EXECUTIVE COMMITTEE MEETING

Board of Governors

November 16, 2020 • 2:00 PM
L.A. Care Health Plan
1055 W. 7th Street, Los Angeles, CA 90017
AGENDA
Executive Committee Meeting
Board of Governors
Monday, November 16, 2020, 2:00 P.M.
L.A. Care Health Plan, 1055 West 7th Street, 10th Floor, Los Angeles

California Governor issued Executive Orders No. N-25-20 and N-29-20, which among other provisions amend the Ralph M. Brown Act. Accordingly, members of the public should now listen to this meeting via teleconference as follows:

To join and LISTEN ONLY via videoconference please register by using the link below:
https://lacare.webex.com/lacare/j.php?MTID=m6986c713566ffa30dccb07e7e6e21f84

To join and LISTEN ONLY via teleconference please dial: (213) 306-3065 or (415) 655-0002
Access code: 146 796 0546

Members of the Executive Committee or staff may also participate in this meeting via teleconference. The public may listen to the Executive Committee’s meeting by teleconference. The public is encouraged to submit its public comments or comments on Agenda items in writing. You can e-mail public comments to BoardServices@lacare.org, or send a text or voicemail to: 213 628-6420.

The text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.
Comments received by voicemail, email or text by 2:00 pm on November 16, 2020 will be provided in writing to the members of the Board of Governors that serve on the Executive Committee. Public comments submitted will be read for 3 minutes.

Once the meeting has started, voicemails, emails and texts for public comment should be submitted before the item is called by the meeting Chair. If you wish to submit public comment on an item, you must submit it at any time prior to the time the Chair announces the item and asks for public comment. The Chair will announce when public comment period is over.

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

WELCOME
Hector De La Torre, Chair

1. Approve today’s meeting Agenda

2. Public Comment (please see instructions above)

3. Approve October 26, 2020 Meeting Minutes p.5

4. Chair’s Report

5. Chief Executive Officer Report

COMMITTEE ITEMS

6. Government Affairs Update
   • Approve of L.A. Care’s 2021 State and Federal Policy Agenda (EXE 100) p.20
7. **Approve L.A. Care’s Revised Conflict of Interest Code** *(EXE 101)*
   Augustavia J. Haydel, Esq.
   General Counsel

8. **Delegation to CEO to implement revisions to Human Resources Policy** HR 220 (Telecommuting) *(EXE A)*
   Terry Brown

9. **Approve the list of items that will be considered on a Consent Agenda for December 3, 2020 Board of Governors Meeting**
   - Minutes of November 5, 2020 Board of Governors Meeting
   - L.A. Care’s Revised Conflict of Interest Code
   - Quarterly Investment Report
   - Allocation of Funds for L.A. Care Credentialing/Peer Review Committee Physician Stipends
   - QPerior Contract Amendment
   - Westfall Commercial Furniture Contract Amendment

**ADJOURN TO CLOSED SESSION (Est. time: 30 mins.)**
**Chair**

10. **CONTRACT RATES**
    Pursuant to Welfare and Institutions Code Section 14087.38(m)
    - Plan Partner Rates
    - Provider Rates
    - DHCS Rates

11. **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: November 2022

12. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
    Significant exposure to litigation pursuant to Section 54956.9(d) (2) of Ralph M. Brown Act
    Three Potential Cases

13. **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

**RECONVENE IN OPEN SESSION**

14. **Employee Annual Incentive Plan** *(EXE 102)*
    Terry Brown
    Chief Human Resources Officer

**ADJOURN**

   There is no Executive Committee in December 2020.
   The next Executive Committee is scheduled on **Monday, January 25, 2021 at 2:00 p.m.**
   Public comments will be read for three minutes or less.
   The order of items appearing on the agenda may change during the meeting.
If a teleconference location is listed at the top of this agenda, the public can listen to the meeting by calling the teleconference call in number provided. If teleconference arrangements are listed at the top of this Agenda, note that the arrangements may change prior to the meeting.

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

NOTE: THE EXECUTIVE COMMITTEE CURRENTLY MEETS ON THE FOURTH MONDAY OF MOST MONTHS AT 2:00 P.M. POSTED AGENDA and MEETING MATERIALS ARE AVAILABLE FOR INSPECTION AT www.lacare.org.

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 at www.lacare.org.

AN AUDIO RECORDING OF THE MEETING MAY BE MADE TO ASSIST IN WRITING THE MINUTES AND IS RETAINED FOR 30 DAYS.

Meetings are accessible to people with disabilities. Individuals who may require any accommodations (alternative formats – i.e., large print, audio, translation of meeting materials, interpretation, etc.) to participate in this meeting and wish to request an alternative format for the agenda, meeting notice, and meeting packet may contact L.A. Care’s Board Services Department at (213) 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.
California Governor issued Executive Order No. N-25-20 and N-29-20, which among other provisions amend the Ralph M. Brown Act. Members of the public can listen to this meeting via teleconference.

