exemption from future requirements deemed appropriate by the State Department of Public Health for either medical reasons or personal beliefs. Exempts pupils in specified programs. Provides a temporary exclusion is only for a child who has been exposed to a specified disease and whose proof status does not show proof of immunization against one of specified diseases. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
DISPOSITION:	Senate Appropriations Committee	

SB 282	AUTHOR:	Hernandez [D]
	TITLE:	Health Care Coverage: Prescription Drugs
	SUMMARY:	Authorizes the prescribing provider to additionally use an electronic process developed specifically for transmitting prior authorization information that is consistent with the standardized form and that meets the National Council for Prescription Drug Programs' SCRIPT electronic prior authorization standards. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
DISPOSITION:	Senate Appropriations Committee – Suspense File	

SB 289	AUTHOR:	Mitchell [D]
	TITLE:	Telephonic and Electronic Patient Management Services
	SUMMARY:	Requires a health care service plan or a health insurer to cover telephonic and electronic patient management services provided by a contracting physician or contracting nonphysician health care provider and reimburse those services based on their complexity and time expenditure. Provides that a plan or insurer is not required to reimburse separately for specified telephonic or electronic visits as part of a bundle of reimbursed services. To read the current text of the bill, click here .
	POSITION:	Watch; CAHP - Oppose
	SPONSOR:	N/A
DISPOSITION:	Senate Appropriations Committee	

SB 388	AUTHOR:	Mitchell [D]
	TITLE:	Solicitation and Enrollment
	SUMMARY:	Relates to group health and health insurers providing a written summary of benefits and coverage under the Patient Protection and Affordable Care Act. Provides that summary constitutes a vital document and would require a plan or insurer to comply with requirements applicable to those documents. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
DISPOSITION:	Senate Appropriations Committee – Suspense File	

SB 479	AUTHOR:	Bates [R]
	TITLE:	Healing Arts: Behavioral Analysis: Licensing
	SUMMARY:	Revises the membership of the Board of Psychology. Establishes the Behavior Analyst Act. Requires a person to apply for and obtain a license prior to engaging in the practice of behavior analysis. Requires the applicants to meet certain educational and training requirements, and to submit fingerprints for criminal background checks. Provides the related enforcement powers of the Board. Creates a specified advisory committee. Provides misdemeanor penalties for practicing without a license. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
DISPOSITION:	Senate Appropriations Committee	

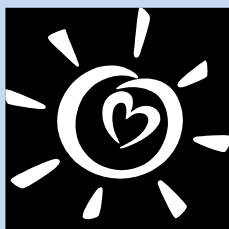
SB 492	AUTHOR:	Liu[D]
	TITLE:	Coordinated Care Initiative
	SUMMARY:	Requires the State Department of Health Care Services to develop and post on the Department's Internet Web site an educational and informational guide to assist consumers and patients in understanding the rights afforded to them under the Coordinated Care Initiative and how to effectively exercise those rights. Requires the Department to distribute the guide to specified advocacy groups and programs and to all other interest persons upon request. To read the current text of the bill, click here .
	POSITION:	Watch, CAHP – Watch
	SPONSOR:	N/A
DISPOSITION:	Senate Appropriations Committee	

SB 534	AUTHOR:	Pan[D]
	TITLE:	Medi-Cal: Ground Emergency Medical Transportation
	SUMMARY:	Relates to Medi-Cal payments for ground emergency medical transportation services. Authorizes the department to provide supplemental reimbursement for the cost of paramedic services at a rate of payment equal to cost. Requires an intergovernmental transfer program in order to increase capitation payments to Medi-Cal managed care plans for covered ground emergency medical transportation services. Permits increased capitation payments to commence for dates of services on or after a specified date. To read the current text of the bill, click here .
	POSITION:	Watch

	SPONSOR:	N/A
	DISPOSITION:	Senate Appropriations Committee

SB 586	AUTHOR:	Hernandez [D]
	TITLE:	Children's Services
	SUMMARY:	Relates to the Children's Services program, which provides medically necessary services required by physically handicapped children whose parents are unable to pay for those services. Exempts certain contracts from existing law which prohibits services covered by CCA from being incorporated into a Medi-Cal managed care contract. Requires the State Department of Health Care Services to contract with one or more Kids Integrated Delivery System networks. Establishes selection criteria. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Senate Appropriations Committee

SB 783	AUTHOR:	Mitchell [D]
	TITLE:	Health Care Coverage
	SUMMARY:	Makes technical nonsubstantive changes to requirements under the federal Patient Protection and Affordable Care Act that requires a health insurance issuer issuing health insurance coverage to comply with minimum medical loss ratios, and to provide an annual rebate to each insured if the medical loss ratio of the amount of the revenue expended by the issuer on costs to the total amount of premium revenue is less than a certain percentage. To read the current text of the bill, click here .
	POSITION:	Watch
	SPONSOR:	N/A
	DISPOSITION:	Senate Rules Committee



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. EXE 100.0615

Committee: Executive

Chairperson: Thomas Horowitz, D.O.

Issue: Approval for an ad hoc grant to the Nonprofit Finance Fund (NFF) to provide financial technical assistance to Federally Qualified Health Centers (FQHCs) and FQHC look-alikes.

Background: Staff seeks approval to award \$225,250 to the Nonprofit Finance Fund (NFF) to provide financial technical assistance to 25 Federally Qualified Health Centers (FQHCs or FQHC look-alikes) that includes 15 participating clinics in phase one and 10 in phase two and a total participation of 75 clinic staff members for both phases. This project will also provide stipends to the participating clinics totaling \$45,000 for a project total of \$270,250.

Each training phase will offer a workshop component and customized coaching. Some of the outcomes of this project include guidance on using financial information to make informed and data-driven decisions, trends identification and analysis in revenue and expenses, profitability, balance sheet composition, and liquidity; and education on core financial concepts including thoroughly analyzing financial statements and identifying business model drivers in addition to designing financial dashboards. More details on the content and outcomes of this project are provided in the enclosed memo.

Alignment with L.A. Care Organizational Goals: By helping the safety net to be more fiscally sound in a fast-changing healthcare environment that leads to long-term financial and program sustainability, this technical assistance project aligns with L.A. Care's mission of improving access and providing high quality care to vulnerable and low income populations in underserved areas. The project also aligns with L.A. Care's organizational Goal 6.3 of strengthening the safety net.

L.A. Care will be acknowledged as a funder in joint press releases, L.A. Care's logo on program literature and website acknowledgment. All contract and grant agreements will incorporate recognition activities.

Budget Impact: The Community Health Investment Fund (CHIF) allocation for fiscal year 2014-2015 is \$5.0 million, and the unspent balance to date is \$3.2 million. If this request of \$270,250 is approved, the CHIF balance for fiscal year 2014-2015 will be \$2,929,750.

Motion: **To approve an award of up to \$225,250 to the Nonprofit Finance Fund (NFF), a non-profit organization, to provide financial technical assistance to Federally Qualified Health Centers (FQHCs) and FQHC look-alikes and \$45,000 in stipends to participating clinics for a total project amount of \$270,250.**



May 27, 2015

TO: Executive Committee

FROM : Jonathan Freedman, *Interim Chief Operating Officer*
Roland Palencia, *Director, Community Benefit Programs*

SUBJECT: Approval to award \$270,250 to the Nonprofit Finance Fund (NFF) to provide financial technical assistance and to provide stipends to participating Federally Qualified Health Centers (FQHCs).

Introduction

Community Benefits staff seeks approval to award \$225,250 to the Nonprofit Finance Fund (NFF) to provide financial technical assistance to up to 25 Federally Qualified Health Centers (FQHCs or FQHC look-alikes), including 15 in phase one and 10 in phase two with up to 75 clinic staff members participating in both phases. This project will also provide stipends of up to \$3,000 to the participating clinics totaling \$45,000 for a project total of \$270,250.

If this pilot project is deemed successful, Community Benefits staff will recommend, through a separate initiative, the expansion of this program to specifically target and engage private practitioners in L.A. Care's provider network.

Issue Background

L.A. Care's Community Benefits staff has identified a need to strengthen the financial infrastructure and capacities of nonprofit safety net clinics with budgets under \$20 million. These clinics are challenged to adapt to the rapidly changing healthcare environment under the Affordable Care Act. Organizations that make sound, data-driven decisions have the opportunity to financially thrive and provide care to their patients that result in better health outcomes.

In addition to making financial investments through its Community Health Investment Fund (CHIF), the Community Benefits staff also provides direct or third party technical assistance to its grantees. At a staff-sponsored meeting in July 2014—attended by 15 community-based clinic CEOs, CMOs, CFOs and CIOs—the issue of financial survival and success of the safety net in the new healthcare environment was an underlying concern. Attendees expressed that their financial challenges and limited resources impacted other organizational priorities such as patient care coordination, workforce recruitment and retention and integration and upgrade of health information technology systems among other long-term sustainability issues.

Furthermore, staff has monitored and analyzed dozens of CHIF applicants' audited financials and other financial statements, and has been able to identify a number of fiscal challenges that have included high administrative overhead, low liquidity and cash flow difficulties (days of cash on-

hand), a high percentage of aged account receivables and payables, negative imbalances between assets and liabilities and untimely financial audits. Organizations that showed large deficits in a number of these areas could not submit competitive funding proposals. Staff contacted a number of funders, including the California Community Foundation, which has funded a similar program in the Los Angeles area.

In essence, the new healthcare environment provides new challenges as well as opportunities. These include the change from a fee-for-service payment structure to a capitated rate, compensation for performance and clinical outcomes rather than visits, dramatic Medicaid expansion, a new patient base with much more complex medical and social needs, diversity of payor mix, shortage of medical practitioners and the straining of internal organizational infrastructures. This training will help safety net clinics to become more financially viable, programmatically stable and become more competitive when submitting proposals to funders, including L.A. Care.

Proposed Project

The financial technical assistance project, designed for clinic senior staff and FQHC Board members, will be implemented in two phases. Each training phase will have a workshop component and organizational customized coaching.

The phase one, four-hour introductory workshop will provide an in-depth look at assessing an organization's financial operating performance and long-term financial health. This includes unpacking the information in financial statements and utilizing diagnostic tools to create a pathway to financial solvency and be able to create and analyze dashboards for effective financial decision-making and monitoring. Some of the phase one outcomes include: (1) improved skills in managing the interplay between financial risk, revenue reliability and fixed costs, (2) guidance on using financial information to make informed and data-driven decisions, (3) improved understanding of the resources and structures an organization needs to adapt to a changing environment, (4) financial tools to assist the organization to create multi-year budgets or scenario planning templates. This introductory workshop can accommodate up to 15 FQHCs and up to 45 senior clinic staff representatives (three per clinic), preferably the Executive Director, Chief Financial Officer and a board member. Each clinic will receive a stipend of \$1,000 for this phase one, four-hour workshop, for a total of \$15,000 for all 15 clinics.

Out of the 15 first cohort of clinics, ten will be selected to attend the phase two training, which will provide an expanded and more in-depth learning. This second workshop is also known as the *Financial Leadership Clinic (FLC)*. The FLC will be two full-day sessions that include the following components: (1) financial diagnosis of each of the ten organizations that includes looking back three to five years of audited financial statements and one year forward-looking budget, (2) provision of trends identification and analysis in revenue, expense, profitability, balance sheet composition, and liquidity, (3) education on core financial concepts including reading financial statements and identifying business model drivers, (4) financial planning and management tools that help the leadership of the organization to make sound decisions for the overall health of the enterprise and its programs, including budgeting and cash flow management, and (5) financial presentations by each clinic to the larger cohort about their current financial condition and opportunities and risks for the coming years. Each phase two clinic will receive a \$3,000 stipend for a total of \$30,000 for all ten clinics.

Prior to the FLC two-day workshop, NFF will collect three to five years of audited financial statements and the current year budget, and prepare slides that graphically depict the trends for each organization's financial information. This pre-workshop preparation is followed by the first morning session on nonprofit finance and financial statements where each agency is provided with their financial slides and will be asked to work with NFF staff to "tell the story" of their organization's financial situation using the provided graphs. The experience of the individual organizations will be enhanced by peer learning, conversations, and strategic sharing that occurs as part of the presentations. All of the organizations engaged in the FLC workshops can expect the following outcomes: (1) greater awareness and understanding of their organizations' financial health and trends, (2) improved capacity to employ better planning and budgeting practices, (3) skills to use a PowerPoint presentation detailing their organization's financials in various charts, (4) knowledge and preliminary practice in the use of nonprofit strategic financial management concepts and practices and (5) framework (that includes graphs, observations and next steps) that serves as a tool for communicating its financial condition and needs. Organizations can periodically refine and update the slides presentations that can be used during ongoing conversations with board members, staff, funders and other key constituencies.

Nonprofit Finance Fund Organizational Background

NFF a 501 (c) 3 nonprofit organization was incorporated in 1984 as a Community Development Financial Institution to primarily provide access to capital, strategic financial management consulting services, and thought leadership to the nonprofit and philanthropic sectors. NFF has provided customized technical assistance to hundreds of organizations throughout the country; and in the last year alone, NFF provided individual support to over 220 organizations to build capacity and sustainability. NFF is a national organization with offices in New York, Newark, Philadelphia, Boston, Detroit, San Francisco and Los Angeles.

Locally, NFF has worked with the South Central Family Health Center, Wilmington Community Clinic and the Community Clinic Association of Los Angeles County (CCALAC).¹ They provided the clinics with nonprofit business analysis (NBA), customized board training on financial management concepts by integrating NBA results and customized financial dashboards. Also, since 2012, NFF has administered the California Catalyst and Pre-Catalyst fund application process and provided technical assistance to 22 California clinics. These funds support merger and partnership opportunities for clinics in response to opportunities and challenges created under the new ACA environment.

NFF approaches its technical assistance work from an integrated perspective that includes the following key elements:

- *Financial Capital:* Does the organization have the right types and amounts of money to support ongoing operations as well as to manage risks and pursue opportunities for growth, transformation and collaboration?
- *Intellectual Capital:* Does the organization have the institutional knowledge, capabilities, technology and management tools to collect, measure, track, analyze, report on and use financial and social outcomes data to adapt/improve programs/operations and make timely and prudent strategic and tactical management decisions?

¹ Staff performed due diligence with these organizations and found a high level of satisfaction with NFF's offerings.

- *Human Capital:* Does the organization have the right personnel recruitment, training, skills, experience, professional development and incentives in place to support targeted mission and program delivery outcomes and timeframes?
- *Social Capital:* Is the organization equipped to contribute to and derive value from formal and informal affiliation networks, collaborations and the interconnectedness of resources, peer learning and best practices to support the social change it seeks?

FQHC Applicant Eligibility Criteria

Qualified clinics are required to be contracted with L.A. Care Health Plan and also meet the following criteria:

- An FQHC or FQHC look-alike that provides comprehensive primary care services.
- A stand-alone 501 (c) (3) non-profit agency.
- A clinic that serves Los Angeles County’s low-income and uninsured adults, including those without ability to pay who qualify for free or low-cost health care programs.
- \$2 million to \$20 million dollar organizational budget based on the most recent completed fiscal year.²

Application Process

In partnership with NFF, L.A. Care staff will conduct a competitive request for proposal process to select participating FQHCs and FQHC look-alike clinics. Clinic applicants will be requested to submit projects that have financial strategies, specific objectives, expected outcomes and a commitment to have at least two senior management members, including the Chief Finance Officer and a Board member attend all sessions. The applications will be reviewed by staff, NFF and community experts, and recommended applicants will be brought to the Chief Executive Officer and the Chief of Strategy, Regulatory and External Affairs for final approval. As with previous initiatives, staff will provide technical assistance in submitting applications.

Evaluation

The financial technical assistance initiative will be evaluated by L.A. Care staff members based on overall impact and degree to which both NFF and participating clinics accomplish their proposed goals, process and outcomes. We will receive progress reports every six months, or after completion of each series and monitor progress. The evaluation results will inform L.A. Care whether to implement a similar project with private providers in L.A. Care’s network.

Recognition

Funding will be contingent upon agreement to appropriately recognize L.A. Care Health Plan. Potential recognition opportunities include individual and joint press releases, L.A. Care’s logo on program literature, website acknowledgment, annual reports and events. All contract agreements will incorporate recognition activities.

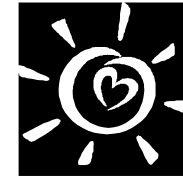
² Depending on the number of applicants, we might consider organizations that are beyond the organizational budget range of \$2 to \$20 million.

BOARD OF GOVERNORS

Executive Committee

Meeting Minutes – April 30, 2015

1055 West 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

Members

Thomas Horowitz, DO, *Chairperson*
Mark Gamble, *Vice Chairperson*
Michael Rembis, *Treasurer*
Louise McCarthy, *Secretary*
Alexander Li, MD
G. Michael Roybal, MD, MPH

Management/Staff

John Baackes, *Chief Executive Officer*
Gertrude S. Carter, *Chief Medical Officer*
Jonathan Freedman, *Chief of Strategy, Regulatory and External Affairs*
Augustavia J. Haydel, *General Counsel*
Tim Reilly, *Chief Financial Officer*
Robert Turner, *Chief of Human Resources*

Public

Alan Bloom, *Care1st*
Laurie Garcia, *Anthem Blue Cross*
Avanti Wadu, *iHealth, Inc.*

**absent*

*** by telephone*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER Thomas Horowitz, DO	Thomas Horowitz, DO, <i>Chairperson</i> , called the meeting to order at 2:40 p.m. Chairperson Horowitz announced that members of the public may address the Committee on each matter listed on the agenda before or during the Committee's consideration of the item, or on any other topic at the Public Comment section.	
APPROVE MEETING AGENDA Thomas Horowitz, DO	Chairperson Horowitz announced additional motions to be placed on the list of consent Agenda items as recommended earlier by the Finance & Budget Committee. The Agenda for today's meeting was approved as amended.	Unanimously approved as amended. 5 AYES (Gamble, Li, McCarthy, Roybal, and Horowitz).
PUBLIC COMMENTS	There were no public comments. <i>Member Rembis joined the meeting.</i>	
APPROVE MEETING MINUTES Thomas Horowitz, DO	The minutes for the March 24, 2014 meeting were approved as presented.	Unanimously approved 6 AYES (Gamble, Li, McCarthy, Rembis, Roybal, and Horowitz).

