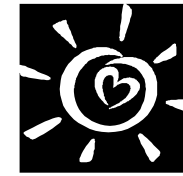


# BOARD OF GOVERNORS

## Compliance & Quality Committee Meeting

### Meeting Minutes – January 20, 2022



**L.A. Care**  
HEALTH PLAN

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

**Members**

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

**Senior Management**

Augustavia J. Haydel, *General Counsel*  
Thomas Mapp, *Chief Compliance Officer*  
Richard Seidman, MD, MPH, *Chief Medical Officer*  
Katrina Miller Parrish, MD, FAAFP, *Chief Quality and Information Executive*  
Elysse Tarabola, *Senior Director, Regulatory Compliance, Compliance*  
Cagla Ozden, *Senior Director, Operational Assurance e*  
Margaret Ngo-Lee, *Senior Director, Risk Management and Operations Support, Compliance*  
Thomas Mendez, *Director, Quality Performance Informatics, Quality Performance Management*

\* *Absent*

California Governor Newsom issued Executive Orders No. N-25-20 and N-29-20, which among other provisions amend the Ralph M. Brown Act. Members of the public can hear and observe this meeting via teleconference and videoconference, and can share their comments via voicemail, email or text.

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	Chairperson Stephanie Booth called the meeting to order for the L.A. Care Compliance & Quality Committee and the L.A. Care Joint Powers Authority Compliance & Quality Committee at 2:03 p.m.  She announced that members of the public may address the Committee on each matter listed on the agenda before the Committee's consideration of the item by submitting their comments via text, voicemail, or email.	
<b>APPROVAL OF MEETING AGENDA</b>	The Meeting Agenda was approved as submitted.	<b>Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, Roybal and Vaccaro)</b>
<b>PUBLIC COMMENT</b>	There was no public comment.	

**APPROVED**

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>APPROVAL OF MEETING MINUTES</b>	The November 18, 2021 meeting minutes were approved as submitted.	<b>Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, Roybal and Vaccaro)</b>
<b>CHAIRPERSON REPORT</b>	<p>Chairperson Booth stated that the state has taken dispensation of medication away from Medi-Cal plans. All that happens in the pharmacy for encouraging patients to adhere to medication instructions, educating patients about side effects, what they should do if they have side effects or cross effects is important. This happens at the pharmacy, and this is needed so patients stay on their medications and are doing well and get better by taking their medications. L.A. Care should still be concerned about what happens at the pharmacy. Patient satisfaction is also a factor.</p> <p><i>(Member Hilda Perez joined the meeting)</i></p>	
<b>CHIEF MEDICAL OFFICER REPORT</b>	<p>Richard Seidman, MD, MPH, Chief Medical Officer, presented the Chief Medical Officer report <i>(a copy of his written report can be obtained from Board Services)</i>.</p> <p><u>Medi-Cal Rx</u></p> <p>The long anticipated launch of Medi-Cal Rx, in which the State has taken over the responsibility to administer the outpatient pharmacy benefit for all Medi-Cal Managed Care beneficiaries statewide, went live on January 1, 2022. The good news is that the transition is going relatively well with few issues impacting L.A. Care member access. Chief Pharmacy Officer, Yana Paulson, and her team have been on regular calls with California Department of Health Care Services (DHCS) and Magellan, California's contracted Pharmacy Benefit Manager (PBM), to communicate and resolve issues that have been identified. There have been some issues with verifying member eligibility and timely access to Magellan's clinical liaisons to trouble shoot member access issues. Access times have improved as well as training for L.A. Care staff to access Magellan's system to determine the status of medication orders.</p> <p>Dr. Seidman reported that Dr. Paulson has been offered one of the four positions on the California Medi-Cal Contract Drug Advisory Committee (MCDAC) reserved for Medi-Cal Managed Care representatives. With the implementation of Medi-Cal Rx, DHCS increased that committee membership to 10. The MCDAC is comprised of physicians, pharmacists, representatives from schools of Pharmacy and Medi-Cal beneficiaries. This committee makes recommendations to the DHCS and its contracted PBM regarding the addition and deletion of medications from the contract drug list.</p>	