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| CALL TO ORDER         | Hector De La Torre, Chairperson, called the meetings to order for the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee at 2:24 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings.  
   • For those who provided public comment for this meeting by voice message or in writing: we are really glad that you provided input today. The Committee wants to hear your comments and we also have to finish the business on our Agenda today.  
   • If you have access to the internet, the materials for today’s meeting are available at the lacare.org website. If you need information about how to locate the meeting materials, please let us know.  
   • Information for public comment is on the Agenda available on the web site. Staff will read the comment from each person for up to three minutes.  
   • Chairperson De La Torre will invite public comment period before each item is discussed, not after. The public comment will be read before the Committee starts to discuss the item.  
   • If the comment is not on a specific agenda item, it will be read at the general Public Comment item 2 on today’s agenda. |
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| APPROVE MEETING AGENDA| The Agenda for today’s meeting was approved.  
Member Curry experienced technical difficulties and was not able to vote. | Approved unanimously by roll call.  5 AYES  
(Ballesteros, Booth, De La Torre, Gonzalez and Perez) |
| PUBLIC COMMENTS       | Text received, Sep 29, 2020, at 6:48pm, from Carolyn Navarro  
Public comment, Carolyn Navarro 626-217-0549 Oct 26, 2020 meetings  
Finance relevant, 1&2 pm: Regarding managed care corrective action signed by your attorney stating LA Care is to “identify and follow up” with Synermed aka EHS affected enrollees, WHO has been notified? It was handed down in late 2019, not long ago. Any recent victim I find has not been notified, nor have we. Now a person who worked at Synermed has come forward stating people working there were given bonuses of $500 to dump sick patients, I’d like to know if that was the case with our daughter! I alerted you that something illegal was going on in 2014, instead of acting concerned you acted like you have something to hide! Your “management” needs to be investigated, maybe criminally for allowing special needs people to be abused by an MSO you likely gave millions to for years, where is all that money you gave them?  
Public comment Oct 26, 2020 from Carolyn Navarro bohindy@gmail.com, any victim (many have no idea they are victims) is welcome to message me anytime! |
Public Comment, Carolyn Navarro 626-217-0549. This documents my complaint that at both September 28 2020 meetings I heard the other public commenter comments that I was aware of in advance only partially read and THEN read in full after I pointed it not being all read, omitting the disgusting revelation that Synermed agents would get $500 prizes for dumping patients! Furthermore, it was recorded as stated at the beginning of the meeting, you board members heard it just fine! The other commenters comment was read 4 times, 2 x’s in full! I listened to the entire meetings and heard everything just fine, in case you have any selective amnesia, like you have about Synermed abusing 1,000s of enrollees that you don’t give a damn about, I’m not the only one who heard it!

Public comment, I believe people are still getting bonuses to dump patients!

Public comment, NONE of you are owed you jobs or professional licenses, especially when you abuse your positions thinking a parent and a housewife can do nothing, (3 minutes expired)
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<td>APPROVE MEETING MINUTES</td>
<td>The minutes of the September 28, 2020 meeting were approved as submitted.</td>
<td>Approved unanimously by roll call. 6 AYES (Ballesteros, Booth, Curry, De La Torre, Gonzalez and Perez)</td>
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<td>CHAIRPERSON’S REPORT</td>
<td>There was no report from the Chairperson.</td>
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<td>CHIEF EXECUTIVE OFFICER REPORT</td>
<td>John Baackes, <em>Chief Executive Officer</em>, reported</td>
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<td>• L.A. Care is looking at all aspects of the impact of the forecasted loss for the budget of the fiscal year that ended on September 30, 2020, as well as the loss in the budget that was approved for the next fiscal year. Staff is endeavoring to make sure that we are reducing the administrative expenses as much as possible, without compromising the ability to serve the members or the provider network. Staff is reviewing the outside contracts for opportunities for renegotiation and cost reduction. A hiring freeze has been imposed for the organization. Vacant positions will be filled from within the organization as much as possible, offering employees the opportunity for transfer or upgraded positions. More details will be reviewed with the Board at the November and December meetings.</td>
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<td>• A big concern is the revenue situation. California is in a bridge period until December 31, 2020 so the state can convert to a calendar year for rate determination. A 1.5% rate reduction was applied to the entire 18-month bridge period, which added to L.A. Care’s loss in revenue for the last fiscal year.</td>
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<td>• As of the end of October, L.A. Care is waiting for rates for calendar year 2021. There has been preliminary indication, but expect to receive final rates in December. A concern overshadowing this situation is that when the state adopted a budget in June, it included a conservative estimate of federal aid that has not yet materialized. In adopting the budget, it was indicated that if the additional federal aid was not known by October 15, there would be certain “trigger” cuts that would be applied to Medi-Cal. Most of those cuts would not come until the end of the 2021 rate year, including the termination of Proposition 56 funding.</td>
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<td>• There is also concern that the lack of a federal stimulus bill by Congress has impacted many businesses, and there have been reports in the media about companies that are furloughing employees. It is expected that there will be continued downward</td>
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pressure on the economy as a result of the recession, which will be reflected in the state’s lower tax revenue. The effects are still unknown until the final rates are seen in December. The preliminary rates could change dramatically in the next several months.

- As a Medi-Cal managed care plan, L.A. Care enrolls the most vulnerable in the population. The plan demographics include 44% Latino, and that population is the most hospitalized for COVID-19, with a death rate 3.5 times the rate of their white counterparts. This is reflected in the continuing high expenses for medical care. At the Finance & Budget Committee meeting, Member Curry spoke about the length of stays involved in treating COVID-19 patients. Compared to commercial health plans, L.A. Care is bearing a greater financial burden.

- L.A. Care is actively seeking ways to reduce the expense without a reduction in services. This involves re-contracting, particularly with those which might seek to move toward capitation or a risk sharing arrangement.

- L.A. Care has reopened the Community Resource Centers with limited programming. Those sites have become sites for food pantries and have begun conducting drive-through flu clinics with pharmaceutical partners. About 7,000 flu shots have been given and will continue this program. The point is to encourage and make available the flu vaccine to prepare people for the flu seasons in hopes it will prevent infection and allow hospitals to be available for treatment of COVID-19 patients in the event of a surge in infection.

- Reports of COVID-19 cases are slowly dropping in Los Angeles County while other states are seeing surges in infection rates. In Nebraska, officials are considering how to ration hospitalization.

- L.A. Care remains focused and committed to bringing the plan through the pandemic in a strong financial position in order to continue to support the mission to serve vulnerable members of the community and preserve the safety net of providers and access to care.

Member Booth noted that assuming there is not sufficient funds to pay providers, as we see it right now, for the group of people that the health plan covers, discuss why hospitals would want to assume more financial risk.