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ADJOURN TO CLOSED SESSION	<p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced that the following items will be discussed in closed session and the meeting adjourned to closed session at 2:40 p.m.</p> <p>A. CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> • Plan Partner Medical Rates • Provider Rates • DHCS Medi-Cal Rates <p>B. REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Including Discussion Concerning New Product Lines <i>Estimated date of public disclosure: April 2017</i></p> <p>C. CONFERENCE WITH LABOR NEGOTIATOR Pursuant to Section 54957 of the Ralph M. Brown Act Agency Negotiator: John Baackes Unrepresented Employee: All L.A. Care Employees</p>	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 3:15 p.m. No reportable actions were taken during the closed session.	
CHAIRPERSON'S REPORT Thomas Horowitz, DO	Chairperson Horowitz informed the Committee that he attended the Regional Community Advisory Committee (RCAC) Conference this morning. The conference was well attended and offered an opportunity to address stakeholders.	
CHIEF EXECUTIVE OFFICER'S REPORT	<p>John Baackes, <i>Chief Executive Officer</i>, reported:</p> <ul style="list-style-type: none"> • John Wallace resigned earlier this month from his role as L.A. Care's Chief Operating Officer (COO). His last day was today. For the past nine years Mr. Wallace provided operational leadership during a time of growth for the organization. In his role as COO he oversaw the roll out of several health care reform programs including the launch of L.A. Care Covered, transition of seniors and people with disabilities (SPDs), and dual eligible into Managed Care, as well as the expansion of Medi-Cal. Mr. Baackes noted that Mr. Wallace provided excellent leadership in his role as Interim CEO, and was very gracious with his time in helping orient Mr. Baackes to L.A. Care operations and culture. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>UPDATE ON REVISED EXPENSE POLICIES FOLLOWING L.A. COUNTY AUDIT</p> <p>INCREASE IN L.A. CARE'S MINIMUM WAGE</p> <p>TIMING OF JUNE AND JULY BOARD MEETINGS</p>	<ul style="list-style-type: none"> • Jonathan Freedman, <i>Chief of Strategy, Regulatory and External Affairs</i>, has been appointed as interim COO, and Bruce Pollack, Sr. Director of Project Management Office, has been appointed as Core System Conversion “Czar”. • As discussed at prior meetings, L.A. Care was audited by the L.A. County Auditor-Controller in January 2015. L.A. Care agreed with the recommendations made by the Auditor-Controller, and the Finance & Budget Committee reviewed and approved the revised expense policies earlier today. The Auditor’s final report will be presented to the L.A. County Board of Supervisors on May 29, 2015. On May 13, 2015, I have a meeting with the Auditor Controller to better understand the scope of future audits. • L.A. Care will change the organization’s base wage from \$13.50 to \$15.00 an hour. Employees making between \$15.00 and \$16.00 an hour will get a \$.50 increase. New hires will now be eligible for health insurance and benefits sooner - 30 days after the first day of employment. These adjustments are budgeted at a cost of under \$600,000 for fiscal year 2014-15. <p>The Committee unanimously agreed to take time out of the June and July Board meetings to hold strategic discussions in preparation for the upcoming Board retreat. The discussions will provide an opportunity to pose questions and gather feedback related to attributes for the organization to meet within the next four to five years in order to support its mission, vision and values.</p>	
<p>COMMITTEE ISSUES</p>		
<p>GOVERNMENT AFFAIRS UPDATE</p>	<p>Cherie Fields, <i>Director, Government Affairs</i>, reported:</p> <p><u>State Budget</u></p> <p>It is anticipated that the Governor’s May State Budget Revise will be released during the week of May 11. Government Affairs will provide an analysis of the budget following the May Revise. Recent reports indicate that state is projecting revenues to exceed \$4 billion. Due to the provisions of Proposition 98, most of the additional revenue will go to schools and community colleges. Debt repayment and the rainy day fund contributions are also priorities. It is unlikely that the Governor will propose any major funding restorations or new spending other than what was previously proposed in his January State Budget Proposal.</p> <p><i>(Member Rembis left the meeting.)</i></p>	

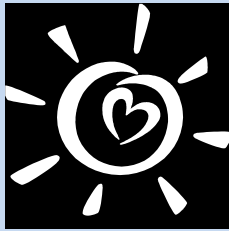
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><u>Legislative Update</u> A legislative matrix was provided with today’s meeting materials.</p> <ul style="list-style-type: none"> • SB 147(Federally Qualified Health Centers (FQHC) Alternative Payment Methodology) is in Senate Appropriations Committee. At this time there is no stated opposition to the bill, which it is anticipated to move to the Suspense File. The Department of Health Care Services agreed to provide comments that should allow the bill to move off the Suspense File. Bill sponsors continue working with health plans and clinics on language and expectations of the pilot program. • AB 858 allows FQHC’s to receive reimbursement for mental health and primary care services rendered on the same day. This bill has a fiscal cost and it is unknown if it will move out of Appropriations and be passed by the Legislature. The Governor’s view of the bill is not known. • SB 33-Medi-Cal Estate Recovery Bill would conform the state law to the more lenient federal law requirements of estate recovery requirements. This bill is scheduled to be heard in Senate Appropriations Committee. L.A. Care anticipates that this bill will be moved to the Suspense File due to the costs associated with it. 	
<p>OFFICER ELECTION DISCUSSION</p>	<p>Chairperson Horowitz informed the Committee that a Governance Committee meeting is tentatively scheduled on June 9 to discuss Officer elections.</p> <p>Member McCarthy suggested that Board members be advised that Committee assignments may change depending on the results of Officer elections.</p> <p>Ms. Haydel informed the Committee that the Governance Committee has delegated authority from the Board to develop a proposed slate of officers to be forwarded to the Board.</p>	
<p>REVISED 2015 BOARD MEETING SCHEDULE-CHANGE BOARD RETREAT DATE AND RESCHEDULE THE MAY COMPLIANCE & QUALITY MEETING</p>	<p>Ms. Haydel presented a motion to approve the revised Board of Governors meeting schedule resetting the date for the Board of Governor’s all day retreat from May 7, 2015 to September 3, 2015, and the Compliance and Quality meeting from May 21, 2015 to May 26, 2015.</p> <p><u>Motion EXE 100</u> To approve the revised Board of Governors meeting schedule resetting the date for the Board of Governors’ Retreat from May 7, 2015 to September 3, 2015, and the Compliance & Quality meeting from May 21, 2015 to May 26, 2015 as attached.</p>	<p>Motion EXE 100 was unanimously approved. 5 AYES (Gamble, Li, McCarthy, Roybal, and Horowitz).</p> <p>By consensus, the Committee recommended this motion be included in the Consent Agenda for the May 7, 2015 Board meeting.</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
SECOND QUARTER ORGANIZATIONAL PERFORMANCE REPORT	Mr. Freedman reported: <ul style="list-style-type: none"> • The second quarter organizational performance report is included in today’s meeting materials. • The organizational performance report summarizes the status of organizational goals and objectives outlined in the Board approved budget for fiscal year 2014-15. • Most goals are on target and some goals are partially met. These goals will be met later in the year based on strategic planning that the Board will undergo in future months. 	
APPROVE CONSENT AGENDA ITEMS FOR THE MAY 7, 2015 BOARD MEETING	The Committee approved motions to be placed on the Consent Agenda for the May 7, 2015 Board meeting: <ol style="list-style-type: none"> 1. Revised 2015 Board Meeting Schedule-Change Board Retreat Date and Reschedule the May Compliance & Quality Meeting (EXE 100) 2. Quarterly Investment Report (FIN 100) 3. Maricich Healthcare Communications Contract Amendment (FIN 103) 4. Procurement of Additional Managed Service Hours from Black Box Network Services (FIN 104) 5. Key Vendor Contract to Enhance Disk Storage Space (FIN 105) 6. Healthx Contract (FIN 106) 7. Joseph Wanski, MD Contract Renewal (FIN 107) 8. Inovalon Contract Amendment (FIN 108) 9. Gomez Research Contract (FIN 109) 10. RCAC Membership (ECA 100) 11. RCAC 4 Vice Chair Election (ECA 101) 	Unanimously approved. 5 AYES
ADJOURN	The meeting adjourned at 3:36 p.m.	

Respectfully submitted by:
 Hilda Stuart, *Committee Liaison*
 Linda Merkens, *Manager, Board Services*

APPROVED BY:

 Thomas Horowitz, DO, *Chair*
 Date: _____



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: June 4, 2015

Motion No. FIN 109.0615

Committee: Finance & Budget

Chairperson: Michael Rembis

Issue: Acceptance of the Financial Report for the seven months ended April 30, 2015.

Background:

Budget Impact:

Motion: To accept the Financial Report for the seven months ended April 30, 2015, as submitted.



L.A. Care
HEALTH PLAN®

Financial Performance April 2015

5/20/2015

Overall

Total enrollment for April is 1,721,923 members which is 21,483 members unfavorable to the budget primarily due to lower than expected starting points for Plan Partners and L.A. Care Covered and higher than expected member opt-out rate for Cal MediConnect. Fiscal year-to-date (seven months) performance is a surplus of \$62.4 million or 1.7% on revenue of \$3.7 billion, and is \$1.2 million favorable to plan. The favorable budget variance is driven by lower than expected operating and non-operating expenses.

Plan Partners

Total enrollment for April is 845,514 members which is 43,391 members unfavorable to the budget. Fiscal year-to-date performance is a surplus of \$36.8 million, and is \$13.0 million favorable to plan. The favorable budget variance is driven by higher than budgeted revenue rates and lower than budgeted operating expenses.

Medi-Cal Direct (MCLA)

Total enrollment for April is 797,178 members. Fiscal year-to-date performance is a surplus of \$64.8 million, and is \$3.5 million favorable to plan driven by administrative savings.

Within MCLA, Seniors and Persons with Disabilities (SPD) enrollment is 72,884. Fiscal year-to-date performance is a deficit of \$27.9 million, and is \$3.6 million unfavorable to plan driven by higher than expected healthcare expenses.

Cal MediConnect (CMC)

Cal MediConnect is operated as a separate line of business that launched in April 2014 with initial membership starting in May. Membership grew by 11,265 members in 2015, primarily due to the transition of Medicare D-SNP members selecting CMC (with the closure of L.A. Care's D-SNP product) and passive enrollment. Total enrollment for April is 15,769. Fiscal year-to-date performance is a deficit of \$18.7 million and is \$11.0 million unfavorable to budget driven by lower than expected revenue rates.



Financial Performance Results Highlights

April 2015

L.A. Care Covered (LACC)

L.A. Care Covered enrollment for April is 17,124 members. Fiscal year-to-date performance is a deficit of \$23.4 million, and is \$18.7 million unfavorable to plan driven by revenue revision resulting from expected Risk Adjustments from Covered California. The adjustments were retroactive to the January 2014 product launch.

Medicare

L.A. Care closed its Medicare D-SNP product line as of December 31, 2014. Fiscal year-to-date performance is a surplus of \$6.8 million, and is \$8.3 million favorable to plan driven by lower than budgeted healthcare expenses.

PASC-SEIU

Total enrollment for April is 45,972 members. Fiscal year-to-date performance is a deficit of \$266,000, and is \$445,000 unfavorable to plan driven by higher than budgeted operating expenses. Effective December 2013, L.A. Care Health Plan Joint Powers Authority (JPA) received its Knox-Keene license and PASC-SEIU became exempt from Managed Care Organization (MCO) taxes.

Healthy Kids

Total enrollment for April is 347 members. Fiscal year-to-date performance is a surplus of \$91,000, and is \$68,000 favorable to plan.

Community Programs

Fiscal year-to-date performance was a deficit of \$5.0 million, and is \$917,000 favorable to plan driven by higher than budgeted grant revenue.

HITEC-LA

The federal grant is drawn-down based upon expenses incurred. Fiscal year-to-date performance is a deficit of \$114,000, and is \$34,000 favorable to plan.



Combined Operations Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)			YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)		(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership												
1,721,923		1,689,099		32,824		<i>Current Membership</i>	1,721,923		1,743,406		(21,483)	
1,744,501		1,709,847		34,654		<i>Member Months</i>	11,886,555		11,631,143		255,412	
Revenue												
\$583,670	334.58	\$530,028	309.99	\$53,642	24.59	Capitation	\$3,620,248	304.57	\$3,559,298	306.01	\$60,950	(1.45)
10,685	6.13	9,885	5.78	800	0.34	Maternity Kick	74,510	6.27	76,872	6.61	(2,362)	(0.34)
(9)	(0.01)	36	0.02	(45)	(0.03)	Premiums	148	0.01	299	0.03	(150)	(0.01)
90	0.05	214	0.13	(124)	(0.07)	Grants/Others	1,249	0.11	1,336	0.11	(87)	(0.01)
594,436	340.75	540,163	315.91	54,273	24.84	Total Revenues	3,696,155	310.95	3,637,804	312.76	58,351	(1.81)
Healthcare Expenses												
303,472	173.96	289,116	169.09	14,356	4.87	Capitation	2,056,829	173.04	1,960,142	168.53	(96,688)	(4.51)
6,402	3.67	6,504	3.80	(102)	(0.13)	Maternity Kick	47,671	4.01	50,818	4.37	3,147	0.36
27,408	15.71	43,275	25.31	(15,867)	(9.60)	Provider Incentives and Shared Risk	159,725	13.44	76,468	6.57	(83,256)	(6.86)
98,871	56.68	74,732	43.71	24,139	12.97	Inpatient Claims	485,572	40.85	531,279	45.68	45,707	4.83
93,131	53.39	83,234	48.68	9,898	4.71	Outpatient Claims	503,268	42.34	543,422	46.72	40,155	4.38
39,918	22.88	30,429	17.80	9,489	5.09	Pharmacy	201,966	16.99	211,615	18.19	9,649	1.20
6,850	3.93	6,847	4.00	4	(0.08)	Medical Administrative Expenses	48,729	4.10	54,872	4.72	6,142	0.62
576,053	330.21	534,136	312.39	41,917	17.82	Total Healthcare Expenses	3,503,760	294.77	3,428,616	294.78	(75,144)	0.01
96.9%		98.9%		-2.0%		<i>MCR(%)</i>	94.8%		94.2%		-0.5%	
18,383	10.54	6,027	3.52	12,356	7.01	Operating Margin	192,395	16.19	209,188	17.99	(16,793)	(1.80)
19,897	11.41	19,921	11.65	(24)	(0.25)	Total Operating Expenses	131,786	11.09	142,536	12.25	10,749	1.17
3.3%		3.7%		-0.3%		<i>Admin Ratio(%)</i>	3.6%		3.9%		0.4%	
(1,514)	(0.87)	(13,895)	(8.13)	12,380	7.26	Income from Operations	60,609	5.10	66,652	5.73	(6,043)	(0.63)
(436)	(0.25)	2,298	1.34	(2,734)	(1.59)	Total Non-Operating Income (Expense)	1,781	0.15	(5,433)	(0.47)	7,214	0.62
(\$1,950)	(1.12)	(\$11,596)	(6.78)	\$9,646	5.66	Net Surplus(Deficit)	\$62,390	5.25	\$61,219	5.26	\$1,171	(0.01)
-0.3%		-2.1%		1.8%		<i>Margin(%)</i>	1.7%		1.7%		0.0%	



MediCal Plan Partner Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)			YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)		(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership												
845,514		837,244		8,270		<i>Current Membership</i>	845,514		888,905		(43,391)	
860,203		848,527		11,676		<i>Member Months</i>	5,924,470		6,019,070		(94,600)	
Revenue												
\$205,280	238.64	\$199,932	235.62	\$5,348	3.02	Capitation	\$1,363,538	230.15	\$1,318,502	219.05	\$45,037	11.10
6,062	7.05	6,168	7.27	(106)	(0.22)	Maternity Kick	45,297	7.65	48,346	8.03	(3,050)	(0.39)
211,342	245.69	206,101	242.89	5,241	2.80	Total Revenues	1,408,835	237.80	1,366,848	227.09	41,987	10.71
Healthcare Expenses												
190,405	221.35	187,810	221.34	2,595	0.01	Capitation	1,282,160	216.42	1,238,081	205.69	(44,079)	(10.72)
5,627	6.54	5,600	6.60	27	(0.06)	Maternity Kick	41,660	7.03	44,354	7.37	2,694	0.34
742	0.86	2,514	2.96	(1,772)	(2.10)	Provider Incentives and Shared Risk	11,459	1.93	19,561	3.25	8,101	1.32
168	0.20	180	0.21	(12)	(0.02)	Outpatient Claims	821	0.14	0	-	(821)	(0.14)
786	0.91	1,003	1.18	(217)	(0.27)	Medical Administrative Expenses	6,662	1.12	8,968	1.49	2,307	0.37
197,728	229.86	197,108	232.29	620	(2.43)	Total Healthcare Expenses	1,342,763	226.65	1,310,964	217.80	(31,799)	(8.85)
93.6%		95.6%		-2.1%		<i>MCR(%)</i>	95.3%		95.9%		0.6%	
13,614	15.83	8,993	10.60	4,621	5.23	Operating Margin	66,072	11.15	55,884	9.28	10,188	1.87
4,345	5.05	4,271	5.03	74	0.02	Total Operating Expenses	29,281	4.94	32,108	5.33	2,828	0.39
2.1%		2.1%		0.0%		<i>Admin Ratio(%)</i>	2.1%		2.3%		0.3%	
9,269	10.78	4,722	5.57	4,547	5.21	Income from Operations	36,791	6.21	23,776	3.95	13,016	2.26
\$9,269	10.78	\$4,722	5.57	\$4,547	5.21	Net Surplus(Deficit)	\$36,791	6.21	\$23,776	3.95	\$13,016	2.26
4.4%		2.3%		2.1%		<i>Margin(%)</i>	2.6%		1.7%		0.9%	



