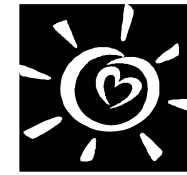


# BOARD OF GOVERNORS

## Executive Committee

Meeting Minutes – August 28, 2024

1055 West 7<sup>th</sup> Street, 1<sup>st</sup> Floor, Los Angeles, CA 90017



**L.A. Care**  
HEALTH PLAN

**Members**

Alvaro Ballesteros, MBA, *Chairperson*  
 Ilan Shapiro MD, MBA, FAAP, FACHE,  
*Vice Chairperson\**  
 Stephanie Booth, MD, *Treasurer*  
 John G. Raffoul, *Secretary\**  
 G. Michael Roybal, MD

**Management/Staff**

John Baackes, *Chief Executive Officer*  
 Sameer Amin, MD, *Chief Medical Officer*  
 Augustavia J. Haydel, Esq., *General Counsel*  
 Todd Gower, *Interim Chief Compliance Officer*  
 Linda Greenfeld, *Chief Products Officer*

Alex Li, MD, *Chief Health Equity Officer*  
 Noah Paley, *Chief of Staff*  
 Acacia Reed, *Chief Operating Officer*  
 Afzal Shah, *Chief Financial Officer*

*\*Absent*

| AGENDA<br>ITEM/PRESENTER      | MOTIONS / MAJOR DISCUSSIONS   | ACTION TAKEN   |
|-------------------------------|---|--|
| <b>CALL TO ORDER</b>          | Alvaro Ballesteros, <i>Chairperson</i> , called to order the regular meetings of the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee regular meetings at 2:51 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings.<br><br>He provided information on how to submit public comments.   |  |
| <b>APPROVE MEETING AGENDA</b> | The Agenda for today’s meeting was approved.  | <b>Approved unanimously by roll call. 3 AYES (Ballesteros, Booth and Roybal)</b> |
| <b>PUBLIC COMMENT</b>         | Submitted in the chat during the meeting from Andria McFerson<br><i>Please read the ADA information in it's totally before each meeting to have a genuine connection to our members of whom these meetings affect the most. LA Care has lost a certain effective procedural dedication to the members and many care providers who don't give good "Access to Care" mentally or physically, leaving our LA Care members sick or unwilling to receive care because they believe it would be uneventful please better communication and services by having a genuine survey either eye to eye, peer on peer during events or call in surveys with people. The abled body moderate income staff volunteers are not the same as our RCAC Stakeholders who have suffered or know many who are still going through health wise we need information from everyone so we need better outreach and communication amongst the staff and the members from all perspectives.</i> |  |

**APPROVED**

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|                                       | <p><i>"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 <a href="mailto:BoardServices@lacare.org">BoardServices@lacare.org</a></i></p>  |   |
| <p><b>APPROVE MEETING MINUTES</b></p> | <p>The minutes of the June 26, 2024 meeting were approved.</p>   | <p><b>Approved unanimously by roll call. 3 AYES</b></p> |
| <p><b>CHAIRPERSON'S REPORT</b></p>    | <p>Chairperson Ballesteros commended staff for doing an excellent job at the training for the RCAC members including Francisco Oaxaca, <i>Chief of Communications and Community relations</i>, and Auleria Eakins, Ed.D, <i>Manager Community Outreach and Engagement</i>. He was impressed with the way they handled the meeting, they were so professional and one could see the connections that all staff had with the community. That's not easy. The staff members stood up and introduced themselves and there was great applause from the Regional Community Advisory Committee (RCAC) members in the room. Staff obviously had a lot of respect from the RCAC members. There were new RCAC members there and the group was very diverse. He complimented John Baackes, <i>Chief Executive Officer</i>, Sameer Amin, <i>Chief Medical Officer</i>, Acacia Reed, <i>Chief Operating Officer</i>, and all staff involved with the RCAC orientation session. It was great to see that kind of connection with the community.</p> <p>Mr. Baackes thanked Chairperson Ballesteros. Chairperson Ballesteros attended the first day and Mr. Baackes attended the closing day of the two-day event. Mr. Baackes made the same observation. Ms. Eakins and Idalia De La Torre, <i>Supervisor of Community Outreach and Engagement (CO&amp;E)</i>, did a great job in making sure all CO&amp;E staff members were included and participated. The entire staff was recognized as contributors to the RCACs. The event was well organized and it was fun. Mr. Baackes was there for the last three hours, and he was impressed by how well it was done. He was able to talk with some of the new RCAC members and they are very excited to participate. If these new members are an indication of the results from the new selection committee, the future will be great because they are very engaged and come with some experience in the community in participating in this kind of organization. He thinks they will elevate the advisory committee discussions.</p> <p>Chairperson Ballesteros appreciates the invitation to say a few words at the beginning, and he was honored to do it. He noted that what makes L.A. Care different is the</p> |   |