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	<p>Dr. Booth asked if members have to go to a different pharmacy if their pharmacy is not contracted with the state. Dr. Seidman responded that members should still be going to their preferred pharmacy. As long as it is listed as a Medi-Cal provider, they will continue to get their medications there. There may be more participating pharmacies in the state network. Members will use their Medi-Cal card to get their prescription. It has gone smoothly and is largely transparent for members.</p> <p>Dr. Booth asked about the effects for physicians. Dr. Seidman responded that a smaller issue is that L.A. Care used to process pharmacy appeals and grievances. He is unsure how appeals will be handled.</p> <p>Member Al Ballesteros stated that, as a direct provider, there are no pharmacies downtown near health care sites that serve the homeless. In the general vicinity there are no pharmacies, and this is a great concern in the area.</p> <p><u>CalAIM Update</u>  Health Homes and Whole Person Care (WPC) program members will transition to Enhanced Care Management (ECM) and Community Support (CS) Services programs. Within a few short, but consequential years, the Health Homes Program has grown to serve over 20,000 members through L.A. Care's network of 34 Community Based Care Management Entities (CB-CMEs). Many of these members will continue to receive services through the expanded network of ECM of contracted providers. Program evaluation data for 6-month and 12-month cohort outcomes were presented to the Quality Improvement (QI) committee and work continues on the qualitative program evaluation soliciting member feedback. In addition to launching the ECM benefit effective January 1, 2022, L.A. Care will also offer CS services including Recuperative Care, Medically Tailored Meals, and Homeless and Housing Support Services. Additional CS services will be rolled out over the next two years.</p> <p>L.A. Care Provider Continuing Education (PCE) Program  In lieu of in-person, face-to-face Continuing Medical Education (CME) and Continuing Education (CE) activities, L.A. Care's Provider Continuing Education (PCE) Program pivoted to offering online courses and webinars due to COVID-19. These activities are offered free of charge to L.A. Care providers and staff, L.A. Care staff, and other healthcare professionals, and managed by our accredited CME and CE programs for physicians, nurses and licensed behavioral health professionals.</p> <p>Summary of CME and CE Activities for Fiscal Year 2020-2021  During fiscal year 2020-21, L.A. Care's Provider Continuing Education (PCE) Program offered fifteen online courses as directly provided CME/CE activities, and seven jointly provided CME/CE activities with other healthcare organizations. Topics included postpartum depression and maternal well-being, asthma, diabetes, telehealth, pain, LGBTQ health disparities and suicide prevention, implicit bias training,</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>and substance use disorder, along with many other timely topics relevant to the needs of our members and providers.</p> <p>For FY 2020-21, the L.A. Care PCE Program and its CME/CE activities provided a total of 30 CME credits, and 35 CE credits were offered to NPs, RNs, LCSWs, LMFTs, LPCCs, LEPs and other healthcare professionals. Planned offerings for 2022 include Cognitive Behavioral Therapy for Chronic Pain, Hypertension and Stroke Prevention, Pulmonary Hypertension and a Children’s Health Conference in collaboration with First 5 LA.</p> <p>COVID-19 Update</p> <p>After a gradual increase in cases since October 2021, there has been a recent sharp increase in COVID-19 cases worldwide driven by the emergence of the highly infectious Omicron variant, setting new highs with nearly 9.5 million cases between December 27 and January 2. The increase in hospitalizations and deaths has so far been more modest, recognizing the reality that these outcomes typically lag case identification by 2-3 weeks. The World Health Organization reports that “as of January 2, a total of nearly 289 million cases and just over 5.4 million deaths have been reported globally”.</p> <p>In the United States, the CDC is reporting that the Omicron variant may account for as much as 95% of all cases, and that the more than 700,000 new cases reported on January 5, 2022 are more than double the amount reported during the January peak in 2021. Community transmission levels are high across the country and the emphasis remains on increasing vaccination levels and booster dose uptake, use of better masks, and ongoing risk mitigation such as reducing exposure by limiting non-essential travel, and holding meetings and gatherings outdoors whenever possible.</p> <p>While it appears the Omicron variant is highly contagious, emerging data continues to suggest that it causes less severe illness in adults, possibly due to what at least one study has shown to be its predilection for the upper respiratory track as opposed to the lungs. Los Angeles County continues to set new daily records with cases topping 45,000 per day, and has now surpassed over 2 million cases since the beginning of the pandemic. Hospitalizations and deaths remain below the levels experienced one year ago.</p> <p>The Los Angeles County Department of Public Health (LAC DPH) is reporting that up to 55% of the 3,400 COVID-19 patients reported hospitalized on January 10 were considered incidental diagnosis, resulting from testing upon admission for other causes. Still, the healthcare delivery system is being stretched to its limits due primarily to the sheer volume of cases coupled with high infection rates among health care workers. The risk of serious illness, hospitalization and death for those that remain unvaccinated remains many times higher than for those that are vaccinated, and even more protection results for those that are fully vaccinated and boosted. In the LAC DPH press release on January 11, 2022, LAC DPH notes a 9-times higher risk of hospitalization for the unvaccinated, and a 38-times higher</p>	