Mr. Baackes responded that some may be willing to join a risk-bearing arrangement because they would get paid up front. Cash flow would be better than filing claims and
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<td>waiting for payment, and other incentives can be included in that payment methodology. He noted there has been quite an appetite among hospitals for this type of payment. Member Booth clarified that there would be savings for the hospital and the health plan. Mr. Baackes indicated that capitation provides hospitals with a better cash flow, so to the extent that allows them to operate more efficiently, there could be savings for them. Hospital executives have told him that capitation payment is much more helpful to them than filing claims and getting paid after the fact. Marie Montgomery, Chief Financial Officer, added that these arrangements are with provider groups that are working with hospitals where they believe they can create efficiencies in how they work together. On a selected basis, based on geography and relationships, stability is gained in predictability of revenue and cash flow. They also believe that they are positioned to drive efficiency by partnering between the provider group and the hospital for selected members. Member Curry stated, on a hypothetical basis not with respect to L.A. Care, in his hospital systems’ negotiations with payors, everything Mr. Baackes and Ms. Montgomery said is true. There is a more predictable cash flow. If efficiencies can be achieved in delivery of the care model, there is a financial upside. If there is no risk, there is no benefit. Mr. Baackes added, an important factor is that by doing risk sharing arrangements with a medical group tied in, is that the capitation to the hospital affects the members in that medical group. There is a benefit to the medical group that is more efficient about hospital admissions, particularly re-admissions and use of the emergency room. Medical group physicians also increase active participation in discharge planning. Dr. Seidman commented that Member Curry and Ms. Montgomery use the term efficiencies in the partnership and collaboration between the provider groups and the hospitals, and they may be alluding to different things in their use of the term efficiency. Dr. Seidman explained that he would say that with capitation, incentives are shifted in a potentially positive way. Since capitation dollars are going out up front to both the group and the hospital, the financial incentives are to invest in activities that reduce utilization and cost, so the savings can be invested in programs and interventions that can improve health outcomes. It can be considered an efficiency, as CMO he noted it is an important shift in the financial incentives in an ongoing effort to get payment methodologies aligned with the improved outcomes L.A. Care is trying to achieve.</td>
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<td>Member Curry noted that in the Medicare program the federal government is offering bundled payments and at-risk payments. His organization is participating in the joint replacement bundle, wherein if resources are used effectively, both physician and hospital share in the funds resulting from efficiency. Many orthopedic surgeons, maybe for the sake of patient care and safety, but not necessarily for clinical outcomes, would admit patients to a skilled nursing facility for perhaps up to a week, following discharge after two days in the hospital. The two-day hospital stay is becoming one day, and the use of skilled nursing facilities is just about gone, replaced with home health at significantly lower cost. The federal government is finding value in offering this form of reimbursement. It is where things are headed in the relationships among health plans, providers and hospitals, in integrating the right outcomes and the right payment.</td>
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<td>4th Quarter Strategic Vision report FY 2019-20</td>
<td>Mr. Baackes referred to the report included in the meeting materials (a copy of the report may be requested by contacting Board Services). He noted that this is an important document for staff as it reflects the priorities L.A. Care is working on to meet the budget and vision goals. The plan is formulated for three years, with broad goals followed by objectives and tactics. It is updated with current activities, and as tactics are achieved, new ones are listed in the report. Member Booth commented that the report is much easier to follow and she hopes that is true for everyone else. Mr. Baackes thanked Member Booth for her input, and he congratulated Wendy Schiffer, Senior Director, Strategic Planning, Strategy, Regulatory and External Affairs, and her team for their great work on this report.</td>
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| Government Affairs Update | Cherie Compartore, Senior Director, Government Affairs, reported:  
- California is working on the 2021-22 Budget. In January, when the legislature reconvenes, there will be more information.  
- A federal judge has struck down an attempt to add work requirements to the SNAP assistance program which benefits nearly 700,000 people nationwide (Cal-Fresh in California). L.A. Care had submitted a public comment letter opposing the work requirement.  
- It is expected that Amy Coney Barrett will be appointed to the Supreme Court of the United States. Member Booth asked about discussions about aligning legislative goals among physicians and health plans. Ms. Compartore stated that a proposed legislative policy platform will | |

