

BOARD OF GOVERNORS
Executive Committee

Meeting Minutes – August 24, 2020

1055 West 7th Street, Los Angeles, CA 90017



L.A. Care
 HEALTH PLAN

Members

Hector De La Torre, *Chairperson*
 Al Ballesteros, *Vice Chairperson*
 Robert H. Curry, *Treasurer*
 Layla Gonzalez, *Secretary*
 Stephanie Booth, MD
 Hilda Perez

Management/Staff

John Baackes, *Chief Executive Officer*
 Terry Brown, *Chief Human Resources Officer*
 Augustavia J. Haydel, Esq., *General Counsel*
 Alex Li, MD, *Deputy Chief Medical Officer*
 Marie Montgomery, *Chief Financial Officer*

**Absent*

California Governor issued Executive Order No. N-29-20, which among other provisions amends the Ralph M. Brown Act. Members of the public can listen to this meeting via teleconference.

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	<p>Hector De La Torre, <i>Chairperson</i>, called the meetings to order for the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee at 2:46 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings. He summarized the public comment process.</p> <ul style="list-style-type: none"> • The Governor’s Executive Order temporarily set aside some provisions of the Brown Act because of the public health guidelines. • Board Meetings are conducted electronically so that all attendees can be safe and practice social distancing. • Comments from anyone who would like to address the Board and its committees are welcome. • L.A. Care members need us to continue the work of the Board, and the meetings are run so that members of the public can hear the meeting and can submit their comments by voice mail, text, or by email. • Staff sends comments received before the meeting to Committee Members. • All public comment read during the meeting is included in the minutes of the meeting. Comments that were not read during the meeting are added to the minutes. • At the appropriate item on the Agenda, staff will read the public comment from each submitter for 3 minutes. Depending on how many comments are submitted, the 3- 	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>minute time could be adjusted to allow time for more submitters to have the comments read.</p> <ul style="list-style-type: none"> The Board will keep reviewing and improving how public comments are received and read at the meeting or distributed to the Board. 	
APPROVE MEETING AGENDA	The Agenda for today’s meeting was approved.	Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, De La Torre, and Gonzalez)
PUBLIC COMMENTS	<p>Text received August 24, 2020 at 2:32 pm, Not Self-Identified</p> <p><i>Public comment I will be looking into this Synternet, may be nothing but I don't believe a damned thing you people say!</i></p>	
APPROVE MEETING MINUTES	The minutes of the June 22, 2020 meeting were approved as submitted.	Approved unanimously by roll call. 4 AYES
CHAIRPERSON’S REPORT	<p>Chairperson De La Torre noted that the COVID-19 crisis and the fires in Northern California and Inland Empire are devastating for Californians.</p> <p>He commended staff for adapting to these situations. He added that he is very proud of the L.A. Care staff and thanked them for the work they do for members.</p> <p>He asked members to be patient with staff and leadership during this difficult time.</p>	
CHIEF EXECUTIVE OFFICER REPORT	<p>John Baackes, <i>Chief Executive Officer</i>, thanked Chairperson De La Torre. He also thanked L.A. Care staff for their work given the current situation.</p> <ul style="list-style-type: none"> Mr. Baackes reported that as the end of the fiscal year approaches, it is obvious that what was forecast a year ago and what has transpired over the year are nowhere near the same. He thanked the staff for making many adjustments so L.A. Care can continue to provide services to members. L.A. Care works with the safety net providers, particularly with clinics, distributing personal protective equipment (PPE) and a number of other tasks to support the safety net providers. These efforts may not be visible to the public, but there is a lot of activity behind the scenes across Los Angeles County to continue health care services. 	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • L.A. Care is coming up to the end of a year that will not look like what was anticipated. It is becoming clear that the next two or three years will be extremely challenging for L.A. Care and for all the Medi-Cal managed care plans in California. California’s ability to raise tax revenue sufficient to support the health care programs has been severely hampered by the economic recession. A state budget was passed in June 2020 for the fiscal year which began on July 1. The impact of the recession on L.A. Care will not be fully apparent until January 2021. L.A. Care is operating under a rate structure that was put in place in July 2019. The state is migrating from a fiscal year to a calendar year through an 18-month bridge period. L.A. Care has absorbed the impact of a 1.5% rate reduction for the bridge period. The budget prepared by L.A. Care for next fiscal year will show a deficit because of the rate reduction. • If the U.S. Congress does not pass a stimulus bill which provides federal funding, the state will be in a very precarious position to fund the Medi-Cal program. As a result, the drastic cuts to services and reimbursement that Governor Newsom presented in his May Budget revise will be revisited. • Food insecurity is becoming a major issue. Lack of food affects people’s health. L.A. Care has coordinated with community organizations to support drive-thru food pantries, and the turnout has been unprecedented. He commended the Family/Community Resource Centers staff (CRC/FRCs) for coordinating the distribution events. <ul style="list-style-type: none"> ○ There will be a significant financial impact on L.A. Care’s operation, and on capitated providers and hospitals. ○ Utilization of health care services has increased due to COVID-19, with a severe impact on L.A. Care’s most vulnerable members. • L.A. Care will continue to update the financial forecast and make adjustments. • L.A. Care staff is committed to serving the members and supporting the providers. • Mr. Baackes introduced Acacia Reed, <i>Interim Chief Operating Officer</i>. She started in the position on August 3. 	