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	<p>risk when compared to those that have been fully vaccinated and boosted, as well as a 22-fold greater risk of death for the unvaccinated. Getting vaccinated and boosted as soon as eligible continues to be a high priority, particularly among our members and throughout low income communities of color.</p> <p>COVID Vaccine and Incentive Update As of January 2, 2022, more than 1.2 million (65%) of L.A. Care members 12+ have received at least one dose of COVID-19 vaccine. This compares with an overall L.A. County rate of 89% and 87% for California. Since November 1, 2021 when the State launched its COVID vaccine incentive program, nearly 60,000 L.A. Care members have been vaccinated and more than half of these members have received the \$50 gift card incentive. Efforts to increase immunization rates among our members continue, including planned vaccination events with the LAC DPH.</p> <p>Member Perez asked Dr. Seidman how members that were vaccinated will receive their incentive cards. She stated that it was not made clear to members at vaccine drives. Dr. Seidman responded that a vendor L.A. Care uses will mail the member a notice of vaccination and it can take up to 12 weeks to receive the gift card. Katrina Miller Parrish, MD, FAAFP, Chief Quality and Information Executive, stated that the vendor was already in place and was able to speed up the process of the incentive roll out. The Pay 4 Performance payments have gone out as well. Over \$44 million went to over 50 providers, 900 physicians, and clinics.</p> <p>Measurement Year (MY) 2020 Incentive Payments Since 2011, L.A. Care has offered value based incentive payments to our Plan Partners, Provider Groups and network physicians and Clinics. L.A. Care has completed its assessment of MY 2020 performance measurement for our Medi-Cal and Covered California products. An additional \$400,000 in incentive payments will go out to Cal MediConnect Provider Groups and \$300,000 in incentive payments to Direct Network physicians this month. A more complete summary of MY 2020 performance and incentive payments will be presented later this year.</p>	
<p><b>PRACTICE TRANSFORMATION: HELP ME GROW L.A.</b></p>	<p>Cathy Mechsner, <i>Manager, Health Information Technology Program, Quality Improvement</i>, presented information about Practice Transformation: Help Me Grow L.A. Child Health Provider Outreach (<i>a copy of the presentation can be obtained from Board Services</i>).</p> <p>First 5 LA grant awarded to L.A. Care Health Plan:</p> <ul style="list-style-type: none"> <li>• Four-year agreement with L.A. Care to provide</li> <li>• Three-year education campaign and 10-practice pilot program</li> </ul> <p>First 5 LA provides \$1.2 million in cost reimbursement funds; L.A. Care provides in-kind resources</p>	