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October 26, 2020  
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<td>be presented to the Executive Committee in November and to Board Members in December.</td>
<td>Augustavia J. Haydel, Esq., General Counsel, summarized the motion and asked the Committee members to consider amending the motion to include Amendment 14 to Contract 03-75799. Amendment 31 extends the terms and conditions of the contract to December 2021. Amendment 14 was received earlier today, and it extends the state sponsored services to December 2021. There was no objection to the amendment.</td>
<td>Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, De La Torre, Gonzalez and Perez)</td>
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<td>Ratify Amendment 31 to DHCS Agreement 04-36069</td>
<td>Motion EXE 100.1120 To ratify execution of Amendment No. 31 to Contract 04-36069, and to approve execution of Amendment A14 to Contract 03-75799, between L.A. Care Health Plan and the California Department of Health Care Services, by L.A. Care Chief Executive Officer, John Baackes.</td>
<td>Member Curry experienced technical difficulty and he could not vote.</td>
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<td>Community Health Investment Fund (CHIF) Priorities FY 2020-21</td>
<td>Member Ballesteros may have financial interests in Plans, Plan Participating Providers or other programs and as such he refrained from the discussion of items 2), 3) and 4) in the motion below. In order to expedite the process, his vote on the motion reflects a vote concerning the entire motion excluding those items for which he is abstaining.</td>
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<td>Mr. Baackes noted that the grant programs are discretionary and may be set aside. This is in line with past budgets. Because of the uncertainty of L.A. Care’s revenue beginning in January 2021, he asked staff to divide the programs into two lists:</td>
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<td>• Continued installments for prior commitments (where grantee is meeting requirements).</td>
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<td>• Remaining grant programs will be reviewed in January 2021 based on the financial outlook at that time.</td>
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<td>Roland Palencia, MA, Director, Community Benefits Program, summarized the motion. The first phase will include ongoing multi-year commitments. This includes $4 million in funding to Brilliant Corners, which funds housing for up to 300 individuals and families experiencing homelessness, the majority being L.A. Care members. This first phase also includes a few other small grants, not to exceed a total of $100,000.</td>
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<td>All remaining funding will be considered in the second phase of grants. This funding will remain on hold for now, and the Chief Executive Officer (CEO) will assess the financial situation in the second quarter of FY 2020-21 to determine whether to release some or all of...</td>
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<td>the remaining CHIF funds. Staff is requesting authority for the CEO to approve these grants should the financial situation warrant the investment, and will keep the Board informed.</td>
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<td>Member Gonzalez asked about the upper limit for funding. Mr. Palencia responded that the limitation would be the full amount of available funding, however, L.A. Care does not provide funding in such large amounts. Member Booth noted that in May 2020, the upper limit was approved at $250,000 per grantee until funds are reallocated for CHIF, and she recommended amending the motion to include the same limit (shown in item 4 of the motion in italics).</td>
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<td>Member Booth noted that in reference to item 3 of the motion, while she understands the importance of addressing systemic racism as a way to improve public health outcomes, she is concerned that empowering and investing in organizations that are not involved in health care is straying outside the responsibilities of the Board of Governors.</td>
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<td>Mr. Palencia responded that the proposed grant funding related to racism will address the COVID-19 pandemic and provide resources including improving access to health care and addressing social determinants of health. Mr. Baackes noted that this is part of the work being done through creation of the Equity Council Steering Committee, an outgrowth of a health disparities task force set up a year and a half ago. Institutional racism is a public health issue. L.A. Care’s Latino and African American members are being infected, hospitalized and dying at disproportionately higher rates from COVID-19, which is a result of institutional racism. Being denied opportunities in education and employment has resulted in compromised health status. The proposed grants will help address the public health problems that have resulted from institutional racism.</td>
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<td>Dr. Seidman noted that there is a tremendous amount of overlap in the use of the term, institutional racism. The term has been around for a long time, but is unfortunately being used more frequently as of late. It also drives significant realities of social determinants of health, which are barriers to health. People have commented that these have not been traditional areas of focus for health care provider training, or for payors, but are now entering the mainstream. Most health plans are focusing on social determinants such as housing, poverty, and transportation. There is a strong argument to be made that poverty and educational attainment (which drives lower income earning opportunities) is the single strongest predictor of not only health outcomes, but ultimately, of longevity. There are 10-15 year differences in longevity based on race and poverty.</td>
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<td>Member Booth suggested that at this point in time, the funding should be invested in access to food. She thinks we need to start at the bottom and work toward funding programs that</td>
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<td>don’t directly affect health care. At this time there are other emergencies. She asked other Board Members to express their opinions. Chairperson De La Torre suggested that L.A. Care continue to approach funding opportunities with as broad a lens as possible, even in these tough times. It doesn’t mean that L.A. Care funds everything, it just means that these are the broad categories of support. It is clear that the social determinants of health show that there are other things at play in people’s health and health disparities analysis shows this is happening. To the extent that there are opportunities for L.A. Care to fund programs that will help, it should retain flexibility to make a difference, just as it does for other social determinants that impact health. There is not one social determinant that is more important than another; social determinants that impact health should be addressed. Member Perez asked about the responsibilities and accountability of the grantees. Mr. Palencia responded that grant proposals are highly vetted and grantees are responsible to report on progress every six months. L.A. Care reviews the reports and presents them to the Board of Governors. There are many levels of accountability imposed on the grantees by L.A. Care. Member Perez asked about past experience with grantees that did not comply. Mr. Palencia noted that particularly during the pandemic, there are many grantees that have not been able to complete their project. L.A. Care works with them to ensure success and to get the needed reports. Member Perez asked about milestones in achieving grant objectives and how funding is allocated. Mr. Palencia confirmed that continued funding is contingent on achieving objectives and providing L.A. Care with reports as the program progresses. Mr. Palencia reminded the Board Members that the COVID-19 related funding would be for survival-related issues such as food, housing. Member Booth thanked him for the additional information about the focus of the programs, with which she agrees. Motion EXE 101.1120 To approve the recommended approach for the Community Health Investment Fund (CHIF) FY 2020-21 allocation of up to $10 million as follows: 1) Fund the last installment of $4.0 million, out of a $20 million five-year commitment, for Brilliant Corners, in partnership with the Los Angeles County Department of Health Services’ Flexible Housing Subsidy Pool fund,</td>
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<td>to provide housing for up to 300 homeless individuals including L.A. Care members. These funds support the goals of the Whole Person Care initiative under the California Medi-Cal waiver.</td>
<td>Approved unanimously by roll call. 6 AYES [Ballesteros (with Abstentions as noted), Booth, Curry, De La Torre, Gonzalez and Perez]</td>
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<td>2) Fund small grants of up to a total of $100,000 in the first phase of CHIF released funds, including supporting organizations such as the Southern California Grantmakers.</td>
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<td>3) Support the following three CHIF priorities for up to $6.0 million: fund the health care safety net to address the COVID-19 pandemic and racial inequities, address social determinants of health that result in inequities, including housing and food insecurity, and empower and invest in organizations that address systemic racism. Delegate authority to the CEO to assess the financial situation and approve up to $6.0 million of CHIF funding as appropriate.</td>
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<td>4) Grant delegated authority to the CEO to approve grants of up to $250,000 per grant through September 30, 2021. This authority will allow L.A. Care to potentially make larger grants in response to COVID-19 related needs. All other policies and approvals related to grant making investments will remain in place.</td>
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<td>Elevating the Safety Net: Community Health Workers and Health Careers Internship programs</td>
<td>Member Ballesteros may have financial interests in Plans, Plan Participating Providers or other programs and as such he refrained from the discussion of item 1) in the motion below. In order to expedite the process, his vote on the motion reflects a vote concerning the entire motion excluding the item for which he is abstaining. Cynthia Carmona, Senior Director, Safety Net Initiatives, summarized the motion to continue supporting the Residency Support Program (RSP), granting funding to four institutions to add 9 new slots and 1.8 full time equivalent new core faculty for an investment up to $4,500,000. She described Health Career Connection and a partnership with Community Clinic Association of Los Angeles County to support health care internships. The goal is to move further along the chain and motivate people to join programs for education and to serve in the health care safety net in Los Angeles County. She also described a program to continue support for the training program for Community Health Workers, and an evaluation of the program. Mr. Baackes added that of the $155 million set aside for the program, about $110 million is committed or funded.</td>
<td></td>
</tr>
<tr>
<td>AGENDA ITEM/PRESENTER</td>
<td>MOTIONS / MAJOR DISCUSSIONS</td>
<td>ACTION TAKEN</td>
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| **Member Gonzalez noted the location for the Community Health Workers (CHW) training is in Loma Linda (which is outside Los Angeles County) and she asked how many of the trainees are working in Los Angeles County. Ms. Carmona responded that the training will be facilitated by Loma Linda University in Los Angeles County. All of the CHWs in the program are working in Los Angeles County.**  
Member Perez thanked Ms. Carmona for her hard work and dedication. Ms. Carmona is always on top of all the information and opportunities. Member Perez believes this is a great opportunity for community health workers and the type of connection they make for members with the resources. She thanked Ms. Carmona on behalf of the health workers that were accepted into this program and continue to study and continue to serve.**  
**Motion EXE 102.1120**  
1. Authorize an expenditure of up to $800,000 to establish the ESN Health Careers Internship program.  
2. Approve and authorize expenditure of up to $400,000 for Cohort 3 and evaluation of Elevating Community Health (ECH) training program for Community Health Workers (CHW).** | Approved unanimously by roll call. 5 AYES (Ballesteros (with Abstention as noted), Booth, De La Torre, Gonzalez and Perez)** |