Government Affairs Update	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported:</p> <ul style="list-style-type: none"> • This is the California Legislature’s last week in session. August 25 is the last day for amendments to bills, and final bills voted on August 31. • The DHCS Long-Term Care at Home program for individuals transferring from hospital to nursing facility or home to prevent long term stay has been abandoned by 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>DHCS. There was a bill under consideration by the Legislature. DHCS and the Administration did not agree to the bill's components, so DHCS stated it would no longer be developing and implementing this program. It is unclear if the idea will be brought back at some point in the future.</p> <ul style="list-style-type: none"> • L.A. Care is tracking another bill that would impose parameters on payment requirements for COVID-19 testing. There is legislative language (but no bill or author yet) that if a health plan does not have a negotiated rate with a provider, health plans must pay the amount charged on providers' website. This would conflict with the Medi-Cal program, because DHCS has an established reimbursement amount. It is unknown if the language will be included in legislation during the last few days of the legislative session. • L.A. Care's health information exchange (HIE) team drafted a letter to Centers for Medicaid and Medicare Services (CMS) and to Congress, requesting that HIE funding at the federal level be extended for two years to allow providers more time to obtain alternate HIE funding. Over 30 organizations signed the letter. <p>Mr. Baackes noted that a lack of action on a federal stimulus bill will have enormous impact on the Medicaid and (for California) Medi-Cal budget next year. There is encouraging news from trade associations (America Health Insurance Plans) that there will be more federal funding, but it won't be available until September, and will be in the \$2 trillion range with some funding for state programs.</p> <p>Member Booth asked about AB 890 and SB 1237 regarding scope of practice legislation. Ms. Compartore responded that these bills were allowed to come back to the Legislature for reconsideration.</p> <p><i>(Chairperson De La Torre stepped out of the meeting.)</i></p>	
<p>The Keck Graduate Institute initial funding for the Integrated Master of Science in Community Medicine Doctor of Medicine (MSCM-MD) Program</p>	<p>Mr. Baackes reported that, at the last board meeting, he introduced a proposal from KECK Graduate Institute requesting support for the development of a new program aimed at addressing the health care workforce shortage and health disparities. The Board asked staff to draft a resolution, which is presented for consideration. The funding will come from the Elevating the Safety Net program.</p> <p>In response to Members Booth and Perez' question if this fund is just to start the program, Mr. Baackes responded that this is a one-time grant and not an indication nor promise of additional future funding.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><u>Motion EXE 100.0920</u></p> <p>1) To authorize staff to execute an agreement in the amount of \$5 million with The Keck Graduate Institute in initial funding for the Integrated Master of Science in Community Medicine Doctor of Medicine (MSCM-MD) Program for the period of January 1, 2021 through December 31, 2024;</p> <p>2) in authorizing execution of the agreement, the Committee finds that the support of this program serves a public purpose and further L.A. Care’s mission for reasons outlined in this motion.</p> <p><i>(Member Curry joined the meeting.)</i></p> <p>Member Curry after the motion was voted on, Member Curry asked if KGI has other funders for this program. Mr. Baackes responded that they have committed donors and he offered to share the information at the next meeting.</p> <p>Member Curry asked if other medical schools are receptive to this new program? Mr. Baackes noted that the nature of the program is not the same focus of other medical schools. The KGI program seeks to add to the community orientation of medical education in California.</p>	<p>Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, Gonzalez, and Perez)</p>
<p>Elevating the Safety Net Residency Support Program and Provider Loan Repayment Program</p>	<p>Mr. Baackes presented a motion requesting approval of the next round of support for residency positions and medical school loan repayment programs in Los Angeles County.</p> <p>Cynthia Carmona, <i>Senior Director, Safety Net Initiatives</i>, added that the Children’s Hospital Los Angeles has secured funding and is not included in this request.</p> <p>Member Booth asked what kind of positions are being funded. Ms. Carmona responded that the fellows are for social medicine and internal medicine program, and is it meant to provide mentorship to residents.</p> <p>In response to Member Booth’s question about tracking the progress of the residents, Ms. Carmona responded that staff is collecting that information and it will be provided to the Board.</p> <p>Ms. Carmona noted that there are 69 providers receiving loan repayments in this program.</p> <p><u>Motion EXE 101.0920</u></p> <p>1. Approve and authorize an expenditure of up to \$4.5 million to the continue Residency Support Program (RSP).</p>	<p>Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, Curry, Gonzalez, and Perez)</p>