MCLA Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)			YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)		(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership												
797,178		775,279		21,899		<i>Current Membership</i>	797,178		731,424		65,754	
802,985		782,301		20,684		<i>Member Months</i>	5,374,175		4,836,542		537,633	
Revenue												
\$338,282	421.28	\$286,168	365.80	\$52,114	55.48	Capitation	\$2,025,425	376.88	\$1,756,662	363.21	\$268,764	13.68
4,623	5.76	3,717	4.75	906	1.01	Maternity Kick	29,214	5.44	28,525	5.90	688	(0.46)
342,905	427.04	289,885	370.55	53,020	56.48	Total Revenues	2,054,639	382.32	1,785,187	369.10	269,452	13.21
Healthcare Expenses												
83,995	104.60	77,083	98.53	6,912	6.07	Capitation	616,699	114.75	500,813	103.55	(115,886)	(11.20)
775	0.97	904	1.16	(129)	(0.19)	Maternity Kick	6,010	1.12	6,464	1.34	454	0.22
23,104	28.77	34,698	44.35	(11,594)	(15.58)	Provider Incentives and Shared Risk	149,873	27.89	48,459	10.02	(101,414)	(17.87)
94,127	117.22	70,963	90.71	23,164	26.51	Inpatient Claims	452,582	84.21	433,991	89.73	(18,591)	5.52
91,783	114.30	77,851	99.52	13,932	14.79	Outpatient Claims	481,813	89.65	460,409	95.19	(21,404)	5.54
34,009	42.35	26,711	34.14	7,298	8.21	Pharmacy	184,158	34.27	167,353	34.60	(16,805)	0.33
3,970	4.94	4,575	5.85	(605)	(0.90)	Medical Administrative Expenses	27,711	5.16	29,396	6.08	1,685	0.92
331,762	413.16	292,784	374.26	38,979	38.90	Total Healthcare Expenses	1,918,847	357.05	1,646,884	340.51	(271,963)	(16.54)
96.8%		101.0%		-4.2%		<i>MCR(%)</i>	93.4%		92.3%		-1.1%	
11,143	13.88	(2,898)	(3.70)	14,041	17.58	Operating Margin	135,792	25.27	138,303	28.60	(2,511)	(3.33)
11,002	13.70	11,125	14.22	(123)	(0.52)	Total Operating Expenses	70,983	13.21	76,997	15.92	6,014	2.71
3.2%		3.8%		-0.6%		<i>Admin Ratio(%)</i>	3.5%		4.3%		0.9%	
141	0.18	(14,023)	(17.93)	14,164	18.10	Income from Operations	64,809	12.06	61,306	12.68	3,503	(0.62)
\$141	0.18	(\$14,023)	(17.93)	\$14,164	18.10	Net Surplus(Deficit)	\$64,809	12.06	\$61,306	12.68	\$3,503	(0.62)
0.0%		-4.8%		4.9%		<i>Margin(%)</i>	3.2%		3.4%		-0.3%	



Exhibit for information purposes only. Not a financial Statement

MCLA SPD Exhibit (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)			YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)		(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership												
72,884		73,333		(449)		Current Membership	72,884		93,627		(20,743)	
71,519		73,512		(1,993)		Member Months	518,132		624,785		(106,653)	
Revenue												
77,020	1,076.92	\$71,056	966.60	\$5,964	110.33	Capitation	\$512,817	989.74	\$500,332	800.81	\$12,485	188.94
77,020	1,076.92	71,056	966.60	5,964	110.33	Total Revenues	512,817	989.74	500,332	800.81	12,485	188.94
Healthcare Expenses												
12,545	175.41	11,899	161.86	647	13.55	Capitation	88,633	171.06	95,122	152.25	6,490	(18.81)
130	1.81	469	6.38	(339)	(4.57)	Provider Incentives	980	1.89	1,445	2.31	465	0.42
2,493	34.86	0	-	2,493	34.86	DHS/DHCS Risk Sharing	(3,232)	(6.24)	0	-	3,232	6.24
22,714	317.59	21,148	287.68	1,566	29.91	Inpatient Claims	150,141	289.77	164,212	262.83	14,071	(26.94)
38,871	543.50	30,612	416.42	8,259	127.08	Outpatient Claims	199,377	384.80	154,739	247.67	(44,638)	(137.13)
14,367	200.88	11,269	153.29	3,098	47.59	Pharmacy	80,123	154.64	79,228	126.81	(895)	(27.83)
1,009	14.11	1,075	14.63	(66)	(0.52)	Medical Administrative Expenses	6,931	13.38	8,284	13.26	1,352	(0.12)
92,129	1,288.18	76,472	1,040.26	15,657	247.92	Total Healthcare Expenses	522,953	1,009.30	503,030	805.12	(19,923)	(204.18)
	119.6%		107.6%		12.0%	MCR(%)		102.0%		100.5%		-1.4%
(15,109)	(211.25)	(5,415)	(73.67)	(9,693)	(137.59)	Operating Margin	(10,136)	(19.56)	(2,698)	(4.32)	(7,438)	(15.25)
2,471	34.55	2,727	37.09	(256)	(2.54)	Total Operating Expenses	17,717	34.19	21,580	34.54	3,863	0.35
	3.2%		3.8%		-0.6%	Admin Ratio(%)		3.5%		4.3%		0.9%
(17,580)	(245.81)	(8,142)	(110.76)	(9,438)	(135.05)	Income from Operations	(27,853)	(53.76)	(24,278)	(38.86)	(3,575)	(14.90)
(\$17,580)	(245.81)	(\$8,142)	(110.76)	(\$9,438)	(135.05)	Net Surplus(Deficit)	(\$27,853)	(53.76)	(\$24,278)	(38.86)	(\$3,575)	(14.90)
	-22.8%		-11.5%		-11.4%	Margin(%)		-5.4%		-4.9%		-0.6%

Note:

MCLA SPD Financial Statements exclude members that have Medicare as their primary coverage.



CMC Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)		YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership											
15,769		15,493		276		15,769		29,222		(13,453)	
15,779		15,481		298		73,555		121,082		(47,527)	
Revenue											
\$23,594	1,495.28	\$22,841	1,475.44	\$753	19.84	\$108,550	1,475.77	\$285,871	2,360.97	(\$177,321)	(885.20)
23,594	1,495.28	22,841	1,475.44	753	19.84	108,550	1,475.77	285,871	2,360.97	(177,321)	(885.20)
Healthcare Expenses											
10,397	658.89	10,104	652.65	293	6.24	48,551	660.07	86,198	711.90	37,647	51.83
3,089	195.79	2,877	185.82	213	9.97	7,731	105.10	1,745	14.41	(5,986)	(90.69)
3,227	204.49	3,876	250.37	(649)	(45.88)	18,911	257.09	83,157	686.78	64,246	429.69
1,472	93.28	5,085	328.45	(3,613)	(235.16)	19,229	261.42	66,885	552.39	47,656	290.98
3,836	243.12	2,306	148.98	1,530	94.14	10,624	144.44	33,950	280.39	23,326	135.95
1,769	112.11	869	56.13	900	55.98	10,996	149.49	10,874	89.81	(122)	(59.68)
23,790	1,507.68	25,116	1,622.40	(1,327)	(114.72)	116,041	1,577.61	282,809	2,335.68	166,768	758.07
100.8%		110.0%		-9.1%		106.9%		98.9%		-8.0%	
(196)	(12.40)	(2,275)	(146.96)	2,079	134.56	(7,491)	(101.84)	3,062	25.29	(10,553)	(127.13)
1,899	120.35	2,043	131.98	(144)	(11.63)	11,253	152.99	10,822	89.38	(431)	(63.61)
8.0%		8.9%		-0.9%		10.4%		3.8%		-6.6%	
(2,095)	(132.75)	(4,318)	(278.94)	2,224	146.19	(18,744)	(254.83)	(7,760)	(64.09)	(10,984)	(190.74)
(\$2,095)	(132.75)	(\$4,318)	(278.94)	\$2,224	146.19	(\$18,744)	(254.83)	(\$7,760)	(64.09)	(\$10,984)	(190.74)
-8.9%		-18.9%		10.0%		-17.3%		-2.7%		-14.6%	



L.A. Care Covered Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)			YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)		(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership												
17,124		14,723		2,401		<i>Current Membership</i>	17,124		43,779		(26,655)	
19,177		17,248		1,929		<i>Member Months</i>	156,728		279,440		(122,712)	
Revenue												
\$2,284	119.09	\$7,170	415.69	(\$4,886)	(296.60)	Capitation	(\$5,604)	(35.76)	\$66,220	236.98	(\$71,825)	(272.73)
(9)	(0.48)	36	2.09	(45)	(2.57)	Premiums	147	0.94	279	1.00	(132)	(0.06)
2,275	118.61	7,206	417.78	(4,931)	(299.17)	Total Revenues *	(5,457)	(34.82)	66,500	237.98	(71,957)	(272.79)
Healthcare Expenses												
6,360	331.62	1,791	103.82	4,569	227.80	Capitation	13,136	83.81	34,300	122.75	21,165	38.93
2,387	124.49	1,186	68.78	1,201	55.72	Provider Incentives and Shared Risk	(8,030)	(51.24)	5,534	19.80	13,565	71.04
345	17.98	332	19.22	13	(1.24)	Inpatient Claims	3,259	20.79	3,768	13.48	509	(7.31)
270	14.09	268	15.52	3	(1.42)	Outpatient Claims	(1,302)	(8.31)	10,751	38.47	12,053	46.78
487	25.41	328	18.99	160	6.42	Pharmacy	2,441	15.57	2,643	9.46	203	(6.11)
133	6.93	153	8.89	(20)	(1.96)	Medical Administrative Expenses	971	6.19	3,040	10.88	2,069	4.69
9,982	520.53	4,057	235.23	5,925	285.31	Total Healthcare Expenses	10,474	66.83	60,037	214.85	49,563	148.02
438.9%		56.3%		382.6%		<i>MCR(%)</i>	-191.9%		90.3%		282.2%	
(7,708)	(401.92)	3,149	182.56	(10,856)	(584.48)	Operating Margin	(15,931)	(101.65)	6,463	23.13	(22,394)	(124.78)
1,031	53.78	705	40.88	326	12.91	Total Operating Expenses	6,275	40.04	8,626	30.87	2,352	(9.17)
45.3%		9.8%		35.6%		<i>Admin Ratio(%)</i>	-115.0%		13.0%		128.0%	
(8,739)	(455.70)	2,444	141.68	(11,183)	(597.38)	Income from Operations	(22,206)	(141.68)	(2,164)	(7.74)	(20,042)	(133.94)
154	8.02	(496)	(28.75)	650	36.77	Total Non-Operating Income (Expense)	(1,230)	(7.85)	(2,618)	(9.37)	1,389	1.53
(\$8,585)	(447.68)	\$1,948	112.93	(\$10,533)	(560.61)	Net Surplus(Deficit)	(\$23,436)	(149.53)	(\$4,782)	(17.11)	(\$18,653)	(132.42)
-377.4%		27.0%		-404.5%		<i>Margin(%)</i>	429.4%		-7.2%		436.6%	

* Revenue reflects retroactive adjustments to January 2014.



Medicare Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)		YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership											
0		0		0		0		0		0	
2		(12)		14		26,720		26,052		668	
Revenue											
\$0		\$0		\$0		\$24,424	914.07	\$25,270	970.00	(\$847)	(55.93)
1		(321)		322		2,386	89.30	0	-	2,386	89.30
1		(321)		322		26,810	1,003.36	25,270	970.00	1,539	33.36
Healthcare Expenses											
(0)		(0)		0		9,867	369.26	9,898	379.95	32	10.68
(1,916)		1,969		(3,885)		(1,351)	(50.55)	592	22.73	1,943	73.28
213		(746)		959		8,311	311.05	7,748	297.42	(563)	(13.63)
(795)		(289)		(506)		1,563	58.50	2,364	90.74	801	32.24
0		166		(166)		(1,518)	(56.83)	2,214	85.00	3,733	141.83
(3)		22		(25)		1,072	40.12	1,350	51.81	278	11.68
(2,502)		1,121		(3,623)		17,944	671.56	24,167	927.64	6,223	256.08
Total Healthcare Expenses											
<i>MCR(%)</i>											
						66.9%		95.6%		28.7%	
2,503		(1,442)		3,945		8,866	331.80	1,104	42.36	7,762	289.45
Operating Margin											
0		65		(65)		2,069	77.42	2,570	98.65	501	21.22
Total Operating Expenses											
<i>Admin Ratio(%)</i>											
						7.7%		10.2%		2.5%	
2,503		(1,507)		4,009		6,797	254.38	(1,466)	(56.29)	8,263	310.67
Income from Operations											
\$2,503		(\$1,507)		\$4,009		\$6,797	254.38	(\$1,466)	(56.29)	\$8,263	310.67
Net Surplus(Deficit)											
<i>Margin(%)</i>											
						25.4%		-5.8%		31.2%	



PASC-SEIU Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)		YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership											
45,972		45,992		(20)		45,972		49,278		(3,306)	
45,984		45,932		52		328,445		343,371		(14,926)	
Revenue											
\$14,183	308.43	\$14,187	308.88	(\$4)	(0.44)	\$101,232	308.21	\$105,796	308.11	(\$4,564)	0.10
14,183	308.43	14,187	308.88	(4)	(0.44)	101,232	308.21	105,796	308.11	(4,564)	0.10
Healthcare Expenses											
12,305	267.60	12,316	268.15	(11)	(0.54)	86,336	262.86	90,666	264.05	4,329	1.18
0	-	0	-	0	-	0	-	6	0.02	6	0.02
960	20.88	319	6.95	641	13.93	2,513	7.65	2,575	7.50	62	(0.15)
235	5.11	140	3.06	94	2.05	1,177	3.58	2,919	8.50	1,742	4.92
1,580	34.36	915	19.92	665	14.44	6,243	19.01	5,418	15.78	(825)	(3.23)
194	4.23	223	4.86	(29)	(0.64)	1,310	3.99	1,230	3.58	(80)	(0.41)
15,275	332.18	13,914	302.93	1,361	29.24	97,579	297.09	102,813	299.42	5,233	2.33
107.7%		98.1%		9.6%		96.4%		97.2%		0.8%	
(1,092)	(23.74)	273	5.94	(1,365)	(29.69)	3,652	11.12	2,983	8.69	669	2.43
545	11.86	553	12.04	(8)	(0.18)	3,918	11.93	2,804	8.17	(1,114)	(3.76)
3.8%		3.9%		-0.1%		3.9%		2.7%		-1.2%	
(1,637)	(35.60)	(280)	(6.09)	(1,357)	(29.51)	(266)	(0.81)	180	0.52	(445)	(1.33)
(\$1,637)	(35.60)	(\$280)	(6.09)	(\$1,357)	(29.51)	(\$266)	(0.81)	\$180	0.52	(\$445)	(1.33)
-11.5%		-2.0%		-9.6%		-0.3%		0.2%		-0.4%	



Healthy Kids 0-5 Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)		YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership											
347		351		(4)		347		798		(451)	
352		353		(1)		2,426		5,586		(3,160)	
Revenue											
\$41	117.00	\$42	117.70	(\$0)	(0.70)	\$284	117.13	\$977	174.82	(\$692)	(57.69)
0	0.36	0	0.41	(0)	(0.05)	1	0.48	19	3.42	(18)	(2.94)
41	117.36	42	118.11	(0)	(0.75)	285	117.61	996	178.24	(710)	(60.63)
Healthcare Expenses											
11	32.34	12	32.96	(0)	(0.62)	80	32.92	186	33.35	106	0.43
1	3.72	31	86.55	(29)	(82.84)	42	17.20	571	102.28	530	85.08
1	1.75	(10)	(27.97)	10	29.71	(0)	(0.03)	39	7.00	39	7.03
1	3.38	2	4.64	(0)	(1.26)	(16)	(6.46)	95	17.00	111	23.46
4	12.35	3	9.73	1	2.62	16	6.80	36	6.47	20	(0.33)
1	3.67	2	4.37	(0)	(0.70)	8	3.23	14	2.44	6	(0.79)
20	57.22	39	110.29	(19)	(53.08)	130	53.67	941	168.54	811	114.87
48.8%		93.4%		-44.6%		45.6%		94.6%		48.9%	
21	60.15	3	7.82	18	52.33	155	63.94	54	9.70	101	54.25
14	38.41	4	10.05	10	28.36	64	26.35	31	5.51	(33)	(20.85)
32.7%		8.5%		24.2%		22.4%		3.1%		-19.3%	
8	21.74	(1)	(2.23)	8	23.96	91	37.59	23	4.19	68	33.40
\$8	21.74	(\$1)	(2.23)	\$8	23.96	\$91	37.59	\$23	4.19	\$68	33.40
18.5%		-1.9%		20.4%		32.0%		2.4%		29.6%	



Community Programs Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)			YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)		(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership												
0		0		0		Current Membership	0		0		0	
0		0		0		Member Months	0		0		0	
Revenue												
\$39	-	\$20	-	\$19	-	Grants/Others	\$222	-	\$0	-	\$222	-
0	-	0	-	0	-	Capitation	0	-	0	-	0	-
39	-	20	-	19	-	Total Revenues	222	-	0	-	222	-
Healthcare Expenses												
0	-	0	-	0	-	Medical Administrative Expenses	0	-	0	-	0	-
0	-	0	-	0	-	Total Healthcare Expenses	0	-	0	-	0	-
0.0%		0.0%		0.0%		MCR(%)	0.0%		0.0%		0.0%	
39	-	20	-	19	-	Operating Margin	222	-	0	-	222	-
492	-	417	-	74	-	Total Operating Expenses	3,247	-	3,010	-	(236)	-
0.0%		0.0%		0.0%		Admin Ratio(%)	0.0%		0.0%		0.0%	
(453)	-	(398)	-	(55)	-	Income from Operations	(3,025)	-	(3,010)	-	(15)	-
0	-	0	-	0	-	Total Non-Operating Income (Expense)	(1,985)	-	(2,917)	-	932	-
(\$453)	0.00	(\$398)	0.00	(\$55)	0.00	Net Surplus(Deficit)	(\$5,010)	0.00	(\$5,927)	0.00	\$917	0.00
0.0%		0.0%		0.0%		Margin(%)	0.0%		0.0%		0.0%	



HITEC-LA Financial Statement (\$ in thousands)