| **Nomination for Charitable Organizations for donated Board Stipends** | Ms. Haydel advised Committee Members that Board members will be asked to nominate organizations to receive donated board members’ stipends. A request for nominations will be made at the November 2020 Board meeting. Staff will randomly select two of those nominees for designating board stipends and will submit a motion for consideration at the December 2020 board meeting.** | **|  
| **Approve the Consent Agenda for November 5, 2020 Board of Governors meeting** | The policy AFS-029 (Annual Budgets and Board of Governors Oversight) was removed from the motion to approve Annual Review of Accounting and Finance Services Policies at the Finance & Budget Committee and will not be included in the motion to be presented to the Board on November 5, 2020.  
- Minutes of September 3, 2020 Board of Governors Retreat and Business Meeting  
- Ratify Amendment 31 to Agreement 04-36069 and Amendment 14 to Contract 03-75799 with the Department of Health Care Services  
- Annual Review of Accounting & Finance Services Policies  
  - AFS-002 (Capital Assets)  
  - AFS-004 (Non-Travel and Other Related Expenses)  
  - AFS-008 (Annual Investments) | Approved unanimously by roll call. 6 AYES (Ballesteros, Booth, Curry, De La Torre, Gonzalez and Perez)** |
**AGENDA ITEM/PRESENTER**

- AFS-025 (Tangible Net Equity)
- AFS-027 (Travel Expenses)
- AFS-029 (Annual Budgets and Board of Governors Oversight)
- Cognizant, HCL, and Infosys Contract Amendments for IT Staff Augmentation
- CenturyLink/Lumen Technologies Contract
- Healthx Contract Amendment

**MOTIONS / MAJOR DISCUSSIONS**

**ACTION TAKEN**

**PUBLIC COMMENTS**

Ms. Haydel 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 3:44 p.m.

**ADJOURN TO CLOSED SESSION**

- **CONTRACT RATES**
  - Pursuant to Welfare and Institutions Code Section 14087.38(m)
  - Plan Partner Rates
  - Provider Rates
  - DHCS Rates

- **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: October 2022

- **CONFERENCE WITH REAL PROPERTY NEGOTIATORS**
  - Pursuant to Section 54956.8 of the Ralph M. Brown Act
  - Property: 2864 W. Imperial Highway, Inglewood, CA
  - Agency Negotiator: John Baackes
  - Negotiating Parties: Upside Crenshaw Holding, LLC, c/o Newmark Merrill Companies
  - Negotiator: Darren Bovard
  - Under Negotiation: Price and Terms of Payment

- **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
  - Significant exposure to litigation pursuant to Section 54956.9(d) (2) of Ralph M. Brown Act
  - Three Potential Cases

- **CONFERENCE WITH LABOR NEGOTIATOR**
  - Pursuant to Section 54957.6 of the Ralph M. Brown Act
<table>
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<tr>
<th>AGENDA ITEM/PRESENTER</th>
<th>MOTIONS / MAJOR DISCUSSIONS</th>
<th>ACTION TAKEN</th>
</tr>
</thead>
</table>
| Agency Designated Representative: John Baackes  
Unrepresented Employee: All L.A. Care Employees  
PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
Section 54957 of the Ralph M. Brown Act  
Title: Chief Executive Officer | | |
| RECONVENE IN OPEN SESSION | The meeting reconvened in open session at 4:31 pm. No reportable actions were taken during the closed session. | |
| ADJOURNMENT | The meeting adjourned at 4:32 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:

Hector De La Torre, Chair

Date:  

Continued from above

I will not settle for that, if you deserve to be investigated or fired other victims and I are going to make it happen!

Text received on October 4, 2020 at 11:43 am, from Carolyn Navarro

Public comment: I located info online from 2013 showing that Synermed, EHS (who you “had a contract” with and Pacific Alliance shared the same payer ID, along with several other “separate” entities With the same payer ID, how do you explain that?

Text received on October 5, 11:22 am, from Carolyn Navarro

Oct 26 finance and board relevant more public comment, likely millions handed over to Synermed by LA Care for years while they hid behind “EHS” (who didn’t have any employees, was run by Synermed) but money did not adequately go to patients care, patients are blocked, so WHO benefited from that money? WHERE is that money that war supposed to benefit special needs adults? That was supposed

Text received on October 5, 12:40 pm, from Carolyn Navarro

WHO has that money that was intended for special needs people?
Text received on October 12, 11:39 am, from Carolyn Navarro
Public comment At the Aug 24 meeting where I discovered I could be heard inside my home when I only expected to hear the meeting I asked who that man who addressed me when I asked if I could be heard was and what he said, since the meeting was recorded you should've able to look it up, I asked him to repeat what he said and did not hear him do so, also, you locked the public meeting after I stated my concern that I could be heard in my home when I was just listening to your public meeting. Oct 28, I believe the man refused to repeat his comment to me Aug 24 I already made a Brown Act complaint that he wound not repeat his comment and that I was locked out because I could tell you could hear me which wasn’t my problem to fix!