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>2. Approve and authorize expenditure of up to \$6 million to continue Provider Loan Repayment Program (PLRP).</p>	
<p>2021 Board & Committee Meeting Schedule</p>	<p>Linda Merkens, <i>Senior Manager, Board Services</i>, presented the 2021 Board & Committee Meeting Schedule.</p> <p>Member Booth commented that Monday meetings are difficult considering other scheduling requirements. Ms. Merkens responded that the Chairperson assigns board members to a committee at the beginning of the calendar year, and each committee can then decide on the date and time for meetings.</p> <p><u>Motion EXE 102.0920</u> To approve the 2021 Board of Governors meeting schedule as submitted.</p>	<p>Approved unanimously by roll call. 5 AYES</p>
<p>Revision Human Resource Policy HR 312 (Recruitment)</p>	<p>Terry Brown, <i>Chief Human Resources Officer</i>, presented a motion requesting approval of revisions to Human Resources Policy & Procedure HR-312 (Recruitment). Staff is proposing additional revisions to HR-312, if L.A. Care is interested in hiring a candidate that was a partner, principal, or professional employee in any key position that would cause violation of the AICPA Code of Professional Conduct, generally accepted government auditing standards, or other applicable independence rules.</p> <p><u>Motion EXE A.0820</u> To approve the Human Resources Policy & Procedure HR-312 (Recruitment), as presented.</p>	<p>Approved unanimously by roll call. 5 AYES</p>
<p>Approve the Consent Agenda for September 3, 2020 Board of Governors meeting</p>	<ul style="list-style-type: none"> • Minutes of July 30, 2020 Board of Governors meeting • 2021 Board & Committee Meeting Schedule • Quarterly Investment Report • Ntooitve Contract Amendment • Collective Medical Technologies Contract Amendment • United Guard Service Contract • Cognizant Contract Amendment 	<p>Approved unanimously by roll call. 5 AYES</p>
<p>PUBLIC COMMENTS</p>	<p>Text received August 24, 2020 at 2:49 pm, Not Self-Identified <i>I take issue with being listened to in my own house without my knowledge</i> <i>Public comment above</i> <i>I just made a public comment</i></p>	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Text received August 24, 2020 at 2:52 pm, Not Self-Identified <i>Today 2:52</i> <i>Did you just record me in my own house without my knowledge ? I was listening not consenting to being listened to in my own house when I'm told I can't comment live!</i></p> <p>Text received August 24, 2020 at 2:55 pm, Not Self-Identified <i>Public comment comment governors committee 8-25-2020, Dr. Ghaly MIGHT be a nice person , but for me as the mother of a Synermed victim I have complained to the max to DMHC and state and County public health and frankly her being married to one of the guys running the "show" up north concerns me and I question the appropriateness of her being on the board of a health plan her husband has authority over, his picture is clearly at the DMHC site although it's usually confusing what the role of his title is , maybe all of it is proper somehow and they MAY be good people but I still question it.</i></p> <p>Text received August 24, 2020 at 3:26 pm Not Self-Identified <i>Hi , i'd like to submit a public question and would appreciate the answer during this session. Please make the answer known publicly & include your answer in this weeks meeting minutes :</i> <i>My question : I am a past patient of Synermed . Is Syntenet associated with Synermed?</i></p> <p>Mr. Baackes clarified that Syntranet is a product of Thrasys, a management service company that L.A. Care has a contract with. They have no relation to SynerMed. They are totally different - one is a product name, the other one is a company.</p>	
<p>ADJOURN TO CLOSED SESSION</p>	<p><i>(Chairperson De La Torre rejoined the meeting.)</i></p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the items to be discussed in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 3:35 p.m.</p> <p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> ● Plan Partner Rates ● Provider Rates ● DHCS Rates 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: <i>August 2022</i></p> <p>CONFERENCE WITH LABOR NEGOTIATOR Pursuant to Section 54957.6 of the Ralph M. Brown Act Agency Designated Representative: John Baackes Unrepresented Employee: All L.A. Care Employees</p> <p>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d) (2) of Ralph M. Brown Act Three Potential Case</p> <p>CONFERENCE WITH LABOR NEGOTIATOR Pursuant to Section 54957.6 of the Ralph M. Brown Act Agency Designated Representative: Hector De La Torre Unrepresented Employee: Chief Executive Officer</p>	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 4:25 pm. No reportable actions were taken during the closed session.	
ADJOURNMENT	The meeting adjourned at 4:25 p.m.	

Respectfully submitted by:

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

APPROVED BY:

DocuSigned by:

019D7F81EB7B442...
Hector De La Torre, *Chair*
Date: 10/8/20

APPROVED