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	<p>Patients:</p> <ul style="list-style-type: none"> <li>• Majority of L.A. County safety net patients 0-5 years old are L.A. Care members</li> <li>• Strong rapport with safety net pediatric practices who: <ul style="list-style-type: none"> <li>- Committed to improving child development programs in L.A. County</li> </ul> </li> <li>• Have conducted recommended screening tools for patient assessments</li> <li>• Practice facilitation programs: <ul style="list-style-type: none"> <li>- Understand role of coach in QI programs (Meaningful Use, TCPI, CTAP, Transform L.A.)</li> <li>- Worked with grant funded programs (CMS/CMMI, DHCS, CHCF)</li> <li>- Reporting and workflow optimization</li> </ul> </li> <li>• L.A. Care - Partner for Help Me Grow: LA</li> </ul> <p>Education:</p> <ul style="list-style-type: none"> <li>• Increase understanding of developmental milestones and screenings to assess a child's development progress</li> <li>• Providers and care teams</li> <li>• Families and caregivers</li> <li>• Provider pilot: <ul style="list-style-type: none"> <li>- Provide training for screenings and referrals; conduct workflow optimization. First 5 will collect improvement data and share lessons learned within the health care community</li> <li>- 3-year pilot for 10 practices</li> </ul> </li> <li>• Funding opportunities: \$5,000 grant &amp; Proposition 56 incentives</li> </ul> <p>Help Me Grow: LA Program Overview</p> <p>Education materials:</p> <ul style="list-style-type: none"> <li>• Printed materials at Community Resource Centers in English, Spanish, Chinese, Korean, Khmer and Bengali</li> <li>• Health education news articles in provider &amp; member focused newsletters</li> <li>• Social media posts</li> <li>• Messaging on the provider &amp; member education pages on <a href="http://www.lacare.org">www.lacare.org</a></li> <li>• Classes: (Virtual/In-person)</li> <li>• Providers: Annual continuing medical education (CME) events over 3 years on early childhood development topics</li> <li>• Community/Members: 60 classes over 3 years at the CRCs on early childhood development and support/resources in the community</li> </ul>	

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	<ul style="list-style-type: none"> <li>• Education Program for Providers &amp; Community/Members</li> <li>• 10 practices, launched December 2021</li> <li>• Assigned practice coach and practice point of contact (POC)</li> <li>• Practice team: Program champion, Care Team, QI, IT</li> </ul> <p>Develop work plan to include:</p> <ul style="list-style-type: none"> <li>• Assessment of practice’s workflows for screening &amp; referrals</li> <li>• Plan Do Study Act (PDSA) cycles to conduct workflow redesign as needed</li> <li>• Collect and report data to L.A. Care/First 5</li> <li>• Achieve goals for grant eligibility, Proposition 56 incentives</li> </ul>	
<b>CHIEF COMPLIANCE OFFICER REPORT</b>	<p>Thomas Mapp, <i>Chief Compliance Officer</i>, and the Compliance Department presented the Chief Compliance Officer Report (<i>a copy of the report can be obtained from Board Services</i>).</p> <p>Michael Devine, <i>Director, Special Investigations Unit, Payment Integrity</i>, presented information about L.A. Care’s Special Investigations Unit (SIU) (<i>A copy of the written report can be obtained from Board Services.</i>)</p> <p>SIU Team</p> <ul style="list-style-type: none"> <li>• Two Managers</li> <li>• Seven Senior Investigators</li> <li>• One Investigator</li> <li>• Two Investigative Analysts</li> </ul> <p>Pharmacy Investigation Pharmacy in Glendale Falsification of Prior Authorization Forms (Pharmacies can’t file prior authorization forms for providers)</p> <ul style="list-style-type: none"> <li>- Pennsaid is a topical crème used to treat arthritis of the knee</li> <li>- L.A. Care pays \$2,500 per monthly tube and requires trails of step therapy formulary drugs</li> <li>- SIU investigation led to the recovery of \$565,000.</li> </ul> <p>Yasmin’s Pharmacy</p> <ul style="list-style-type: none"> <li>- SIU Data mining for weight loss drug Saxenda</li> <li>- SIU worked with California Department of Justice (DOJ) and established probable cause for a search warrant</li> <li>- DOJ conducts search warrant</li> </ul>	

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	<p>- Attorney General's Office files charges for Grand Theft, Forgery, Healthcare Fraud and Medi-Cal Fraud - Prosecution Pending</p> <p>Provider Investigations</p> <ul style="list-style-type: none"> <li>• Billing for up to 35 Meningococcal vaccines</li> <li>• Also billed for Colonoscopies</li> <li>• SIU called to schedule a Colonoscopy ...they said "but we're a family practice"</li> <li>• Dr. said he hired a "bad Biller" and placed himself on a CAP</li> <li>• Recovery \$101,619.67</li> </ul> <p>Lab Investigation</p> <ul style="list-style-type: none"> <li>• COVID-19 Case</li> <li>• Lab billing for COVID testing</li> <li>• SIU discovered they were billing for specimen collection as if the patients were homebound.</li> <li>• SIU recovered \$38,000</li> </ul> <p>Mr. Devine stated that SIU had many complaints come in last year, about 40 cases are assigned per investigator and they are trying to get the numbers down. He went to a CMS round table meeting this week and those were the main items. SIU is continuing to expand the types of cases they are working. They are working heavily with delegation oversight. Expanding program and continue to investigate.</p> <p>Elysse Tarabola, <i>Senior Director, Regulatory Compliance, Compliance</i>, and Chelsea Hertler, <i>Manager, Regulatory Affairs, Compliance</i>, reported on Regulatory Audits.</p> <p>DMHC Routine Survey Lines of Business:</p> <ul style="list-style-type: none"> <li>• Medi-Cal</li> <li>• L.A. Care Covered</li> <li>• PASC-SEIU</li> </ul> <p>Review Period: September 1, 2019 to August 31, 2021</p> <p>Details:</p> <ul style="list-style-type: none"> <li>• Engagement letter received on September 2, 2021 and pre-audit deliverables were submitted to DMHC on October 1, 2021.</li> <li>• DMHC has begun selecting file samples; a total of 1,483 file samples have been selected so far.</li> </ul> <p>DMHC Financial Audit</p>	