Text received on October 25, 2020, 2:04 pm, from Carolyn Navarro
Public comment, everything I see points to your continued use of Synermed people, I don’t care what other “doing business as” name they hid behind, for years LA Care ignored and even facilitated abuses against patients and now LA Care agents are lying about it or saying they don’t want to discuss it when as a consumer I will ask about it all I want! Your paying DMHC a fine doesn’t change the fact that your agency lied to and abused enrollees and you continue to do so and use the services of people of people who abuse enrollees.

Text received on October 26, 2020, 5:44 am, from Carolyn Navarro
comment for Oct 26, Synermed never went “out out business”, you are still knowingly using their services, if you are really not explain how Angeles IPA which was aka Synermed is now operating as Healthsmart with many of the same employees and you’re using their services and abuses against patients continue?
Date: December 3, 2020

Committee: Executive

Chairperson: Hector De La Torre


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

Background: In accordance with the process approved by the L.A. Care Governing Board, below is L.A. Care’s proposed 2021 State and Federal Policy Agenda (Policy Agenda) for consideration.

This Policy Agenda contains principles and policies that serve as the framework for the development and advocacy of positions on federal and state legislative, administrative, and budget issues. This Policy Agenda provides guidance for L.A. Care’s Government Affairs Department to respond effectively to proposals that could significantly impact L.A. Care’s strategic and operational interests.

2021 State and Federal Policy Principles

Federal Funding and Coverage
1. Retain coverage expansions accomplished by the Affordable Care Act (ACA), including proposals that codify ACA provisions in state statute.
2. Support proposals that stabilize the marketplace (Covered California individual market).
4. Oppose efforts by the federal government to recoup Medicaid matching funds.

Public Plan Protection
5. Support proposals that strengthen L.A. Care as the Local Initiative plan in Los Angeles County.
6. Support proposals that build upon California’s public Medi-Cal managed care plans to create a local, regional, or statewide Public Option and to continue efforts to ensure L.A. Care is recognized as a Public Option in L.A. County.

Eligibility, Benefits, and Enrollment
7. Support proposals that simplify and coordinate the Medi-Cal enrollment and redetermination processes with existing programs (e.g., CalFresh).
8. Support proposals that strengthen government-sponsored programs and increase no or low-cost health insurance coverage to the uninsured and low-income populations, without eroding existing coverage or access.
9. Support proposals that would eliminate barriers to eligible populations receiving health and social services benefits for which they qualify.
10. Support proposals that improve outreach to the Coordinated Care Initiative and Medi-Cal age-in populations in order to increase enrollment in Cal MediConnect.
11. Support value-based purchasing strategies that are geared towards achieving value through high quality, cost-efficient member-centric care and that do not result in diminished coverage or benefits.
12. Support proposals that strengthen and improve existing government-sponsored programs in ways that support the safety net, including expanding program eligibility and increasing reimbursement.

13. Support proposals that promote home and community-based care for persons who would otherwise require institutionalization and that do not financially harm the health plan.

14. Support proposals that expand, simplify, or streamline access to behavioral health and substance use disorder services.

**Quality**

15. Support measures that result in improved quality outcomes in government-sponsored programs.

16. Support integrated delivery and whole person models that are designed to improve quality of care through team-based coordination of care, and that empower patients to be a partner in their own care.

17. Support proposals that improve quality outcomes and drive delivery system transformation through value-based initiatives, modernization of systems, and payment reform.

**Rates/Reimbursement**

18. Support proposals that increase transparency, accuracy, and appropriateness in the rate-setting process conducted by regulatory agencies (e.g., DMHC, DHCS, CMS, and Covered California).

19. Support use of health plan fees, provider fees, and intergovernmental transfers that maximize California's share of Federal Medicaid funding and help stabilize the Medi-Cal program.

20. Support proposals that improve accuracy in the rate adjustment process.

21. Support proposals that align financial incentives among providers, patients, health plans, and payers.

22. Support efforts that result in payment equity among government-sponsored programs (e.g., Medi-Cal payment levels being increased to Medicare payment levels).

22. Oppose proposals that shift the cost burden of COVID-19 testing primarily to health plans, with no consideration of additional reimbursement from the federal or state governments.

**Access to Care**

24. Support proposals that increase California’s health care workforce and address the shortage of appropriate health care providers in underserved communities in order to enhance provider access for Medi-Cal enrollees.

25. Support proposals that improve and expand access to telehealth/virtual care health services and create long-term policy to utilize technology that improves access to care (including FQHCs/RHCs).

26. Support proposals that expand access to technology to access telehealth services (e.g., broadband expansion devices and affordable internet services).

23. Support policies that would establish mental health hotlines and expand mental health services and community workforce to meet increased need.

28. Support policies that would result in decreasing the spread of COVID-19 in vulnerable communities, such as effective contact tracing, appropriate access to testing, personal protective equipment, and timely medical intervention.

24. Scope of Practice Expansion Proposals – To be discussed during the November Executive Committee.

**Social Determinants of Health/Equity**

30. Support policies that improve social conditions and quality of life for low-income populations, including policies that support economic stability, education, food security, housing and healthy physical environments.
Board of Governors
MOTION SUMMARY

25-31. Support proposals that would change policies, behaviors, and beliefs that perpetuate racism by identifying and addressing those policies and practices in areas where L.A. Care has control or influence, such as employment, contracting, and the provision of medical services.

Health Information Technology

26-32. Support the use of health information technology and interoperability that would result in cost-savings and patient care improvement.

27-33. Support proposals that improve data collection coordination to address needs and gaps, especially in vulnerable and minority communities.

Fraud

28-34. Support the strengthening of anti-fraud measures and programs, and provide the ability of health plans and payers to recover lost funds.

For each proposal evaluated by L.A. Care, due consideration will be given to the financial and work burdens placed on healthcare providers and efforts will be taken to minimize those burdens whenever possible.

Member Impact: L.A. Care supports public policies that increase resources for the safety net, and/or leads to improved access and quality of health care services for its members.

Budget Impact: Sufficient funds are budgeted in the Government Affairs Department budget for this fiscal year. We will budget the balance in future fiscal years.