April 2015

Current Month		Prior Month		Increase (Decrease)			YTD Actual		YTD Budget		Fav<Unfav> Budget	
(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)		(\$)	(PMPM)	(\$)	(PMPM)	(\$)	(PMPM)
Membership												
0		0		0		Current Membership	0		0		0	
0		0		0		Member Months	0		0		0	
Revenue												
\$51	-	\$194	-	(\$143)	-	Grants/Others	\$1,027	-	\$1,336	-	(\$309)	-
0	-	0	-	0	-	Capitation	0	-	0	-	0	-
51	-	194	-	(143)	-	Total Revenues	1,027	-	1,336	-	(309)	-
Healthcare Expenses												
0	-	0	-	0	-	Medical Administrative Expenses	0	-	0	-	0	-
0	-	0	-	0	-	Total Healthcare Expenses	0	-	0	-	0	-
0.0%		0.0%		0.0%		MCR(%)	0.0%		0.0%		0.0%	
51	-	194	-	(143)	-	Operating Margin	1,027	-	1,336	-	(309)	-
57	-	216	-	(159)	-	Total Operating Expenses	1,141	-	1,484	-	343	-
0.0%		0.0%		0.0%		Admin Ratio(%)	0.0%		0.0%		0.0%	
(6)	-	(21)	-	16	-	Income from Operations	(114)	-	(148)	-	34	-
(\$6)	0.00	(\$21)	0.00	\$16	0.00	Net Surplus(Deficit)	(\$114)	0.00	(\$148)	0.00	\$34	0.00
0.0%		0.0%		0.0%		Margin(%)	0.0%		0.0%		0.0%	



Comparative Balance Sheet

April 2015

(Dollars in thousands)	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15
ASSETS						
CURRENT ASSETS						
Total Current Assets	1,578,110	1,948,116	2,452,736	2,292,462	2,132,513	1,955,883
Capitalized Assets - net	31,328	32,159	32,190	34,524	35,219	37,286
NON-CURRENT ASSETS	10,160	10,138	10,150	10,153	10,315	10,300
TOTAL ASSETS	1,619,598	1,990,414	2,495,077	2,337,139	2,178,047	2,003,469
LIABILITIES AND FUND EQUITY						
CURRENT LIABILITIES						
Total Current Liability	1,353,803	1,713,835	2,203,011	2,037,462	1,889,970	1,717,348
Long Term Liability	3,497	3,582	3,646	3,665	3,661	3,657
Total Liabilities	1,357,300	1,717,417	2,206,657	2,041,127	1,893,631	1,721,004
FUND EQUITY						
Invested in Capital Assets, net of related debt	31,328	32,159	32,190	34,524	35,219	37,286
Restricted Equity	300	300	300	300	300	300
Minimum Tangible Net Equity	89,784	95,674	101,450	105,377	111,888	120,052
Board Designated Funds	140,886	144,864	154,479	155,810	137,008	124,826
Total Fund Equity	262,298	272,997	288,420	296,011	284,415	282,465
TOTAL LIABILITIES AND FUND EQUITY	\$1,619,598	\$1,990,414	\$2,495,077	\$2,337,139	\$2,178,045	\$2,003,469
Solvency Ratios						
Working Capital Ratio	1.17	1.14	1.11	1.13	1.13	1.14
Cash to Claims Ratio	0.60	1.36	1.33	1.34	1.19	1.25
Tangible Net Equity Ratio	2.92	2.85	2.84	2.81	2.54	2.35



DATE: May 27, 2015
TO: Finance & Budget Committee
FROM: Timothy Reilly, *Chief Financial Officer*

SUBJECT: Monthly Investment Transaction Report – April 2015

In order to keep the Committee apprised of L.A. Care's investment portfolios and to comply with California government code section #53607, presented herein are the investment transaction details from April 1, 2015, to April 30, 2015.

As of April 30, 2015, L.A. Care's total investments market value was \$1,493 million. This includes \$50 million invested with the Los Angeles County Pooled Investment Fund (LACPIF) and \$10 million invested with the Local Agency Investment Fund (LAIF). These government pooled funds are overseen by the County Treasurer (LACPIF) and State Treasurers Office (LAIF). The remainder, \$1,433 million, is managed by Payden & Rygel, an external professional asset management firm and is divided to two separate portfolios based on investment style,

1. The Short-term Portfolio and
2. The Extended Portfolio

Presented herewith the transactions related to these portfolios.

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN
 Account Number:

04/01/2015
 through 04/30/2015

Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
03/27/15	04/01/15	Buy	4,410,000.000	STATE STREET BANK FRN	12/08/15	0.46	85744NAB7	(4,407,750.90)	(1,362.98)	(4,409,113.88)
03/25/15	04/02/15	Buy	10,900,000.000	FFCB 1ML FRN	01/02/18	0.22	3133EEWS	(10,899,392.87)		(10,899,392.87)
04/08/15	04/08/15	Buy	50,000,000.000	U.S. TREASURY BILL	04/09/15		912796FC8	(49,999,958.33)		(49,999,958.33)
04/07/15	04/10/15	Buy	750,000.000	NSTAR ELECTRIC FRN	05/17/16	0.50	67021CAH0	(749,385.00)	(538.53)	(749,923.53)
04/08/15	04/13/15	Buy	2,000,000.000	PNC BANK	01/28/16	0.80	69349LAH1	(2,004,080.00)	(3,333.33)	(2,007,413.33)
04/08/15	04/13/15	Buy	4,020,000.000	TOYOTA 2014-B A3 CAR	03/15/18	0.76	89231RAC8	(4,018,429.69)	(2,376.27)	(4,020,805.96)
04/10/15	04/14/15	Buy	7,500,000.000	PRIVATE EXPORT FUNDING CP	01/05/16		7426M2A5	(7,480,604.17)		(7,480,604.17)
04/10/15	04/15/15	Buy	1,500,000.000	ORACLE FRN	07/07/17	0.47	68389XAT2	(1,501,710.00)	(156.92)	(1,501,866.92)
04/10/15	04/15/15	Buy	3,820,000.000	USAA 2014-1 A3 CAR	12/15/17	0.58	90290KAC9	(3,818,657.03)		(3,818,657.03)
04/10/15	04/15/15	Buy	3,250,000.000	US BANK CINCINNATI FRN	01/30/17	0.51	90331HMD	(3,252,892.50)	(3,281.15)	(3,256,173.65)
04/09/15	04/16/15	Buy	6,925,000.000	FFCB 1ML FRN	04/16/18	0.23	3133EEZC7	(6,923,950.38)		(6,923,950.38)
04/10/15	04/16/15	Buy	2,900,000.000	NEW YORK UNIVERSITY	07/01/17	0.90	650119AD2	(2,900,000.00)		(2,900,000.00)
04/16/15	04/17/15	Buy	50,000,000.000	U.S. TREASURY NOTE	08/31/16	0.50	912828D64	(50,109,542.50)	(32,608.70)	(50,142,151.20)
04/15/15	04/20/15	Buy	2,650,000.000	AMERICAN EXPRESS FRN	06/05/17	0.54	0258MODN	(2,646,793.50)	(1,812.08)	(2,648,605.58)
04/15/15	04/20/15	Buy	3,500,000.000	PFIZER FRN	05/15/17	0.41	717081DP5	(3,500,560.00)	(2,453.91)	(3,503,013.91)
04/20/15	04/21/15	Buy	25,000,000.000	FHLB DISCOUNT NOTE	04/24/15		313384ET2	(24,999,916.67)		(24,999,916.67)
04/20/15	04/21/15	Buy	13,290,000.000	FHLB DISCOUNT NOTE	04/24/15		313384ET2	(13,289,961.24)		(13,289,961.24)
04/20/15	04/21/15	Buy	16,600,000.000	FHLB DISCOUNT NOTE	04/24/15		313384ET2	(16,599,944.67)		(16,599,944.67)
04/20/15	04/21/15	Buy	30,000,000.000	FHLB DISCOUNT NOTE	05/06/15		313384FF1	(29,999,375.00)		(29,999,375.00)
04/17/15	04/21/15	Buy	130,000.000	JOHN DEERE 2015-A A2A EQP	02/15/18	0.87	47787UAB9	(130,218.36)	(18.85)	(130,237.21)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN
 Account Number:

04/01/2015
 through 04/30/2015

Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/21/15	04/22/15	Buy	50,000,000.000	FHLB DISCOUNT NOTE	05/15/15		313384FQ7	(49,998,243.06)		(49,998,243.06)
04/17/15	04/22/15	Buy	600,000.000	IBM FRN	02/06/18	0.45	459200JA0	(600,696.00)	(556.38)	(601,252.38)
04/17/15	04/22/15	Buy	487,000.000	COCA-COLA	09/01/16	1.80	191216AU4	(495,610.16)	(1,241.85)	(496,852.01)
04/15/15	04/22/15	Buy	5,600,000.000	RICE UNIVERSITY	05/15/16	0.50	96926GAB9	(5,600,000.00)		(5,600,000.00)
04/22/15	04/23/15	Buy	50,000,000.000	U.S. TREASURY NOTE	03/31/16	0.38	912828C40	(50,064,620.63)	(11,782.79)	(50,076,403.42)
04/22/15	04/23/15	Buy	50,000,000.000	U.S. TREASURY FRN	01/31/17	0.11	912828H60	(50,014,408.09)	(12,059.89)	(50,026,467.98)
04/24/15	04/24/15	Buy	50,000,000.000	FHLB DISCOUNT NOTE	05/15/15		313384FQ7	(49,998,541.67)		(49,998,541.67)
04/23/15	04/24/15	Buy	50,000,000.000	FHLB DISCOUNT NOTE	05/22/15		313384FX2	(49,997,861.11)		(49,997,861.11)
04/24/15	04/24/15	Buy	50,000,000.000	FHLB DISCOUNT NOTE	05/22/15		313384FX2	(49,997,861.11)		(49,997,861.11)
04/23/15	04/24/15	Buy	27,000,000.000	FNMA DISCOUNT NOTE	05/01/15		313588FA8	(26,999,763.75)		(26,999,763.75)
04/24/15	04/24/15	Buy	25,000,000.000	FNMA DISCOUNT NOTE	06/02/15		313588GJ8	(24,998,510.42)		(24,998,510.42)
04/24/15	04/24/15	Buy	50,000,000.000	FNMA DISCOUNT NOTE	07/01/15		313588HP3	(49,993,861.11)		(49,993,861.11)
04/21/15	04/24/15	Buy	2,700,000.000	GEEMT 2014-1 A2 EQP	04/24/17	0.64	36163TAB9	(2,700,316.41)	(96.00)	(2,700,412.41)
04/21/15	04/24/15	Buy	1,500,000.000	NATL RURAL UTILITIES	11/01/15	1.90	637432ML6	(1,511,985.00)	(13,695.83)	(1,525,680.83)
04/22/15	04/27/15	Buy	750,000.000	MERCK & CO	05/18/16	0.70	58933YAD7	(751,882.50)	(2,318.75)	(754,201.25)
04/23/15	04/28/15	Buy	11,538,078.460	NGN 2011-R4 1A 1MOFRN NCUA	03/06/20	0.56	62889FAA0	(11,565,120.83)	(3,931.31)	(11,569,052.14)
04/22/15	04/29/15	Buy	7,200,000.000	CHASE 2015-A3 A CDT	04/15/19	0.43	161571GW	(7,200,000.00)		(7,200,000.00)
04/28/15	04/30/15	Buy	10,000,000.000	FFCB 1ML	01/17/18	0.21	3133EEZM5	(9,998,700.00)	(759.78)	(9,999,459.78)
04/28/15	04/30/15	Buy	10,000,000.000	FFCB 3ML	09/12/17	0.20	3133EETJ9	(9,998,900.00)	(2,690.92)	(10,001,590.92)
04/15/15	04/30/15	Buy	3,750,000.000	FNA 2015-M7 ASQ2	04/25/18	1.55	3136ANJY4	(3,787,486.50)	(4,682.29)	(3,792,168.79)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN
Account Number:

04/01/2015
through 04/30/2015

Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/27/15	04/30/15	Buy	2,500,000.000	PEPSICO	04/30/18	1.25	713448CR7	(2,499,700.00)		(2,499,700.00)
			697,770,078.460					(698,007,191.16)	(101,758.51)	(698,108,949.67)
04/01/15	04/01/15	Coupon		CA GOLDEN EMPIRE SFA LEASE	05/01/15	0.31	381008AR2		204.33	204.33
04/02/15	04/02/15	Coupon		GE CAPITAL CORP FRN	04/02/18	0.98	36962G6X7		8,928.10	8,928.10
04/03/15	04/03/15	Coupon		FFCB 1ML FRN	10/03/16	0.20	3133ED3B6		830.97	830.97
04/06/15	04/06/15	Coupon		NGN 2010-R2 1A 1MOFRN NCUA	11/06/17	0.55	62888UAA8		1,133.10	1,133.10
04/07/15	04/07/15	Coupon		NATL RURAL UTILITIES FRN	05/01/15	0.32	63743HEJ7		721.05	721.05
04/07/15	04/07/15	Coupon		ORACLE FRN	07/07/17	0.47	68389XAT2		907.20	907.20
04/07/15	04/07/15	Coupon		ORACLE FRN	07/07/17	0.47	68389XAT2		290.30	290.30
04/07/15	04/07/15	Coupon		ORACLE FRN	07/07/17	0.47	68389XAT2		1,247.40	1,247.40
04/07/15	04/07/15	Coupon		ORACLE FRN	07/07/17	0.47	68389XAT2		4,359.10	4,359.10
04/08/15	04/08/15	Coupon		FFCB 1ML FRN	07/08/16	0.20	3133ED4K5		503.75	503.75
04/10/15	04/10/15	Coupon		METLIFE GLOBAL FRN 144A	04/10/17	0.65	59217GBE8		2,317.70	2,317.70
04/11/15	04/11/15	Coupon		DUKE ENERGY INDIANA FRN	07/11/16	0.63	263901AE0		466.63	466.63
04/11/15	04/11/15	Coupon		DUKE ENERGY INDIANA FRN	07/11/16	0.63	263901AE0		662.31	662.31
04/11/15	04/11/15	Coupon		DUKE ENERGY INDIANA FRN	07/11/16	0.63	263901AE0		4,774.65	4,774.65
04/11/15	04/11/15	Coupon		DUKE ENERGY INDIANA FRN	07/11/16	0.63	263901AE0		346.21	346.21
04/11/15	04/11/15	Coupon		DUKE ENERGY INDIANA FRN	07/11/16	0.63	263901AE0		263.42	263.42
04/11/15	04/11/15	Coupon		DUKE ENERGY INDIANA FRN	07/11/16	0.63	263901AE0		1,994.46	1,994.46
04/11/15	04/11/15	Coupon		DUKE ENERGY INDIANA FRN	07/11/16	0.63	263901AE0		270.95	270.95

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN
 Account Number:

04/01/2015
 through 04/30/2015

Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/11/15	04/11/15	Coupon		WAL-MART STORES	04/11/16	0.60	931142DE0		1,500.00	1,500.00
04/11/15	04/11/15	Coupon		WAL-MART STORES	04/11/16	0.60	931142DE0		2,520.00	2,520.00
04/11/15	04/11/15	Coupon		WAL-MART STORES	04/11/16	0.60	931142DE0		3,330.00	3,330.00
04/11/15	04/11/15	Coupon		WAL-MART STORES	04/11/16	0.60	931142DE0		2,520.00	2,520.00
04/11/15	04/11/15	Coupon		WAL-MART STORES	04/11/16	0.60	931142DE0		6,975.00	6,975.00
04/11/15	04/11/15	Coupon		WAL-MART STORES	04/11/16	0.60	931142DE0		3,900.00	3,900.00
04/13/15	04/13/15	Coupon		BERKSHIRE HATHAWAY FRN	01/12/18	0.58	084664CD1		10,143.83	10,143.83
04/13/15	04/13/15	Coupon		BERKSHIRE HATHAWAY FRN	01/12/18	0.58	084664CD1		777.69	777.69
04/13/15	04/13/15	Coupon		JOHN DEERE CAPITAL FRN	10/11/16	0.57	24422ESE0		301.47	301.47
04/13/15	04/13/15	Coupon		FFCB 1ML FRN	02/13/17	0.22	3133EDFB3		930.00	930.00
04/15/15	04/15/15	Coupon		HONDA 2014-4 A2 CAR	01/17/17	0.58	43814JAB0		596.92	596.92
04/15/15	04/15/15	Coupon		HONDA 2015-1 A2 CAR	06/15/17	0.70	43814KAB7		991.67	991.67
04/15/15	04/15/15	Coupon		JOHN DEERE 2014-A A3 EQP	04/16/18	0.92	47787VAC5		2,319.17	2,319.17
04/15/15	04/15/15	Coupon		JOHN DEERE 2015-A A2A EQP	02/15/18	0.87	47787UAB9		4,034.38	4,034.38
04/15/15	04/15/15	Coupon		JPMORGAN CHASE	10/15/15	1.10	46623EJR1		2,750.00	2,750.00
04/15/15	04/15/15	Coupon		ORACLE FRN	01/15/19	0.86	68389XAR6		2,447.82	2,447.82
04/15/15	04/15/15	Coupon		ORACLE FRN	01/15/19	0.86	68389XAR6		1,072.87	1,072.87
04/15/15	04/15/15	Coupon		ALABAMA POWER	10/15/15	0.55	010392FH6		4,125.00	4,125.00
04/15/15	04/15/15	Coupon		TOYOTA 2014-B A3 CAR	03/15/18	0.76	89231RAC8		2,546.00	2,546.00
04/15/15	04/15/15	Coupon		TOYOTA 2015-A A2 CAR	07/17/17	1.01	89236WAB		3,312.80	3,312.80

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN
Account Number:

04/01/2015
through 04/30/2015

Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/15/15	04/15/15	Coupon		U.S. TREASURY NOTE	04/15/16	0.25	912828UW		1,250.00	1,250.00
04/15/15	04/15/15	Coupon		USAA 2012-1 A3 CAR	08/15/16	0.43	90327BAC6		5.97	5.97
04/15/15	04/15/15	Coupon		USAA 2014-1 A2 CAR	10/17/16	0.38	90290KAB1		60.61	60.61
04/15/15	04/15/15	Coupon		USAA 2014-1 A2 CAR	10/17/16	0.38	90290KAB1		41.33	41.33
04/15/15	04/15/15	Coupon		USAA 2014-1 A3 CAR	12/15/17	0.58	90290KAC9		512.33	512.33
04/16/15	04/16/15	Coupon		JOHN DEERE CAPITAL CORP FR	01/16/18	0.57	24422ESU4		10,192.50	10,192.50
04/17/15	04/17/15	Coupon		FFCB 1ML FRN	04/17/17	0.23	3133EDJX1		585.13	585.13
04/20/15	04/20/15	Coupon		GEDFT 2013-1 A 1MOFRN FLOO	04/20/18	0.58	36159LCF1		483.60	483.60
04/20/15	04/20/15	Coupon		GEDFT 2013-1 A 1MOFRN FLOO	04/20/18	0.58	36159LCF1		243.04	243.04
04/20/15	04/20/15	Coupon		GEDFT 2013-1 A 1MOFRN FLOO	04/20/18	0.58	36159LCF1		595.20	595.20
04/20/15	04/20/15	Coupon		WELLS FARGO FRN	07/20/16	0.81	94974BFM7		589.95	589.95
04/20/15	04/20/15	Coupon		WELLS FARGO FRN	07/20/16	0.81	94974BFM7		2,359.80	2,359.80
04/22/15	04/22/15	Coupon		GEEMT 2014-1 A2 EQP	04/24/17	0.64	36163TAB9		480.00	480.00
04/23/15	04/23/15	Coupon		BNY MELLON	10/23/15	0.70	06406HCD		1,750.00	1,750.00
04/23/15	04/23/15	Coupon		BNY MELLON	10/23/15	0.70	06406HCD		7,000.00	7,000.00
04/23/15	04/23/15	Coupon		BNY MELLON	10/23/15	0.70	06406HCD		4,550.00	4,550.00
04/23/15	04/23/15	Coupon		BNY MELLON FRN	10/23/15	0.51	06406HCF4		1,217.75	1,217.75
04/23/15	04/23/15	Coupon		GEET 2015-1 A2 EQP	11/24/17	0.89	36164EAB1		1,580.86	1,580.86
04/23/15	04/23/15	Coupon		NEW YORK LIFE GLOBAL FRN 14	05/23/16	0.63	64952WBP		758.88	758.88
04/23/15	04/23/15	Coupon		WELLS FARGO FRN	04/23/18	0.91	94974BFK1		2,217.75	2,217.75

TRANSACTIONS BY TYPE

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 Account Number:

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Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/23/15	04/23/15	Coupon		WELLS FARGO FRN	04/23/18	0.91	94974BFK1		6,653.25	6,653.25
04/24/15	04/24/15	Coupon		GEET 2013-2 A2 EQP	06/24/16	0.61	36163GAB7		267.42	267.42
04/25/15	04/25/15	Coupon		FHMS KF01 A 1MOFRN CMBS	04/25/19	0.52	3137AUP52		238.27	238.27
04/01/15	04/25/15	Coupon		FNA 2014-M2 ASQ2 CMBS	09/25/15	0.48	3136AJDN3		181.59	181.59
04/01/15	04/25/15	Coupon		FNA 2014-M2 ASQ2 CMBS	09/25/15	0.48	3136AJDN3		72.63	72.63
04/01/15	04/25/15	Coupon		FNA 2014-M3 ASQ2	03/25/16	0.56	3136AJKZ8		3,309.47	3,309.47
04/01/15	04/25/15	Coupon		FNA 2014-M5 FA 1MOFRN CMBS	01/25/17	0.56	3136AJ2A3		241.16	241.16
04/01/15	04/25/15	Coupon		FNA 2014-M8 FA 1MOFRN CMBS	05/25/18	0.44	3136AKQJ5		555.61	555.61
04/01/15	04/25/15	Coupon		FNA 2015-M3 FA 1MOFRN CMBS	06/25/18	0.42	3136AMMC		471.88	471.88
04/01/15	04/25/15	Coupon		FNA 2015-M4 FA 1MOFRN CMBS	09/25/18	0.38	3136AMTM		4,485.83	4,485.83
04/27/15	04/27/15	Coupon		JPMORGAN CHASE FRN	01/25/18	1.18	46625HJF8		3,886.74	3,886.74
04/27/15	04/27/15	Coupon		JPMORGAN CHASE FRN	01/25/18	1.18	46625HJF8		1,957.98	1,957.98
04/27/15	04/27/15	Coupon		JPMORGAN CHASE FRN	01/25/18	1.18	46625HJF8		2,922.36	2,922.36
04/28/15	04/28/15	Coupon		PNC BANK FRN	01/28/16	0.59	69349LAJ7		1,415.25	1,415.25
04/28/15	04/28/15	Coupon		PNC BANK FRN	01/28/16	0.59	69349LAJ7		353.81	353.81
04/29/15	04/29/15	Coupon		AMERICAN EXPRESS FRN	07/29/16	0.79	0258MODH		1,048.58	1,048.58
04/29/15	04/29/15	Coupon		AMERICAN EXPRESS FRN	07/29/16	0.79	0258MODH		3,717.68	3,717.68
04/29/15	04/29/15	Coupon		AMERICAN EXPRESS FRN	07/29/16	0.79	0258MODH		2,859.75	2,859.75
04/30/15	04/30/15	Coupon		MANUFACTURERS & TRADERS T	01/30/17	0.65	55279HAC4		787.00	787.00
04/30/15	04/30/15	Coupon		MANUFACTURERS & TRADERS T	01/30/17	0.65	55279HAC4		944.40	944.40

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Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/30/15	04/30/15	Coupon		MANUFACTURERS & TRADERS T	01/30/17	0.65	55279HAC4		708.30	708.30
04/30/15	04/30/15	Coupon		MANUFACTURERS & TRADERS T	01/30/17	0.65	55279HAC4		1,023.10	1,023.10
04/30/15	04/30/15	Coupon		U.S. TREASURY FRN	01/31/17	0.11	912828H60		13,119.68	13,119.68
04/30/15	04/30/15	Coupon		U.S. TREASURY FRN	01/31/16	0.07	912828WK		174.11	174.11
04/30/15	04/30/15	Coupon		U.S. TREASURY FRN	01/31/16	0.07	912828WK		307.22	307.22
04/30/15	04/30/15	Coupon		US BANK CINCINNATI FRN	01/30/17	0.51	90331HMD		605.75	605.75
04/30/15	04/30/15	Coupon		US BANK CINCINNATI FRN	01/30/17	0.51	90331HMD		2,423.00	2,423.00
04/30/15	04/30/15	Coupon		US BANK CINCINNATI FRN	01/30/17	0.51	90331HMD		1,514.38	1,514.38
04/30/15	04/30/15	Coupon		US BANK CINCINNATI FRN	01/30/17	0.51	90331HMD		605.75	605.75
04/30/15	04/30/15	Coupon		US BANK CINCINNATI FRN	01/30/17	0.51	90331HMD		3,937.38	3,937.38
									<u>184,580.28</u>	<u>184,580.28</u>
04/01/15	04/01/15	Income	717.160	STIF INT			USD		717.16	717.16
04/01/15	04/01/15	Income	<u>62.410</u>	ADJ NET INT			USD		<u>62.41</u>	<u>62.41</u>
			<u>779.570</u>						<u>779.57</u>	<u>779.57</u>
04/24/15	04/24/15	Contributn	230,000,000.000	NM			USD	230,000,000.00		230,000,000.00
04/07/15	04/08/15	Sell Long	25,000,000.000	FHLB DISCOUNT NOTE	04/09/15		313384EC9	24,998,638.89	1,361.11	25,000,000.00
04/07/15	04/08/15	Sell Long	25,000,000.000	FHLB DISCOUNT NOTE	04/09/15		313384EC9	24,999,104.17	895.83	25,000,000.00
04/08/15	04/09/15	Sell Long	25,000,000.000	FHLB DISCOUNT NOTE	05/08/15		313384FH7	24,997,522.92	1,369.44	24,998,892.36
04/10/15	04/13/15	Sell Long	50,000,000.000	FHLB DISCOUNT NOTE	06/05/15		313384GM	49,991,111.12	3,588.88	49,994,700.00

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Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/10/15	04/13/15	Sell Long	6,250,000.000	FHLMC DISCOUNT NOTE	05/04/15		313396FD0	6,249,204.17	598.96	6,249,803.13
04/10/15	04/13/15	Sell Long	43,750,000.000	FHLMC DISCOUNT NOTE	05/04/15		313396FD0	43,744,009.90	4,611.97	43,748,621.87
04/10/15	04/13/15	Sell Long	50,000,000.000	FNMA DISCOUNT NOTE	05/21/15		313588FW	49,989,788.89	7,097.22	49,996,886.11
04/09/15	04/16/15	Sell Long	3,000,000.000	FFCB 1ML FRN	07/08/16	0.20	3133ED4K5	3,001,701.00	133.17	3,001,834.17
04/16/15	04/17/15	Sell Long	50,000,000.000	U.S. TREASURY NOTE	07/15/15	0.25	912828TD2	50,026,500.00	31,767.96	50,058,267.96
04/16/15	04/17/15	Sell Long	50,000,000.000	U.S. TREASURY NOTE	07/15/15	0.25	912828TD2	50,026,500.00	31,767.96	50,058,267.96
04/22/15	04/23/15	Sell Long	50,000,000.000	U.S. TREASURY NOTE	06/30/15	0.38	912828VH0	50,029,129.38	58,529.01	50,087,658.39
04/22/15	04/23/15	Sell Long	50,000,000.000	U.S. TREASURY NOTE	06/30/15	0.38	912828VH0	50,029,129.38	58,529.01	50,087,658.39
04/29/15	04/30/15	Sell Long	20,000,000.000	FNMA DISCOUNT NOTE	05/01/15		313588FA8	19,999,838.89	150.00	19,999,988.89
			448,000,000.000					448,082,178.70	200,400.53	448,282,579.23
04/06/15	04/06/15	Pay Princpl	43,836.012	NGN 2010-R2 1A 1MOFRN NCUA	11/06/17	0.55	62888UAA8	43,836.01		43,836.01
04/15/15	04/15/15	Pay Princpl	8,756.675	USAA 2012-1 A3 CAR	08/15/16	0.43	90327BAC6	8,756.68		8,756.68
04/15/15	04/15/15	Pay Princpl	44,550.082	USAA 2014-1 A2 CAR	10/17/16	0.38	90290KAB1	44,550.08		44,550.08
04/15/15	04/15/15	Pay Princpl	30,375.056	USAA 2014-1 A2 CAR	10/17/16	0.38	90290KAB1	30,375.06		30,375.06
04/24/15	04/24/15	Pay Princpl	125,215.689	GEET 2013-2 A2 EQP	06/24/16	0.61	36163GAB7	125,215.69		125,215.69
04/25/15	04/25/15	Pay Princpl	1,408.320	FHMS KF01 A 1MOFRN CMBS	04/25/19	0.52	3137AUP52	1,408.32		1,408.32
04/01/15	04/25/15	Pay Princpl	35,346.090	FNA 2014-M2 ASQ2 CMBS	09/25/15	0.48	3136AJDN3	35,346.09		35,346.09
04/01/15	04/25/15	Pay Princpl	14,138.440	FNA 2014-M2 ASQ2 CMBS	09/25/15	0.48	3136AJDN3	14,138.44		14,138.44
04/01/15	04/25/15	Pay Princpl	637,061.850	FNA 2014-M3 ASQ2	03/25/16	0.56	3136AJKZ8	637,061.85		637,061.85
04/01/15	04/25/15	Pay Princpl	26,877.480	FNA 2014-M5 FA 1MOFRN CMBS	01/25/17	0.56	3136AJ2A3	26,877.48		26,877.48

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Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/01/15	04/25/15	Pay Princpl	29,693.579	FNA 2014-M8 FA 1MOFRN CMBS	05/25/18	0.44	3136AKQJ5	29,693.58		29,693.58
04/01/15	04/25/15	Pay Princpl	1,508.906	FNA 2015-M3 FA 1MOFRN CMBS	06/25/18	0.42	3136AMMC	1,508.91		1,508.91
04/01/15	04/25/15	Pay Princpl	852,503.260	FNA 2015-M4 FA 1MOFRN CMBS	09/25/18	0.38	3136AMTM	852,503.26		852,503.26
			1,851,271.439					1,851,271.45		1,851,271.45
04/01/15	04/01/15	Mature Long	32,873,000.000	FHLB DISCOUNT NOTE	04/01/15		313384DU0	32,872,287.75	712.25	32,873,000.00
04/01/15	04/01/15	Mature Long	18,500,000.000	FHLMC DISCOUNT NOTE	04/01/15		313396DU4	18,499,599.17	400.83	18,500,000.00
04/02/15	04/02/15	Mature Long	50,000,000.000	FNMA DISCOUNT NOTE	04/02/15		313588DV4	49,996,041.67	3,958.33	50,000,000.00
04/02/15	04/02/15	Mature Long	13,700,000.000	FNMA DISCOUNT NOTE	04/02/15		313588DV4	13,698,915.42	1,084.58	13,700,000.00
04/02/15	04/02/15	Mature Long	50,000,000.000	U.S. TREASURY BILL	04/02/15		912796DU0	49,999,587.50	412.50	50,000,000.00
04/09/15	04/09/15	Mature Long	50,000,000.000	U.S. TREASURY BILL	04/09/15		912796FC8	49,999,878.47	121.53	50,000,000.00
04/09/15	04/09/15	Mature Long	50,000,000.000	U.S. TREASURY BILL	04/09/15		912796FC8	49,999,958.33	41.67	50,000,000.00
04/21/15	04/21/15	Mature Long	50,000,000.000	TVA DISCOUNT NOTE	04/21/15		880592EQ9	49,999,416.67	583.33	50,000,000.00
04/21/15	04/21/15	Mature Long	50,000,000.000	TVA DISCOUNT NOTE	04/21/15		880592EQ9	49,999,416.67	583.33	50,000,000.00
04/21/15	04/21/15	Mature Long	20,000,000.000	TVA DISCOUNT NOTE	04/21/15		880592EQ9	19,999,766.67	233.33	20,000,000.00
04/24/15	04/24/15	Mature Long	25,000,000.000	FHLB DISCOUNT NOTE	04/24/15		313384ET2	24,999,916.67	83.33	25,000,000.00
04/24/15	04/24/15	Mature Long	13,290,000.000	FHLB DISCOUNT NOTE	04/24/15		313384ET2	13,289,961.24	38.76	13,290,000.00
04/24/15	04/24/15	Mature Long	16,600,000.000	FHLB DISCOUNT NOTE	04/24/15		313384ET2	16,599,944.67	55.33	16,600,000.00
			439,963,000.000					439,954,690.90	8,309.11	439,963,000.00

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Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/01/15	04/01/15	Withdrawal	(80,000,000.000)	WD			USD	(80,000,000.00)		(80,000,000.00)
04/09/15	04/09/15	Withdrawal	(225,000,000.000)	WD			USD	(225,000,000.00)		(225,000,000.00)
04/13/15	04/13/15	Withdrawal	(100,000,000.000)	WD			USD	(100,000,000.00)		(100,000,000.00)
04/30/15	04/30/15	Withdrawal	(50,000,000.000)	WD			USD	(50,000,000.00)		(50,000,000.00)
			<u>455,000,000.000</u>					<u>(455,000,000.00)</u>		<u>(455,000,000.00)</u>

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Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT
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Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/10/15	04/14/15	Buy	835,000.000	PRIVATE EXPORT FUNDING CP	01/05/16		7426M2A5	(832,840.60)		(832,840.60)
04/10/15	04/16/15	Buy	300,000.000	NEW YORK UNIVERSITY	07/01/17	0.90	650119AD2	(300,000.00)		(300,000.00)
04/20/15	04/23/15	Buy	385,033.830	FNA 2015-M4 FA 1MOFRN CMBS	09/25/18	0.38	3136AMTM	(385,033.83)	(90.47)	(385,124.30)
04/22/15	04/29/15	Buy	800,000.000	CHASE 2015-A3 A CDT	04/15/19	0.43	161571GW	(800,000.00)		(800,000.00)
04/27/15	04/30/15	Buy	300,000.000	PEPSICO	04/30/18	1.25	713448CR7	(299,964.00)		(299,964.00)
			2,620,033.830					(2,617,838.43)	(90.47)	(2,617,928.90)
04/01/15	04/01/15	Coupon		CA GOLDEN EMPIRE SFA LEASE	05/01/15	0.31	381008AR2		112.11	112.11
04/07/15	04/07/15	Coupon		NATL RURAL UTILITIES FRN	05/01/15	0.32	63743HEJ7		356.73	356.73
04/07/15	04/07/15	Coupon		ORACLE FRN	07/07/17	0.47	68389XAT2		453.60	453.60
04/10/15	04/10/15	Coupon		METLIFE GLOBAL FRN 144A	04/10/17	0.65	59217GBE8		973.43	973.43
04/11/15	04/11/15	Coupon		DUKE ENERGY INDIANA FRN	07/11/16	0.63	263901AE0		391.37	391.37
04/11/15	04/11/15	Coupon		WAL-MART STORES	04/11/16	0.60	931142DE0		270.00	270.00
04/13/15	04/13/15	Coupon		FFCB 1ML FRN	02/13/17	0.22	3133EDFB3		744.00	744.00
04/13/15	04/13/15	Coupon		GE CAPITAL CORP FRN	07/12/16	0.93	36962G7A6		1,071.74	1,071.74
04/15/15	04/15/15	Coupon		HONDA 2014-4 A2 CAR	01/17/17	0.58	43814JAB0		316.58	316.58
04/15/15	04/15/15	Coupon		JOHN DEERE 2014-A A3 EQP	04/16/18	0.92	47787VAC5		1,150.00	1,150.00
04/15/15	04/15/15	Coupon		JOHN DEERE 2015-A A2A EQP	02/15/18	0.87	47787UAB9		645.01	645.01
04/15/15	04/15/15	Coupon		TOYOTA 2013-B A3 CAR	07/17/17	0.89	89236VAC4		741.67	741.67
04/15/15	04/15/15	Coupon		TOYOTA 2013-B A3 CAR	07/17/17	0.89	89236VAC4		155.75	155.75
04/15/15	04/15/15	Coupon		TOYOTA 2015-A A2 CAR	07/17/17	1.01	89236WAB		529.13	529.13