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	<p>Lines of Business</p> <ul style="list-style-type: none"> <li>• Medi-Cal</li> <li>• L.A. Care Covered</li> <li>• Cal MediConnect</li> <li>• PASC-SEIU</li> </ul> <p>Review Period August 1, 2018 to Present</p> <p>Details</p> <ul style="list-style-type: none"> <li>• Engagement letter received on October 25, 2021</li> <li>• Pre-audit deliverables completed and submitted to DMHC on December 15, 2021</li> </ul> <p>Chairperson Booth asked Ms. Hertler how many cases does L.A. Care have an opportunity to address. Ms. Hertler responded that it will try to resolve nine cases.</p> <p>Todd Gower, <i>Consultant, Compliance Internal Audit, Compliance</i>, gave an update on L.A. Care's Internal Audit Plan (<i>A copy of the presentation can be obtained from Board Services.</i>).</p> <p>The FY21 Internal Audit Plan consisted of three proposed projects, two contingent projects, in addition to annual activities such as testing five projects related to Corrective Action Plan follow-ups, Annual Risk Management Assessment, Annual Internal Audit Planning and support for the Health Industry Collaboration Effort, Inc. (HICE).</p> <p>The FY22 Internal Audit Plan has been developed based on the recent Risk Assessment and will have 16 projects with similar coverage and ongoing projects like HICE and annual Risk Assessment. Projects will be delivered with a mix of RGP and internal resources.</p> <p>Internal Audit Planning Process</p> <ul style="list-style-type: none"> <li>• LA Care's Internal Audit Plan is driven by the information gathered through Compliance and IT Security</li> <li>• Recognizing the importance of being fully operational and effective the projects which make up the Internal Audit Plan were identified and prioritized based on a number of key inputs</li> </ul> <p>Mr. Mapp presented Motion COM 100.0222 and COM 101.0222 for committee approval.</p> <ul style="list-style-type: none"> <li>• Compliance Work Plan CY 2022</li> </ul> <p><b><u>Motion COM 100.0222</u></b> <b>To approve the CY 2022 Compliance Work Plan, as submitted.</b></p>	<p><b>Approved simultaneously by roll call. 4 AYES</b></p>

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>Internal Audit Plan CY 2022</li> </ul> <p><b><u>Motion COM 101.0222</u></b>  <b>To approve the CY 2022 Internal Audit Plan, as submitted.</b></p>	<p><b>(Ballesteros, Booth, Roybal and Vaccaro)</b></p> <p><i>(Member Perez did not cast a vote due to technical difficulties.)</i></p>
<p><b>ADJOURN TO CLOSED SESSION</b></p>	<p>PEER REVIEW Welfare &amp; Institutions Code Section 14087.38(o)</p> <hr/> <p>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d) (2) of the Ralph M. Brown Act Three Potential Cases</p>	
<p><b>RECONVENE IN OPEN SESSION</b></p>	<p>The committee reconvened in open session at 4:17 p.m. There was no report from closed session.</p>	
<p><b>ADJOURNMENT</b></p>	<p>The meeting was adjourned at 4:18 p.m.</p>	

Respectfully submitted by:

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

APPROVED BY:

\_\_\_\_\_  
Stephanie Booth, MD, *Chairperson*  
Date Signed: \_\_\_\_\_