Motion: To approve L.A. Care’s 2021 State and Federal Policy Agenda, as submitted.
Date: November 16, 2020

Motion No. EXE 101.1220

Committee: Executive

Chairperson: Hector De La Torre

Issue: Biennial Review of L.A. Care Health Plan’s (L.A. Care) Conflict of Interest Code

Background: California state law requires local public agencies, such as L.A. Care, to review and update their Conflict of Interest Codes biennially. Pursuant to the notice received from Los Angeles County - L.A. Care’s Conflict of Interest Code (Code) Reviewing Body - staff conducted a review of the Code and recommends updating the (1) language of Category 2, section c as shown in the attached Exhibit A; and (2) list of Designated Positions that are required to file a Form 700 as shown in the attached Exhibit B.

The list of positions was updated to reflect the eight title changes, four deleted positions, six added positions, and four disclosure categories change. The disclosure categories were further tailored to appropriately reflect the job duties of the applicable positions. New language was also added to incorporate the law and provide more details on its applicability to the respective disclosure requirements of Consultants/New Positions. In an effort to capture any new or revised positions in the future, a footnote is included to specify that positions that are not specifically listed in the Code shall disclose pursuant to the disclosure category applicable to the management level of the new or revised position.

Pursuant to instructions from Los Angeles County, L.A. Care timely submitted its 2020 Biennial Review Certification Form to the Board of Supervisors Executive Office. The next step in the process is to submit to the County the proposed revisions and supporting documentation by December 31, 2020.

L.A. Care’s legal staff recommends approving the revisions shown in the attached Code.

Member Impact: None

Budget Impact: None

Motion: To approve revisions of the Conflict of Interest Code of the L.A. Care Health Plan, as attached, for submission to the Los Angeles County Board of Supervisors and delegate authority to CEO and General Counsel (including respective designees) to make any non-substantive changes or changes that may be required by the County upon their review.
The Political Reform Act (Government Code Section 81000, *et seq.*) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730), which contains the terms of a standard conflict of interest code. After public notice and hearing, it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated into the conflict of interest code of this agency by reference. This regulation and the attached Appendices (or Exhibits) designating officials and employees and establishing economic disclosure categories shall constitute the conflict of interest code of this agency.

**Place of Filing of Statements of Economic Interests**

All officials and employees required to submit a statement of economic interests shall file their statements with the General Counsel of L.A. Care Health Plan, or his or her designee. L.A. Care Health Plan shall make and retain a copy of all statements filed by its Board Members and its Chief Executive Officer and forward the originals of such statements to the Executive Office of the Board of Supervisors of Los Angeles County.

L.A. Care Health Plan shall retain the originals of statements for all other Designated Positions named in the agency’s conflict of interest code. All retained statements, original or copied, shall be available for public inspection and reproduction (Gov. Code Section 81008).
Conflict of Interest Code
LOCAL INITIATIVE HEALTH AUTHORITY FOR LOS ANGELES COUNTY
(L.A. CARE HEALTH PLAN)

EXHIBIT “A”

CATEGORY 1

Persons in this category shall disclose all interests in real property in Los Angeles County if the property or any part of it is located within or not more than two miles outside the boundaries of Los Angeles County or within two miles of any land owned or used by the Agency.

Persons are not required to disclose a residence, such as a home or vacation cabin, used exclusively as a personal residence; however, a residence in which a person rents out a room or for which a person claims a business deduction may be reportable.

CATEGORY 2

Persons in this category shall disclose all investments, income (including loans, gifts, and travel payments) and business positions in:

a. Plan Partners (health plans under contract with the Agency), health care providers or other businesses under contract with or under consideration to contract with the Agency.

b. Businesses engaged in the delivery of health care services or supplies, or services or supplies ancillary thereto of a type to be provided or arranged for by the Agency.

c. Businesses that manufacture, provide, or sell services, supplies, materials, machinery or equipment of a type purchased or leased by the Agency.

d. Businesses subject to the regulatory, permitting or licensing authority of the Agency.

CATEGORY 3

Persons in this category shall disclose all business positions, investments in, or income (including loans, gifts, and travel payments) received from businesses that manufacture, provide or sell services and/or supplies of a type utilized by the agency and associated with the job assignment of designated positions assigned this disclosure category.
## Designated Positions

<table>
<thead>
<tr>
<th>Designated Positions</th>
<th>Disclosure Categories</th>
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<tbody>
<tr>
<td>Board Members</td>
<td>1, 2</td>
</tr>
<tr>
<td>Chief Executive Officer</td>
<td>1, 2</td>
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<tr>
<td>General Counsel</td>
<td>1, 2</td>
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<tr>
<td>Chief Medical Officer</td>
<td>1, 2</td>
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<tr>
<td>Chief Operating Officer</td>
<td>1, 2</td>
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<tr>
<td>Chief Financial Officer</td>
<td>1, 2</td>
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<tr>
<td>Senior Executive Advisor Digital</td>
<td>2</td>
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<tr>
<td>Chief Compliance Officer</td>
<td>1, 2</td>
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<tr>
<td>Chief of Human Resources</td>
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<tr>
<td>Chief Information and Technology Officer</td>
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<tr>
<td>Chief Pharmacy Officer</td>
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<tr>
<td>Chief Product Officer</td>
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<tr>
<td>Chief Quality and Information Executive</td>
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<tr>
<td>Chief of Staff</td>
<td>1, 2</td>
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<tr>
<td>Chief of Communications and Community Relations</td>
<td>1, 2</td>
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<tr>
<td>Senior Manager, Community Resource Centers</td>
<td>1, 2</td>
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<tr>
<td>Executive Directors</td>
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<tr>
<td>Senior Director, HITEC-LA</td>
<td>2</td>
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<tr>
<td>Senior Director, Facilities Services</td>
<td>1, 2</td>
</tr>
<tr>
<td>Designated Positions</td>
<td>Disclosure Categories</td>
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<td>-------------------------------------------------------------------------------------</td>
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<tr>
<td>Clinical Operations Executive</td>
<td>2</td>
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<tr>
<td>Any Attorney Position within the Legal Services Department</td>
<td>1, 2</td>
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<tr>
<td>Deputy Chief Medical Officer</td>
<td>2</td>
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<tr>
<td>Senior Director, Contracting and Procurement</td>
<td>1, 2</td>
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<tr>
<td>Senior Manager, Procurement Operations</td>
<td>1, 3</td>
</tr>
<tr>
<td>Director, Health Information Technology Outreach and Education</td>
<td>3</td>
</tr>
<tr>
<td>Senior Director, Health Information Exchange Initiatives (Interim)</td>
<td>2</td>
</tr>
<tr>
<td>Director, Health Information Technology Marketing and Strategic Initiatives</td>
<td>3</td>
</tr>
<tr>
<td>Senior Directors (including Chief Actuary)</td>
<td>2</td>
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<tr>
<td>Directors (including Privacy Officer and Controller)</td>
<td>3</td>
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<tr>
<td>Senior Managers</td>
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<tr>
<td>Manager, Contracts (Accounting)</td>
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<tr>
<td>Managers</td>
<td>3</td>
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<td>Manager, Sourcing and Procurement</td>
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<tr>
<td>Buyer</td>
<td>1, 3</td>
</tr>
<tr>
<td>Consultants/New Positions*</td>
<td></td>
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<tr>
<td>Specific positions that are not listed**</td>
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</tbody>
</table>
*Consultants/New Positions: Disclosure Requirements*