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Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/15/15	04/15/15	Coupon		U.S. TREASURY NOTE	04/15/16	0.25	912828UW		10,200.00	10,200.00
04/15/15	04/15/15	Coupon		U.S. TREASURY NOTE	04/15/16	0.25	912828UW		10,450.00	10,450.00
04/15/15	04/15/15	Coupon		USAA 2014-1 A2 CAR	10/17/16	0.38	90290KAB1		45.46	45.46
04/15/15	04/15/15	Coupon		USAA 2014-1 A3 CAR	12/15/17	0.58	90290KAC9		273.08	273.08
04/17/15	04/17/15	Coupon		JOHN DEERE CAPITAL	04/17/15	0.88	24422ERQ4		1,793.75	1,793.75
04/17/15	04/17/15	Coupon		FFCB 1ML FRN	04/17/17	0.23	3133EDJX1		292.56	292.56
04/18/15	04/18/15	Coupon		HONDA 2013-4 A3 CAR	09/18/17	0.69	43814FAC6		575.00	575.00
04/20/15	04/20/15	Coupon		WELLS FARGO FRN	07/20/15	0.56	94985H5G5		1,073.20	1,073.20
04/22/15	04/22/15	Coupon		GEEMT 2014-1 A2 EQP	04/24/17	0.64	36163TAB9		266.67	266.67
04/23/15	04/23/15	Coupon		BNY MELLON	10/23/15	0.70	06406HCD		2,625.00	2,625.00
04/23/15	04/23/15	Coupon		GEET 2015-1 A2 EQP	11/24/17	0.89	36164EAB1		254.39	254.39
04/23/15	04/23/15	Coupon		NEW YORK LIFE GLOBAL FRN 14	05/23/16	0.63	64952WBP		607.10	607.10
04/25/15	04/25/15	Coupon		BMW 2013-A A3 CAR	11/27/17	0.67	05578XAC2		483.73	483.73
04/01/15	04/25/15	Coupon		FHMS K501 A1 CMBS	06/25/16	1.34	3137ANLN3		43.42	43.42
04/01/15	04/25/15	Coupon		FHMS K502 A1 CMBS	12/25/16	0.73	3137B03V4		239.74	239.74
04/25/15	04/25/15	Coupon		FHMS KF01 A 1MOFRN CMBS	04/25/19	0.52	3137AUP52		52.95	52.95
04/01/15	04/25/15	Coupon		FNA 2014-M2 ASQ2 CMBS	09/25/15	0.48	3136AJDN3		100.48	100.48
04/01/15	04/25/15	Coupon		FNA 2014-M2 ASQ2 CMBS	09/25/15	0.48	3136AJDN3		39.95	39.95
04/01/15	04/25/15	Coupon		FNA 2014-M4 ASQ2 CMBS	01/25/17	1.27	3136AJB21		715.66	715.66
04/01/15	04/25/15	Coupon		FNA 2014-M5 FA 1MOFRN CMBS	01/25/17	0.56	3136AJ2A3		120.58	120.58

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04/01/2015
 through 04/30/2015

Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/01/15	04/25/15	Coupon		FNA 2014-M5 FA 1MOFRN CMBS	01/25/17	0.56	3136AJ2A3		120.58	120.58
04/01/15	04/25/15	Coupon		FNA 2014-M8 FA 1MOFRN CMBS	05/25/18	0.44	3136AKQJ5		308.67	308.67
04/01/15	04/25/15	Coupon		FNA 2015-M4 FA 1MOFRN CMBS	09/25/18	0.38	3136AMTM		378.09	378.09
04/27/15	04/27/15	Coupon		JPMORGAN CHASE FRN	01/25/18	1.18	46625HJF8		613.70	613.70
04/29/15	04/29/15	Coupon		FFCB 1ML FRN	08/29/17	0.22	3133EDTT9		300.01	300.01
04/30/15	04/30/15	Coupon		US BANK CINCINNATI FRN	01/30/17	0.51	90331HMD		484.60	484.60
									<u>40,369.49</u>	<u>40,369.49</u>
04/01/15	04/01/15	Income	10.250	STIF INT			USD		10.25	10.25
04/13/15	04/14/15	Sell Long	1,000,000.000	U.S. TREASURY NOTE	02/29/16	0.25	912828B82	1,000,231.03	305.71	1,000,536.74
04/29/15	04/30/15	Sell Long	500,000.000	U.S. TREASURY NOTE	02/29/16	0.25	912828B82	500,193.64	207.20	500,400.84
			<u>1,500,000.000</u>					<u>1,500,424.67</u>	<u>512.91</u>	<u>1,500,937.58</u>
04/15/15	04/15/15	Pay Princpl	51,007.648	TOYOTA 2013-B A3 CAR	07/17/17	0.89	89236VAC4	51,007.65		51,007.65
04/15/15	04/15/15	Pay Princpl	10,711.606	TOYOTA 2013-B A3 CAR	07/17/17	0.89	89236VAC4	10,711.61		10,711.61
04/15/15	04/15/15	Pay Princpl	33,412.561	USAA 2014-1 A2 CAR	10/17/16	0.38	90290KAB1	33,412.56		33,412.56
04/25/15	04/25/15	Pay Princpl	66,067.111	BMW 2013-A A3 CAR	11/27/17	0.67	05578XAC2	66,067.11		66,067.11
04/01/15	04/25/15	Pay Princpl	16,807.980	FHMS K501 A1 CMBS	06/25/16	1.34	3137ANLN3	16,807.98		16,807.98
04/01/15	04/25/15	Pay Princpl	5,842.320	FHMS K502 A1 CMBS	12/25/16	0.73	3137B03V4	5,842.32		5,842.32
04/25/15	04/25/15	Pay Princpl	312.960	FHMS KF01 A 1MOFRN CMBS	04/25/19	0.52	3137AUP52	312.96		312.96
04/01/15	04/25/15	Pay Princpl	19,558.170	FNA 2014-M2 ASQ2 CMBS	09/25/15	0.48	3136AJDN3	19,558.17		19,558.17

TRANSACTIONS BY TYPE

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

04/01/2015
 through 04/30/2015

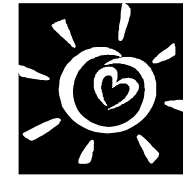
Trade Date	Settlement Date	Transaction Type	Units	Description	Maturity Date	Coupon Rate	CUSIP	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	Total Amount
04/01/15	04/25/15	Pay Princpl	7,776.140	FNA 2014-M2 ASQ2 CMBS	09/25/15	0.48	3136AJDN3	7,776.14		7,776.14
04/01/15	04/25/15	Pay Princpl	13,438.740	FNA 2014-M5 FA 1MOFRN CMBS	01/25/17	0.56	3136AJ2A3	13,438.74		13,438.74
04/01/15	04/25/15	Pay Princpl	13,438.740	FNA 2014-M5 FA 1MOFRN CMBS	01/25/17	0.56	3136AJ2A3	13,438.74		13,438.74
04/01/15	04/25/15	Pay Princpl	16,496.433	FNA 2014-M8 FA 1MOFRN CMBS	05/25/18	0.44	3136AKQJ5	16,496.43		16,496.43
04/01/15	04/25/15	Pay Princpl	71,853.850	FNA 2015-M4 FA 1MOFRN CMBS	09/25/18	0.38	3136AMTM	71,853.85		71,853.85
			326,724.259					326,724.26		326,724.26
04/17/15	04/17/15	Mature Long	410,000.000	JOHN DEERE CAPITAL	04/17/15	0.88	24422ERQ4	410,000.00		410,000.00

BOARD OF GOVERNORS

Finance & Budget Committee

Meeting Minutes April 30, 2015

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



L.A. Care
HEALTH PLAN

Members

Michael Rembis, *Chairperson*
Jann Hamilton Lee
Thomas Horowitz, DO
Ozzie Lopez
Louise McCarthy, *Secretary*
**Absent ** Via Teleconference*

Management/Staff

John Baackes, *Chief Executive officer*
Gertrude S. Carter, MD, *Chief Medical Officer*
Jonathan Freedman, *Chief of Strategy, Regulatory & External Affairs*
Augustavia Haydel, *General Counsel*
Tim Reilly, *Chief Financial Officer*

Guest/Public

Alan Bloom, *Care1st*
Laurie Garcia, *Anthem Blue Cross*
Avanti Wadu, *iHealth, Inc.*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER Michael Rembis	Michael Rembis, <i>Chairperson</i> , called the meeting to order at 1:15 p.m. Chairperson Rembis announced that members of the public may address the Committee on each matter listed on the agenda before or during the Committee's consideration of the item, or on any other topic at the Public Comment section.	
APPROVE MEETING AGENDA Michael Rembis	Chairperson Rembis proposed adding the following motions on today's consent Agenda: FIN-A Laura Gonzalez Contract Amendment, FIN 104 Procurement of Additional Managed Service Hours from Black Box Network, FIN 108 Inovalon, and FIN 109 Gomez Research Contract. He also noted a typographical error on the Laura Gonzalez motion, the correct term date of the contract should be March 2, 2015 through February 29, 2016. The Agenda for today's meeting was approved as amended.	Approved unanimously as amended. 4 AYES (Hamilton Lee, Horowitz, McCarthy, and Rembis)
PUBLIC COMMENTS	There were no public comments.	
APPROVE MEETING MINUTES	The minutes from March 24, 2015 were approved as presented.	Approved unanimously. 4 AYES.

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ADJOURN TO CLOSED SESSION	<p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced that the Committee will discuss the following items in closed session. There was no public comment on the Closed Session items and the meeting adjourned to closed session at 1:17 p.m.</p> <p>A. CONTRACT RATES Pursuant to Welfare and Institutions Code Sect. 14087.38 (m)</p> <ul style="list-style-type: none"> • Provider Rates • Plan Partner Medi-Cal Rates • DHCS Medi-Cal Rates <p><i>(Member Lopez joined the meeting.)</i></p> <p>B. REPORT INVOLVING TRADE SECRETS Pursuant to Welfare & Institutions Code 14087.38 (n) Discussion concerning New Product Lines <i>Estimated date of disclosure April 2017</i></p>	
RECONVENE IN OPEN SESSION Michael Rembis	The meeting reconvened in open session at 1:37 p.m. No reportable actions were taken during the closed session.	
CHAIRPERSON'S REPORT	There was no report from the Chairperson.	
CHIEF EXECUTIVE OFFICER REPORT	<p>John Baackes, <i>Chief Executive Officer</i>, reported:</p> <ul style="list-style-type: none"> • John Wallace resigned earlier this month from his role as L.A. Care's Chief Operating Officer (COO). His last day was today. For the past nine years Mr. Wallace provided operational leadership during a time of growth for the organization. In his role he oversaw the roll out of several health care reform programs including the launch of L.A. Care Covered, transition of seniors and people with disabilities (SPDs), and dual eligible into Managed Care, as well as the expansion of Medi-Cal. Mr. Baackes noted that Mr. Wallace provided excellent leadership as Interim CEO, and was very gracious with his time in helping orient Mr. Baackes to L.A. Care operations and culture. • Jonathan Freedman, <i>Chief of Strategy, Regulatory and External Affairs</i>, has been 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>appointed as interim COO, and Bruce Pollack, Sr. Director of Project Management Office, has been appointed as Core System Conversion “Czar”.</p> <ul style="list-style-type: none"> As discussed at prior meetings, L.A. Care was audited by the L.A. County Auditor-Controller in January 2015. L.A. Care agreed with the recommendations made by the Auditor-Controller, and will present revised expense policies for Committee’s review and approval later on today’s Agenda. The Auditor’s final report will be presented to the L.A. County Board of Supervisors on May 29, 2015. On May 13, 2015, I have a meeting with the Auditor Controller to better understand the scope of future audits. 	
<p>APPROVE COMMITTEE CONSENT AGENDA</p>	<p>Chairperson Rembis presented a Consent Agenda for Committee review and consideration:</p> <ol style="list-style-type: none"> Quarterly Investment Report <u>Motion FIN 100</u> To accept the Investment Report for the quarter ended March 31, 2015, as submitted. Laura Gonzalez Contract Amendment <u>Motion FIN-A</u> To authorize staff to amend a contract with Laura D. Gonzalez in the amount of \$12,000 (total amount not to exceed \$113,100) to provide Nutrition Workshops for the Active Steps Program from March 2, 2015 through February 29, 2016. Procurement of Additional Managed Service Hours from Black Box Network Services <u>Motion FIN 104</u> To authorize staff to procure additional Managed Service Hours with Black Box Network Services to support L.A. Care’s Interactive Voice Response (IVR) and Voicemail System upgrade in an amount of \$40,000 (total contract not to exceed \$504,000) through May 31, 2016. Inovalon Contract Amendment <u>Motion FIN 108</u> To approve an amendment with Inovalon, Inc. to increase funds in the 	<p>Approved unanimously 5 AYES (Hamilton Lee, Horowitz, Lopez, McCarthy, and Rembis)</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>amount of \$90,000; bringing the total three year contract cost from \$1,183,920 to \$1,273,920 for the period of August 1, 2014 to August 31, 2017.</p> <p>5. Gomez Research Contract <u>Motion FIN 109</u> To authorize staff to execute a contract in the amount of \$250,000 with Gomez Research to provide market research services from June 1, 2015 to June 1, 2017.</p>	
COMMITTEE ISSUES		
<p>CHIEF FINANCIAL OFFICER REPORT</p> <p>APPROVE FINANCIAL REPORT</p>	<p>Tim Reilly, <i>Chief Financial Officer</i>, reviewed highlights of the financial report for the period ending March 2015:</p> <ul style="list-style-type: none"> • Total overall enrollment for March is 1,689,099 members. • Fiscal year-to-date performance is a surplus of \$64.3 million or 2% on revenue. • Total enrollment for the Plan Partner (PP) Network is 800,000 members. • Fiscal year-to-date performance for PP Network is a surplus of \$27million. • Total enrollment for L.A. Care’s direct Medi-Cal line of business (MCLA) is 775,000. MCLA’s fiscal year-to-date performance is a surplus of \$64 million, mainly driven by higher than expected Medi-Cal Expansion membership growth and lower than budgeted operating expenses. • Total enrollment for the Cal MediConnect (CMC) program is over 15,000. Fiscal year-to-date performance is a deficit of \$16 million driven by lower than budgeted revenue rates and higher than budgeted operating expenses. <p>Chairperson Rembis noted concerns in regard to the deficit in the CMC program and requested staff to report back to the Committee on projections for breakeven.</p> <p><u>Motion FIN 101</u> To accept the Financial Report for the six months ended March 31, 2015, as submitted.</p>	<p>Approved unanimously. 5 AYES</p>
RESPONSE TO L.A. COUNTY AUDITOR	<p>Mr. Reilly presented a motion to approve the revisions to the Expense and Travel Expense policies. The revisions include:</p> <ul style="list-style-type: none"> • Defining expenses that are non-travel related versus travel related and that are necessary, reasonable, appropriate, and allowable. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • Procedures on pre-approving all non-travel related business expenses. • Procedures for using the most recent federal guidelines for meal dollar limits per person. • Setting a \$5,000 per project expense limit that requires approvals from the responsible Officer, Chief Financial Officer, Chief Executive Officer, and or Board of Governors. • Procedures for monitoring and reporting which include quarterly reports to the Board of Governors. • Eliminating purchase of alcoholic beverages; meals or entertainment expenses with vendors or firms seeking to do business with L.A. Care; routine working lunches; and meals or entertainment for birthdays, retirement, or similar related activities. • Updated procedures on pre-approving all L.A. Care business related travel expenses via travel authorization requests. • Updated procedures on preparing expense reports and documentation requirements for reimbursement for L.A. Care business travel. • Updated guidelines on travel expenses that are covered and not covered under this policy. • Prohibits the purchase or reimbursement of alcoholic beverages with L.A. Care funds. <p>In response to a question from Chairperson Rembis, Mr. Reilly informed the Committee that the changes to the policies do not intend to eliminate appropriate events but to set specific limits.</p> <p>In response to comments from Members Hamilton Lee and McCarthy, Jonathan Freedman, <i>Interim Chief Operating Officer, Chief of Strategy, Regulatory and External Affairs</i>, noted that the suggested changes include a broad range of activities for employee recognition and retention. In addition, Mr. Reilly informed the Committee that the changes include a number of categories including Board and Committee meetings and marketing, and set a maximum per person cost as well as annual expense guidelines.</p> <p><u>Motion FIN 102</u> To approve the Expense and Travel Expense Policies, as attached, and to authorize staff to make non-significant changes.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Chairperson Rembis requested the motion be amended as follows: <u>Amended Motion FIN 102</u> 1) To approve the Expense and Travel Expense Policies, as attached, and to authorize staff to make non-significant changes; and; 2) To direct staff to report on the policies to the Finance and Budget Committee and the Board in 6 months from their adoption and for the Committee and the Board to reevaluate the policies in one year from their adoption.</p>	<p>Approved unanimously as amended. 5 AYES</p>
<p>MONTHLY INVESTMENT REPORT</p>	<p>Mr. Reilly informed the Committee that as of March 31, 2015, L.A. Care's total investments market value was \$1,717 million. This includes \$50 million invested with the Los Angeles County Pooled Investment Fund (LACPIF) and \$10, million with the Local Agency Investment Fund (LAIF). Both of these are recent placements with these government pooled funds which are overseen by the County Treasurer (LACPIF) and State Treasurer's office (LAIF) respectively. The remainder \$1,658 million is managed by Payden & Rygel, an external professional asset management firm, and is divided into two separate portfolios based on investment style, short-term and extended portfolios in compliance with applicable state law. Mr. Reilly noted that this is an informational report, and Committee action is not required.</p>	
<p>APPROVE OPERATIONS MOTIONS</p>		
<p>LAURA GONZALEZ CONTRACT AMENDMENT</p>	<p>Jonathan Freedman, <i>Interim Chief Operating Officer and Chief of Strategy, Regulatory and External Affairs</i>, presented the following motions: <i>This motion was approved earlier under consent Agenda.</i> <u>Motion FIN-A*</u> To authorize staff to amend a contract with Laura D. Gonzalez in the amount of \$12,000 (total amount not to exceed \$113,100) to provide Nutrition Workshops for the Active Steps Program from March 2, 2015 through February 29, 2016.</p>	<p>Approved unanimously under Consent Agenda 5 AYES</p>
<p>NORTH STAR ALLIANCE</p>	<p>Mr. Freedman noted a typographical error on this motion, and informed the Committee that the total amount requested is \$ 275,000. Regina Lightner, <i>Senior Director, Sales and Marketing</i>, presented a motion to approve a</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>contract with North Star Alliance to provide a series of community outreach events in Los Angeles County to promote all of L.A. Care’s direct lines of business. Ms. Lightner noted that this contract offers an opportunity for the vendor to identify community events and activities to better utilize field staff, navigators, and certified enrollment counselors.</p> <p><u>Motion FIN-B</u> To authorize staff to execute a contract with North Star Alliance, in the amount of \$275,000 to provide a series of community outreach events in Los Angeles, County to promote all of L.A. Care’s direct lines of business for the period of June 1, 2015 through May 31, 2016.</p>	
<p>MARICICH HEALTHCARE COMMUNICATIONS CONTRACT AMENDMENT</p>	<p>Ms. Lightner presented a motion to amend a contract with Maricich Healthcare Communications (Maricich) to support advertising, marketing, translation services and development of an integrated brand strategy and positioning for L.A. Care’s direct lines of business.</p> <p>In response to questions from Chairperson Rembis, Mr. Freedman informed the Committee that L.A. Care receives additional credit, news, monitoring and tailored deployment as part of this contract. He noted that L.A. Care can measure the effectiveness of Maricich’s efforts through videos, images and by monitoring click through.</p> <p>In response to question from Member López, Ms. Lightner informed the Committee, that L.A. Care continues trying to identify areas for public education, such as initiatives, partnerships, information and materials. Mr. Baackes noted the importance of helping potential members and provider understand L.A. Care’s brand, as opposed to just recognizing the logo.</p> <p><u>Motion FIN 103</u> To authorize staff to amend a contract with Maricich Healthcare Communications in the amount of \$4,710,000 (total contract amount not to exceed \$9,310,000) to support the advertising, marketing, translation services, and development of an integrated brand strategy and positioning for L.A. Care’s direct lines of business from September 1, 2015 through August 31, 2016.</p>	<p>Motions FIN-B, FIN 103 and FIN-C were simultaneously approved unanimously. 5 AYES</p> <p>By consensus, the Committee recommended motion FIN 103 be included in the Consent Agenda for the May 7, 2015 Board meeting</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
TELEMUNDO 52 CONTRACT	<p>Ms. Lightner also presented a motion to contract with Telemundo 52 to provide advertising and marketing services. She informed the Committee that L.A. Care has worked with Telemundo on targeted campaigns at the L.A. Care Family Resource Centers and noted that this contract aligns with the one for North Star Alliance. She further noted that Telemundo primarily focuses on the Spanish speaking communities and is able to tell L.A. Care's story through vignettes. Telemundo has broadcasted staff talking about L.A. Care Covered, and has provided additional support and services.</p> <p><u>Motion FIN-C</u> To authorize staff to execute a contract with Telemundo 52, in the amount of \$250,000 to provide advertising and marketing services from June 1, 2015 through June 1, 2016.</p>	
APPROVE INFORMATION TECHNOLOGY MOTIONS	Tom Schwaninger, <i>Chief Information Officer</i> , presented the following motions:	
PROCUREMENT OF ADDITIONAL MANAGED SERVICE HOURS FROM BLACK BOX NETWORK SERVICES	<p><i>This motion was approved earlier under consent Agenda.</i></p> <p><u>Motion FIN 104</u> To authorize staff to procure additional Managed Service Hours with Black Box Network Services to support L.A. Care's Interactive Voice Response (IVR) and Voicemail System upgrade in an amount of \$40,000 (total contract not to exceed \$504,000) through May 31, 2016.</p>	<p>Approved earlier under Consent Agenda. 5 AYES</p>
KEY VENDOR CONTRACT TO ENHANCE DISK STORAGE SPACE	<p>Contract with e Plus in the amount of \$650,000 to procure equipment and installation services for the purpose of expanding disk storage infrastructure. L.A. Care conducted a request for quotes process from four vendors. Between the time this motion was assembled and today's meeting, e Plus was selected as the vendor of choice because they provided the lowest bid.</p> <p><u>Motion FIN 105*</u> To authorize staff to execute a contract with a vendor not yet selected to procure equipment and installation services for the purpose of expanding disk storage infrastructure in the amount of \$650,000.</p>	<p>FIN 105, and FIN 106 were approved unanimously. 5 AYES</p> <p>By consensus, the</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
HEALTHX CONTRACT	<p>Healthx was selected as the vendor of choice for L.A. Care’s Member and Provider Portal Strategic implementation services following a competitive request for proposal process. This motion requests authorization to extend the term of the contract with Healthx through March 31, 2017 and requests an additional \$2,500,000 to establish and update a more robust and secure technical infrastructure of the Member and Provider portal to meet National Committee for Quality Assurance (NCQA) standards and Health Insurance Portability and Accountability (HIPAA) requirements.</p> <p><u>Motion FIN 106*</u> To execute a contract with Healthx for L.A. Care’s Member and Provider Portal Strategic implementation services, for an amount of \$2,500,000, through March 31, 2017.</p>	Committee recommended these motions be included in the Consent Agenda for the May 7, 2015 Board meeting.
INNOVALON CONTRACT AMENDMENT	<p><i>This motion was approved earlier under consent Agenda.</i></p> <p><u>Motion FIN 108*</u> To approve an amendment with Inovalon, Inc. to increase funds in the amount of \$90,000; bringing the total three year contract cost from \$1,183,920 to \$1,273,920 for the period of August 1, 2014 to August 31, 2017.</p>	Approved unanimously under Consent Agenda. 5 AYES
GOMEZ RESEARCH CONTRACT	<p><i>This motion was approved earlier under consent Agenda.</i></p> <p><u>Motion FIN 109*</u> To authorize staff to execute a contract in the amount of \$250,000 with Gomez Research to provide market research services from June 1, 2015 to June 1, 2017.</p>	Approved unanimously under Consent Agenda. 5 AYES
SECOND QUARTER FISCAL YEAR 2014-15 PREQUALIFIED VENDOR REPORT	<p>Mr. Freedman reported:</p> <p>In September 2014, the Board reauthorized the second year of the prequalified vendor program. In the second quarter of fiscal year 2014-15, two vendors were used for two new projects, and three projects activated in fiscal year 2013-14 were amended or extended with the respective vendors. One vendor has reached the 50% threshold during the second quarter for available funds in this fiscal year.</p> <p>Member Lopez asked for a report on the Executive Community Advisory Committee (ECAC) budget, and requested an item be placed on the next meeting Agenda to discuss ways for the Advisory Committee to maximize the budget allotted during each</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	fiscal year. In addition, Chairperson Rembis requested an accounts payable report on high volume providers.	
ADJOURNMENT	The meeting adjourned at 2:20 p.m.	