**Consultants/New Positions**

**Consultants or new positions who make (not just recommend) governmental decisions**, such as whether to approve a rate, rule, or regulation, whether to issue, deny, suspend, or revoke any permit, license, application, certificate or similar authorization, adopt or grant Agency approval to a plan, design, report, study, or adopt or grant Agency approval of policies, standards, or guidelines for the Agency or any subdivision thereof.

**Consultants or new positions who serve in a staff capacity with the Agency**, and in that capacity **participate in making** a governmental decision by providing information, an opinion, or a recommendation for the purpose of affecting the decision **without significant intervening substantive review**.

**Consultants or new positions who perform the same or substantially all the same duties for the Agency** that would otherwise be performed by an individual holding a designated position in the Agency’s Conflict of Interest Code.

**Disclosure Requirements**

Disclosure Categories 1, 2.

Disclosure required at the same level as a comparable designated position in the same or similar Agency Department identified elsewhere in this Code.

Disclosure required at the same level as the comparable designated position identified elsewhere in this Code.

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1 When the consultant is a corporation or partnership, only individuals who fit into one of the three categories of “Consultants/New Positions” must file disclosure statements.

2 If the Chief Executive Officer (CEO), or his or her designee, determines in writing that a particular consultant or new position is not required to fully comply with the requisite disclosure requirements, then such written determination shall include a description of the consultant’s or new position’s duties and, based upon that description, a statement of the extent of disclosure requirements. The CEO’s determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.
**Specific positions that are not listed in the Conflict of Interest Code shall disclose pursuant to their applicable designated position (i.e., Officer, Senior Director, Director, Senior Manager, or Manager).**

**EFFECTIVE DATE: [INSERT DATE]**
Date: November 16, 2020  
Motion No. EXE A.1120

Committee: Executive  
Chairperson: Hector De La Torre

Issue: Approve delegated authority and concepts for revisions to Human Resources Policy & Procedure HR-220 Telecommuting

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

Background: L.A. Care Health Plan (L.A. Care) recognizes that remote work is an appropriate business tool to address employee satisfaction, commitment, productivity and the ability to attract and retain talent.

Our current experience with remote work due to the COVID-19 public health emergency has allowed us to understand some benefits of this model of employment. The recent experience has identified the need to increase flexibility within HR-220 Telecommuting. As such, staff is proposing concepts to address flexibility within to HR-220 Telecommuting policy for employees whose job duties are conducive to working from home.

Below is a summary of concepts for revisions we are proposing for Human Resources Policy & Procedure HR-220 Telecommuting:

- Policy will address L.A. Care’s position on both in-state and out-of-state telecommuting and related processes with an emphasis on employees remaining within commuting distance of L.A. Care to attend staff meetings, for IT support and to obtain necessary supplies. A process for approval for employees wishing to work from out of California will be included. International Telecommuting will not be allowed.
- Employees will continue to be responsible for all tax and other legal implications such as the business use of their home.
- Standards for Exempt and Non-Exempt Employees work availability and wage and hour compliance will be defined.
- Standards to address the use of L.A. Care’s equipment, privacy, security, HIPAA and compliance with applicable standards will be addressed in the Policy or implementing documents.
- Standards for telecommuting and its terms and conditions will be set.
- Employee’s at will status of employment will not change.

Member Impact: None

Budget Impact: None

Motion: Approve delegated authority to the Chief Executive Officer and Chief of Human Resources (including their respective designees) to make necessary revisions to the Human Resources Policy & Procedure HR-220 Telecommuting consistent with concepts discussed.
Date: November 16, 2020

Committee: Executive

Chairperson: Hector De La Torre

Motion No. EXE 102.1220

**Issue:** Approve the disbursement of funds for the Annual Incentive Plan, based on the results of individual performance goals and organizational targets for FY 2019-20.

**Background:**
Currently employees are eligible to participate based upon job classification, and under one of the following components of the Annual Incentive Program:
- Monthly Production Incentives Program based on pre-determined criteria;
- Individual Annual Incentives Program based on pre-determined goals; and,

The Production Incentive Program was budgeted and paid monthly according to policy.
This request is for authorization to payout for the Annual Incentives Program, not to exceed $7.1M.

**Budget Impact:** The Annual Incentive Program budget previously approved by the Board of Governors for FY 2019-20 was no more than 4.2% of Payroll. The projected amount for a potential incentive for the Chief Executive Officer has a separate budget.

**Motion:** To authorize the disbursement of funds up to $7.1 million for the Individual Annual Incentive Program, based on the completion of pre-determined individual goals and targets in support of L.A. Care’s FY 2019-20 Organizational Goals. Distribution of the annual incentive payout shall be guided by Human Resource Policy No. 602, Annual Organizational Incentive Program.