APPROVED BY:

Respectfully submitted by:
Hilda Stuart, *Committee Liaison, Board Services*
Linda Merkens, *Manager, Board Services*

Michael Rembis, *Chair*
Date Signed _____

BOARD OF GOVERNORS

Compliance & Quality Committee Meeting

Meeting Minutes – March 19, 2015



L.A. Care
HEALTH PLAN

L.A. Care Health Plan CR 1025, 1055 W. Seventh Street, Los Angeles, CA 90017

All votes during a teleconferenced portion of the meeting were by roll call

Members

G. Michael Roybal, MD, MPH, *Chairperson*
 Jann Hamilton Lee **
 Alexander K. Li, MD
 Hilda Perez
 * *Absent* ** *Teleconference*

Management

John Wallace, *Interim Chief Executive Officer*
 Gertrude S. Carter, MD, *Chief Medical Officer* *
 Jonathan Freedman, *Chief of Strategies, Regulatory & External Affairs*
 Augustavia J. Haydel, *General Counsel*

Public

Alan Bloom, *Care 1st*
 Avanti Wadu, *iHealth, Inc.*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
WELCOME G. Michael Roybal, MD, MPH	Chairperson G. Michael Roybal, MD, called the meeting to order at 2:30 p.m. Chairperson Roybal announced that members of the public may address the Committee on each matter listed on the Agenda before or during the Committee's consideration of the item, or on any other topic during the Public Comments section.	
APPROVAL OF TODAY'S AGENDA G. Michael Roybal, MD, MPH	The agenda for today's meeting was approved as submitted.	Approved unanimously by roll call. 3 AYES (Hamilton Lee, Perez, and Roybal)
PUBLIC COMMENT	There was no public comment.	
APPROVAL OF MINUTES OF PREVIOUS MEETING G. Michael Roybal, MD, MPH	Chairperson Roybal noted that the new National Commission on Quality Assurance (NCQA) requirements which were supposed to be reported back to this Committee has been reported at the March 5, 2015 Board of Governors Meeting. The January 15, 2015 meeting minutes were approved as submitted.	Approved unanimously by roll call. 3 AYES
CHAIRPERSON REPORT G. Michael Roybal, MD, MPH	There was no Chairperson report.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>INTERIM CHIEF EXECUTIVE OFFICER'S REPORT</p> <p>John Wallace</p>	<p>John Wallace, <i>Interim Chief Executive Officer</i>, reported:</p> <ul style="list-style-type: none"> • New Chief Executive Officer, John Baackes, will join L.A. Care on March 23. The full transition plan is ready. • The County Auditor-Controller reported to the Board of Supervisors on Tuesday, March 17 on its audit of L.A. Care. It reported that overall, L.A. Care is fiscally a sound entity. L.A. Care's ratio of administrative expenses is in the lower side. <p>They identified areas for improvement such as administrative expenses on food and travel. L.A. Care has agreed with this finding and will ensure that this will be memorialized.</p> <p>In response to Chairperson Roybal's question with regard to L.A. Care's policies, Mr. Wallace informed that the L.A. Care has strong policies in place, but L.A. Care's adherence is not always 100%.</p> <ul style="list-style-type: none"> • L.A. Care has 20, 486 members enrolled in L.A. Care Covered. 	
<p>CHIEF MEDICAL OFFICER'S REPORT</p> <p>Gertrude S. Carter, MD</p>	<p>Clayton Chau, MD, <i>Medical Director, Behavioral Health</i>, provided the following report on behalf of <i>Chief Medical Officer</i>, Gertrude S. Carter, MD:</p> <p><u>ICD-10 effort</u></p> <ul style="list-style-type: none"> • Health Services has started working on the ICD-10 project. Weekly meetings are being held to ensure readiness. Launch date is on October 1, 2015. • Staff is focusing on ensuring L.A. Care's processes and internal management is ready as well as Plan Partners and Participating Physician Groups (PPGs). <p><u>Healthcare Effectiveness Data and Information Set (HEDIS)</u></p> <ul style="list-style-type: none"> • Staff has recently received an additional Department of Health Services (DHS) submission that will be used for the refresh. • Auditors gave L.A. Care a sounding approval and sign-off. • Staff has started chart retrieval and expected to end by June 15, 2015 <p><u>Behavioral Health (BH)</u></p> <ul style="list-style-type: none"> • The BH team is integrated with L.A. Care's Case Management (CM) team, participating in ICTs to provide input and support to the care plan • An inter-agency team meeting meets weekly with Department of Mental Health and 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Department of Public Health on high utilizing cases</p> <ul style="list-style-type: none"> L.A. Care’s monthly CME events continue to be well received. Three all-day conferences are scheduled: Achieving Pediatric Wellness in Primary Care Setting on March 21st, Palliative Care Symposium on April 11th and Lesbian Gay Bisexual Transgender (LGBT) Care on May 16th. <p>In response to Chairperson Roybal’s question if staff has looked in its past efforts to improve HEDIS scores and if L.A. Care is using CME events appropriately, Dr. Clayton noted that CME events are tailored within the area. Jim Banks, <i>Director of Quality Improvement</i>, informed that the impact on HEDIS scores and gain will not be seen in over 2 years.</p> <ul style="list-style-type: none"> L.A. Care is forming collaborative relationship with homeless housing providers such as Corporate of Supportive Housing and Los Angeles Homeless Services Authority (LAHSA). L.A. Care is implementing the preparation for SB 1004 – Palliative Care and has developed a 3 pronged approach – educating the providers, internal staff and members on the benefit <p><u>Medi-Cal Long Term Support Services (MLTSS)</u> L.A. Care is working with State on some recent closures on Community Based Adult Services (CBAS) facilities and had moved members to alternative CBAS providers. Staff is also working on internal process to manage the transition.</p> <p><u>Unaffiliated Dual Special Needs Plan (D-SNP)</u></p> <ul style="list-style-type: none"> L.A. Care is working with some unaffiliated D-SNP plans in Los Angeles on coordination of the Medicare and Medi-Cal benefits. The DSNP provides the member with Medicare services and L.A. Care provides the Medi-Cal services <p><i>(Member Li joined the meeting in person.)</i></p>	
<p>COMPLIANCE OFFICER UPDATE</p> <p>Denise Corley</p>	<p>Denise Corley, <i>Compliance Officer</i>, reviewed her written reported: <i>(A copy of her written report may be requested from Board Services.)</i></p> <ul style="list-style-type: none"> Ms. Corley provided an update on various audits performed on L.A. Care and audits performed by L.A. Care on Plan Partners and provider groups. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> The audit findings on Care 1st and Anthem Blue Cross were sent in February 2015. Kaiser has requested a conference call to discuss their preliminary findings. <p>With regards to Compliance Concerns Report, Member Perez inquired on the timeframe for resolving compliance concerns can be resolved. Being the consumer representative to the Board, she wants to be able to provide information to RCAC members of what service they receive. Member Perez added that at the Executive Community Advisory Committee (ECAC), L.A. Care's Interdisciplinary Committee resolves member issues and reports ECAC. She is concerned however, because the reports provided are in English, most of the ECAC members are monolingual Spanish speaking members. Member Perez added that she wants to know how member services work and how staff is trained to handle member grievances. This is her purpose for being on the Board as consumer representative.</p>	
COMMITTEE ISSUES		
<p>Quality Improvement, Utilization Management, Care Management and Complex Care Management Program Documents</p> <p>Jim Banks Halima Bascus Anna Edwards</p>	<p>The Committee reviewed and approved L.A. Care's 2014 Program Evaluations for Quality Improvement, Utilization Management and Case Management as well as the 2015 Program documents for Quality Improvement (including its Workplan), Utilization Management, Case Management and Complex Case Management. Copies of these documents maybe requested by contacting Board Services. Some of the highlights are:</p> <p><u>Quality Improvement Program</u> Jim Banks, <i>Senior Director, Quality Improvement and Health Assessment</i>, provided highlights of the 2014 Quality Improvement (QI) Program. <i>(A copy of the report may be requested from Board Services.)</i></p> <ul style="list-style-type: none"> The 2014 QI Program focused on refining the structure and process of care delivery with emphasis on member centric activity that is consistent with the regulatory and accreditation standards. L.A. Care obtained "Accredited" status by NCQA for Medi-Cal and Covered California products. A difference of .3% to get "Commendable" status. L.A. Care achieved an overall STAR rating for D-SNP of 3.0 eliminating Low Performing Icon and which allowed for L.A. Care to get passive enrollment. L.A. Care completed Centers for Medicare and Medicaid Services (CMS) review of 	


AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>D-SNP and Joint DHCS/DMHC review of Medi-Cal.</p> <p><i>(Member Li left the meeting.)</i></p> <p><u>Utilization Management Program</u> Halima Bascus, <i>Director, Utilization Management</i>, reported that L.A. Care has identified and addressed gaps in the network across product lines. L.A. Care has integrated medical and behavioral health services. L.A. Care has also integrated workflows from the Managed Long Term Supports and Services.</p> <p><u>Case Management Program</u> Anna Edwards, <i>Director, Care Management</i>, reported that L.A. Care has implemented Cal MediConnect Care Management and L.A. Care Covered, In-House Complex Case Management, and incorporated the new Coordinated Care Initiative benefits into the structure.</p> <p><u>Motion COM-A.0315</u> To approve the following documents:</p> <p><u>2014 Evaluations</u></p> <ul style="list-style-type: none"> • 2014 Quality Improvement Annual Report and Evaluation – All lines of business • 2014 Utilization Management Program Evaluation – All lines of business • 2014 Care Management Program Evaluation – All lines of business <p><u>2015 Program Descriptions</u></p> <ul style="list-style-type: none"> • 2015 Quality Improvement Program – All Lines of Business • 2015 Utilization Management Program – All Lines of Business • 2015 Care Management Program Description – All lines of business • 2015 Complex Case Management Program Description – All Lines of Business 	<p>Approved unanimously by roll call. 3 AYES (Hamilton Lee, Perez, and Roybal)</p>
<p>Annual Compliance Program Work Plan Update</p> <p>Jonathan Ro</p>	<p>Jonathan Ro, <i>Director, Medicare Compliance</i>, provided an update on L.A. Care’s Annual Compliance Program Workplan. <i>(A copy of his report may be requested from Board Services.)</i></p> <ul style="list-style-type: none"> • The audit work plan was revised to incorporate material information that has come to L.A. Care’s attention since the time of its approval in September 2014. The 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>revised work plan includes CMS' Program Audit findings, memorandum of Best Practices issued on August 27, 2014; and 2015 Readiness Checklist for Medicare-Medicaid Plans.</p> <ul style="list-style-type: none"> • Since L.A. Care will no longer service the Duals Special Needs Plan (D-SNP) as of January 1, 2015, standards and other thresholds reflected in the updated work plan are now more generally oriented towards those of Cal MediConnect (CMC) and Medicare. This helps ensure relevance of the areas to be audited, and is consistent with the mandates of L.A. Care's Compliance Program and of CMS' rules for an effective internal auditing and monitoring program. • All sections of the work plan will be conducted on a recurring basis, generally quarterly or semi-annually, throughout 2015. The team of reviewers consists of three full-time FTEs, whose formal titles are Senior Compliance Advisor (one FTE) and Internal Audit Compliance Advisor (two FTEs) will be primarily responsible for conducting the audits. • Audits will be performed in accordance with L.A. Care audit and monitoring policies and procedures. 	
<p>2015 Risk Assessment Report related to Cal MediConnect</p> <p>Jonathan Ro</p>	<p>Mr. Ro presented L.A. Care's 2015 Risk Assessment Report related to CMC. <i>(A copy of his report may be requested from Board Services.)</i></p> <ul style="list-style-type: none"> • In 2012, the Coordinated Care Initiative (CCI) was established. The CCI program allows dual-eligibles, who qualify for the federal Medicare and state Medi-Cal program, to "receive a continuum of services", that maximize the coordination of benefits between the Medi-Cal and Medicare programs. • In January 2014, the California Department of Health Care Services (DHCS), the Centers for Medicare and Medicaid Services (CMS) and L.A. Care Health Plan executed a three-way contract to implement the CCI program. Other health plans that have also entered into agreements with DHCS and CMS include Health Net, CareMore, Care1st Health Plan and Molina Healthcare. CMC is a component of the CCI program, and voluntary enrollment by members began in April 2014 in Los Angeles County. • Regulatory Affairs and Compliance (RA&C) department undertook this risk assessment. The scope of the risks explored in this assessment is intended to be only those specific and relevant to the CMC line of business. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • Risks that are most likely to affect member access to care or services earned the highest Risk Exposure scores. The top five risks were: <ul style="list-style-type: none"> • Low Income Subsidy levels may not be correctly applied, resulting in incorrect premium, cost sharing and deductible levels being assessed to members. • Organization determinations and related grievances may not be done in full adherence to requirements. • Incomplete oversight of First Tier, Downstream, or Related Entities may result in level of service not meeting contract or CMC expectations, including relating to prescription medication transition process. • Enrollment processing, including transmission of related transaction data, may occur incompletely, affecting member access to care and services. • Coverage determinations and related grievances may not be done in full adherence to requirements. • The risks identified in this assessment will be addressed through a combination of an audit plan and day-to-day procedures to meet requirements. • The audit will be performed in accordance with existing L.A. Care audit and monitoring policies and procedures. 	
Healthy Way LA and L.A. Care Covered 2014 Consumer Report Francisco Oaxaca	This agenda item was tabled for the next Committee meeting.	
PUBLIC COMMENT	There was no public comment.	
ADJOURNMENT	The meeting was adjourned at 4:25 p.m.	

Respectfully submitted
Malou Balones, *Committee Liaison, Board Services*
Samantha Leewood, *Interim Manager, Board Services*

APPROVED BY:


G. Michael Roybal, MD, MPH, *Chairperson*
Date Signed 05/26/15

Compliance & Quality Committee
March 19, 2015

APPROVED

BOARD OF GOVERNORS

Services Agreement Committee

Meeting Minutes – April 2, 2015

Conference Room 1017, 1055 W. Seventh Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

Members

Hector De La Torre
Louise McCarthy
Hilda Perez
Sheryl Spiller

Management/Staff

John Baackes, *Chief Executive Officer*
Jonathan Freedman, *Chief of Strategies, Regulatory & External Affairs*
Augustavia J. Haydel, *General Counsel*

Public

* *Absent* ** *Teleconference*


AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER Augustavia J. Haydel, Esq.	Augustavia J. Haydel, Esq., <i>General Counsel</i> , called to order at 4:15 p.m. She announced that members of the public may address the Committee on the matters listed on the agenda before or during the Committee's consideration of the item, and on any other matters at the Public Comment section at the end of the agenda.	
APPROVAL OF MEETING AGENDA Augustavia J. Haydel, Esq.	The agenda for today's meeting was unanimously approved as presented.	Approved unanimously 4 AYES (De La Torre, McCarthy, Perez and Spiller)
ELECTION OF CHAIRPERSON OF THE SERVICES AGREEMENT COMMITTEE Augustavia J. Haydel, Esq.	Ms. Haydel called for nominations for Committee Chair. Hector De La Torre was nominated by Member McCarthy, seconded by Member Perez, and was unanimously elected the Committee Chair.	Approved unanimously 4 AYES
APPROVAL OF MEETING MINUTES Hector De La Torre	The minutes of November 14, 2014 meeting were approved as submitted.	Approved unanimously 4 AYES
PUBLIC COMMENTS	There was no public comment.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CHAIRPERSON'S REPORT	There was no Chairperson report.	
CHIEF EXECUTIVE OFFICER REPORT John Baackes	John Baackes, <i>Chief Executive Officer</i> , reported that this is his first Board meeting and ninth day with L.A. Care as the new CEO. Mr. Baackes added that he was welcomed with open arms by staff and impressed with staff's dedication to L.A. Care's mission. He is delighted to join L.A. Care and will be more active at the next committee meeting.	
PLAN PARTNER COMMENTS Augustavia J. Haydel, Esq.	Augustavia J. Haydel, Esq., <i>General Counsel</i> , invited comments from Plan Partners. There was no comment by Plan Partners.	
COMMITTEE ISSUES		
ADJOURN TO CLOSED SESSION Hector De La Torre	Ms. Haydel announced the Committee would discuss the following item and the meeting adjourned to closed session at 4:20 p.m.: A. CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m) <ul style="list-style-type: none"> • Plan Partner Services Agreements • Plan Partner Rates B. REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion concerning New Product Lines Estimated date of public disclosure: April 2017	
RECONVENE IN OPEN SESSION Hector De La Torre	The Chair reconvened the meeting in open session at 5:15 pm. There was no report from the closed session	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ADJOURNMENT	The meeting was adjourned at 5:15 p.m.	

Respectfully submitted by:
 Malou Balones, *Committee Liaison*
 Samantha Leewood, *Interim Manager, Board Services*

APPROVED BY:


 Hector De La Torre, Chairperson
 Date: _____



Schedule of Meetings June 2015

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
1	2	3	4 <i>Board of Governors</i> <i>2 pm</i> <i>(for approximately 2 hours)</i>	5	6	7
8	9	10 <i>ECAC</i> <i>10 am</i> <i>(for approximately 2 hours)</i>	11	12	13	14
15	16	17	18 <i>Governance</i> <i>3 pm</i> <i>(for approximately 2 hours)</i>	19	20	21
22	23	24 <i>Finance & Budget</i> <i>1 pm</i> <i>(for approximately 1-1/2 hours)</i> <i>Executive</i> <i>2:30 pm</i> <i>(for approximately 2 hours)</i>	24	26	27	28
29	30					

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**Board of Governors & Public Advisory Committees
2015 Meeting Schedule / Member Listing**

	MEETING DAY, TIME, & LOCATION	MEETING DATES	MEMBERS
Board of Governors General Meeting	<p>1st Thursday 2:00 PM <i>(for approximately 3 hours)</i> 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017</p>	<p>June 4 July 30* No meeting in August September 3** October 1*** November 5 December 3***</p> <p><i>*Rescheduled from July 2 due to holidays</i></p> <p><i>** All Day Board Retreat – location to be determined</i></p> <p><i>*** Strategic Focus from 12:00-2:00 p.m. in addition to regular Board meeting from 2:00-5:00 p.m.</i></p>	<p>Thomas Horowitz, DO, <i>Chairperson</i> Mark Gamble, <i>Vice Chairperson</i> Michael Rembis, FACHE, <i>Treasurer</i> Louise McCarthy, <i>Secretary</i> Honorable Michael D. Antonovich Hector De La Torre Jann Hamilton Lee Alexander K. Li, MD Ozzie Lopez Hilda Perez G. Michael Roybal, MD, MPH Sheryl Spiller Kimberly Uyeda, MD, MPH</p> <p>Staff Contact: John Baackes, <i>Chief Executive Officer</i> <i>x4102</i> Samantha Leewood, <i>Interim Manager, Board Services, x4938</i></p>

**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2015 MEETING SCHEDULE / MEMBER LISTING**

Board of Governors - Standing Committees

	MEETING DAY, TIME, & LOCATION	2015 MEETING DATES	MEMBERS
Executive Committee	4 th Wednesday of the month 2:30 PM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017 <i>*moved due scheduling conflicts ** moved due to Thanksgiving holiday</i>	June 24 July 22 No meeting in August September 23 October 28 November 18** No meeting in December	Thomas Horowitz, DO, <i>Chairperson</i> Mark Gamble Michael Rembis Louise McCarthy G. Michael Roybal, MD, MPH Alexander K Li, MD Staff Contact: Samantha Leewood, <i>Interim Manager, Board Services, x4938</i>
Compliance & Quality Committee	3 rd Thursday every 2 months 2:30 PM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017	July 16 No meeting in August September 17 November 19 No meeting in December	G. Michael Roybal, MD, MPH, <i>Chairperson</i> Jann Hamilton Lee Alexander Li, MD Hilda Perez Staff Contact: Malou Balones <i>Committee Liaison, Board Services, x 4183</i>
Finance & Budget Committee	4 th Wednesday of the month 1:00 PM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017 <i>*moved due scheduling conflicts ** moved due to Thanksgiving holiday</i>	June 24 July 22 No meeting in August September 23 October 28 November 18** No meeting in December	Michael A. Rembis, FACHE, <i>Chairperson</i> Jann Hamilton Lee Thomas Horowitz, DO Ozzie Lopez Louise McCarthy Staff Contact: Hilda Stuart <i>Committee Liaison, Board Services, x 4184</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2015 MEETING SCHEDULE / MEMBER LISTING**

	MEETING DAY, TIME, & LOCATION	2015 MEETING DATES	MEMBERS
Governance Committee	1055 W. 7th Street, 10th Floor Los Angeles, CA 90017 MEETS AS NEEDED	Thursday June 18 3 – 5 pm	Alexander K Li, MD, <i>Chairperson</i> Hector De La Torre Mark Gamble Ozzie Lopez Hilda Perez Sheryl Spiller <u>Staff Contact:</u> Malou Balones <i>Committee Liaison, Board Services/x 4183</i>
Service Agreement Committee	1055 W. 7th Street, 10th Floor Los Angeles, CA 90017 MEETS AS NEEDED		Hector De La Torre, Chairperson Louise McCarthy Hilda Perez Sheryl Spiller <u>Staff Contact</u> Malou Balones <i>Committee Liaison, Board Services/x 4183</i>
Audit Committee	1055 W. 7th Street, 10th Floor Los Angeles, CA 90017 MEETS AS NEEDED		G. Michael Roybal, MD, MPH, <i>Chairperson</i> Jann Hamilton Lee Alexander K. Li, MD <u>Staff Contact</u> Malou Balones <i>Committee Liaison, Board Services, x 4183</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2015 MEETING SCHEDULE / MEMBER LISTING**

	MEETING DAY, TIME, & LOCATION	MEETING DATES	MEMBERS
<p>L.A. Care Community Health</p>	<p>Meets Annually or as needed 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017</p>		<p>Thomas Horowitz, DO, <i>Chairperson</i> Mark Gamble, <i>Vice Chairperson</i> Michael Rembis, FACHE, <i>Treasurer</i> Louise McCarthy, <i>Secretary</i> Honorable Michael D. Antonovich Hector De La Torre Jann Hamilton Lee Alexander K. Li, MD Ozzie Lopez Hilda Perez G. Michael Roybal, MD, MPH Sheryl Spiller Kimberly Uyeda, MD, MPH</p> <p><u>Staff Contact:</u> John Baackes, <i>Chief Executive Officer</i> x4102 Samantha Leewood, <i>Interim Manager, Board Services, x4938</i></p>
<p>L.A. Care Joint Powers Authority</p>	<p>Meets Quarterly or as needed 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017</p>		<p>Thomas Horowitz, DO, <i>Chairperson</i> Mark Gamble, <i>Vice Chairperson</i> Michael Rembis, FACHE, <i>Treasurer</i> Louise McCarthy, <i>Secretary</i> Honorable Michael D. Antonovich Hector De La Torre Jann Hamilton Lee Alexander K. Li, MD Ozzie Lopez Hilda Perez G. Michael Roybal, MD, MPH Sheryl Spiller Kimberly Uyeda, MD, MPH</p> <p><u>Staff Contact:</u> John Baackes, <i>Chief Executive Officer</i> x4102 Samantha Leewood, <i>Interim Manager, Board Services, x4938</i></p>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2015 MEETING SCHEDULE / MEMBER LISTING**

Public Advisory Committees

	MEETING DAY, TIME, & LOCATION	MEETING DATES	STAFF CONTACT
Children’s Health Consultant Advisory Committee General Meeting	3 rd Tuesday of every other month 8:30 AM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017	July 21 September 15 November 17	Lyndee Knox, PhD, <i>Chairperson</i> Staff Contact: Hilda Stuart <i>Committee Liaison, Board Services, x 4184</i>
Executive Community Advisory Committee	2 nd Wednesday of the month 10:00 AM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017	June 10 July 8 <i>No meeting in August</i> September 9 October 14 November 11 December 9	Elda Sevilla, <i>Chairperson</i> Staff Contact: Idalia Chitica, <i>Community Outreach & Education, Ext. 4420</i>
Technical Advisory Committee	4 th Thursdays every other month 9:00 AM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017	July 23 September 24 November 19	<i>Chairperson to be elected</i> Staff Contact: Malou Balones <i>Committee Liaison, Board Services/x 4183</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2015 MEETING SCHEDULE / MEMBER LISTING**

REGIONAL COMMUNITY ADVISORY COMMITTEES

REGION	MEETING DAY, TIME, & LOCATION	MEETING DATE	STAFF CONTACT
<p align="center">Region 1 Antelope Valley</p>	<p align="center">3rd Friday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> Chimbole Cultural Center 38350 N. Sierra Highway Palmdale, CA 93550 (661) 267-5656</p>	<p align="center">June 19 August 21 October 16 December 18</p>	<p align="center"><i>Adela Guadarrama, Chairperson</i></p> <p>Staff Contact: Judy Hsieh Bigman <i>Community Outreach & Education, Ext. 4199</i></p>
<p align="center">Region 2 San Fernando Valley</p>	<p align="center">3rd Monday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> Family Resource Center- Pacoima 10807 San Fernando Road Pacoima, CA 91331 (844) 858-9942</p>	<p align="center">June 15 August 17 October 19 December 21</p>	<p align="center"><i>Carlos Aguirre, Chairperson</i></p> <p>Staff Contact: Judy Hsieh Bigman <i>Community Outreach & Education, Ext. 4199</i></p>
<p align="center">Region 3 Alhambra, Pasadena and Foothill</p>	<p align="center">3rd Tuesday of every other month 9:30 AM <i>(for approximately 2-1/2 hours)</i> Lake Avenue Community Foundation 500 E. Villa Street Pasadena, CA 91101 (626) 817-4594</p>	<p align="center">June 16 August 18 October 20 December 15</p>	<p align="center"><i>Lidia Parra, Chairperson</i></p> <p>Staff Contact: Kristina Chung <i>Community Outreach & Education, Ext. 5139</i></p>
<p align="center">Region 4 Hollywood-Wilshire, Central and Glendale</p>	<p align="center">3rd Tuesday of every other month 9:00 AM <i>(for approximately 2-1/2 hours)</i> Hollywood High School Parent Center 1521 Highland Avenue Los Angeles, CA 90028 (323) 993-1771</p>	<p align="center">July 21 September 15 November 17</p>	<p align="center"><i>Hercilia Salvatierra, Chairperson</i></p> <p>Staff Contact: Kristina Chung <i>Community Outreach & Education, Ext. 5139</i></p>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2015 MEETING SCHEDULE / MEMBER LISTING**

REGION	MEETING DAY, TIME, & LOCATION	MEETING DATE	STAFF CONTACT
Region 5 West	3rd Monday of every other month 2:00 PM <i>(for approximately 2-1/2 hours)</i> Veterans Memorial Building Garden Room 4117 Overland Avenue Culver City, CA 90230 (310) 253-6625	June 15 August 17 October 19 December 21	Romalda Meza, Chairperson Staff Contact: Martin Vicente <i>Community Outreach & Education, x 4423</i>
Region 6 South, Compton, Inglewood	3rd Thursday of every other month 3:00 PM <i>(for approximately 2-1/2 hours)</i> Saint John's Well Child & Family Center 808 W. 58 th Street Los Angeles, CA 90037 (323) 541-1600	June 18 August 20 October 15 December 17	Dove Savage Pickney, Chairperson Staff Contact: Frank Meza <i>Community Outreach & Education, x 4239</i>
Region 7 San Antonio and Bellflower	3rd Thursday of every other month 4:30 PM <i>(for approximately 2-1/2 hours)</i> Old Timers Foundation Family Center 3355 E. Gage Avenue Huntington Park, CA 90255 (323) 582-6090	July 16 September 17 November 19	Dalia Cadena, Chairperson Staff Contact: Frank Meza <i>Community Outreach & Education, x 4239</i>
Region 8 Torrance and Harbor	3rd Friday of every other month 10:30 AM <i>(for approximately 2-1/2 hours)</i> John Mendez Community Center 707 W. C Street Wilmington, CA 90748 (310) 549-0052	July 17 September 18 November 20	Ana Romo – Chairperson Staff Contact: Frank Meza <i>Community Outreach & Education, x 4239</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2015 MEETING SCHEDULE / MEMBER LISTING**

REGION	MEETING DAY, TIME, & LOCATION	MEETING DATE	STAFF CONTACT
Region 9 Long Beach	3 rd Monday of every other month 9:00 AM <i>(for approximately 2-1/2 hours)</i> Miller Family Health Education Center 3820 Cherry Avenue Long Beach, CA 90807 (562) 570-7987	July 20 September 21 November 16	Christina Deh-Lee, Chairperson Staff Contact: Kristina Chung <i>Community Outreach & Education, Ext. 5139</i>
Region 10 East Los Angeles, Whittier and North- East	3 rd Thursday of every other month 4:00 PM <i>(for approximately 2-1/2 hours)</i> Boyle Heights Technology Youth Center 1600 East 4 th Street Los Angeles, CA 90033 Tel. (323) 526-0145	June 18 August 20 October 15 December 17	Aida Aguilar, Chairperson Staff Contact: Martin Vicente, <i>Community Outreach & Education, Ext. 4423</i>
Region 11 Pomona and El Monte	3 rd Wednesday of every other Month 9:00 AM <i>(for approximately 2-1/2 hours)</i> dA Center for the Arts 252 D South Main Street Pomona, CA 91766 (909) 397-9716	July 16 September 17 November 19	Elda Sevilla, Chairperson Staff Contact: Martin Vicente, <i>Community Outreach & Education, Ext. 4423</i>

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.