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|  | <p>voices of the community, and if the meeting is any representation of what that will look like going forward, it is set up for success in community engagement. He congratulated Mr. Oaxaca and all the staff that put the event together, as it took a lot of effort.</p>  |              |
| <p><b>CHIEF EXECUTIVE OFFICER REPORT</b></p> | <p><b>PUBLIC COMMENT</b><br/> Submitted in the chat by Andria McFerson, RCAC 5<br/> <i>The RCAC members need more information before November about the upcoming ballot measure Supporting Managed Care Organization (MCO) and the Tax Ballot Measure This ballot information would benefit everyone from all managed care organizations to providers giving health care to L.A. Care members as well. This measure would support better the funding in order to help better the medical services we all need to help save our families' lives. We need a special meeting for all RCAC's or a special agenda item during all upcoming RCAC meetings describing what this means to us in layman's terms. We have 70 days to make major decisions to help save our own lives or plausible decisions to help save the lives of others. We are not here for fun, we are here for a purpose. Not just a stipend and this is not just a political controversial topic that is over the heads of the Stakeholders. We are the ones most affected by this topic so please give us more information and allow us to spread this information to the community by explaining to us during our meetings from a simple perspective and please give attention to those who not only volunteer and give services during public events but those who can make contributions to LA Care and those providers who need funding in order to give services to their patients we can share our knowledge about major things that affect the community from a personal perspective to people just like us. Like hearing from it from the horse's mouth would better the communication to our members with very effective peer on peer support.</i></p> <p>Mr. Baackes commented in reference to the last public comment, he believes he was the horse's mouth because he devoted about 50 % of his time speaking to the group about Proposition 35. He informed RCAC members that L.A. Care would provide written information as it becomes available.</p> <p>A Board retreat will be held on September 5. The meeting will open with a conversation with Andy Slavitt, former administrator of Centers for Medicare and Medicaid Services during the Obama administration. They will talk about the funding for Medicaid, he will</p> |              |

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|   | ask Mr. Slavitt for his opinion about the Chevron decision of the United States Supreme Court that affect administrative rules by government entities, and how it could affect L.A. Care going forward. John Russell, L.A. Care’s lobbyist in Washington D.C., will join them for a conversation with the Board. Mr. Russell will talk about the prospects for impacts on health care depending on which administration prevails in the November presidential election. Mr. Baackes will report on L.A. Care’s strategic plan, and the regular business meeting will be held after that.   |  |
| <ul style="list-style-type: none"> <li>● Government Affairs Update</li> <li>○ Consideration of Support of Managed Care Organization (MCO) Tax Ballot Measure</li> </ul> | <p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, presented a motion requesting approval for L.A. Care to support California Proposition 35, which will appear on the November ballot. The proposition would make permanent an existing managed care organization (MCO) tax. The proposition differs from legislation that was passed, as it mandates that revenue from the MCO tax cannot be diverted by the legislature to the State’s general fund, which has been the case for the MCO tax in the past. Proposition 35 would provide, for the first time, significant rate increases for providers that serve Medi-Cal beneficiaries. The initiative makes the health care tax permanent, dependent upon federal approval, and ensures a majority of the revenue is used to expand Medi-Cal services and reimburse providers. There is an allowance for some general fund use, but the majority must go to provider rate increases.</p> <p>Augustavia Haydel, <i>General Counsel</i>, thanked Galen Williams, <i>Associate Counsel, Health Care Legal Services</i>, for supporting the motion development.</p> <p><b><u>Motion EXE 100.0924</u></b><br/> <b>To approve L.A. Care’s organizational support for California Proposition 35.</b></p> | <p><b>Approved unanimously by roll call. 3 AYES</b><br/> <b>The Committee agreed by consensus to include this motion on the Consent Agenda for the September 5 Board Meeting</b></p> |
| <b>COMMITTEE ISSUES</b>   |  |  |
| 2025 Board and Committee Meeting Schedule   | <p>The meetings are scheduled according to guidelines established by the Board, and the schedule is consistent with L.A. Care’s enabling statute (California Welfare &amp; Institutions Code Section 14087) which requires six board meetings per year. The proposed meeting frequency is in line with other public health plans in California.</p> <p><b><u>Motion EXE 101.0924:</u></b><br/> <b>To approve the attached 2025 Board of Governors &amp; Committees meeting schedule.</b></p>   | <p><b>Approved unanimously by roll call. 3 AYES</b><br/> <b>The Committee agreed by consensus to include this motion on the Consent Agenda for the September 5 Board Meeting</b></p> |

| AGENDA<br>ITEM/PRESENTER   | MOTIONS / MAJOR DISCUSSIONS  | ACTION TAKEN  |
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| <p>Pacifica Hospital of the Valley Grant</p>                                 | <p>Mr. Baackes summarized a motion to provide funding for Pacifica Hospital of the Valley, a safety net hospital. The vast majority of Pacifica’s patients are Medi Cal beneficiaries. Pacifica has an extraordinary number of mental health beds that are unique to that institution and are not replicated elsewhere. L.A. Care has repeatedly provided advances to this hospital from quality fee funding. It is a financially stressed safety net hospital. Staff proposes a grant of \$1 million to help Pacifica deal with the current financial situation in hopes that it will be able to secure a long-term path to financial stability and operations. This support is similar to L.A. Care’s support for Catalina Island Hospital. This is a one-time grant.</p> <p>Committee Member Booth suggested changing some language in the motion summary to clarify that funds will not be coming out of the Elevating the Safety Net program. L.A. Care has received so many positive compliments about Elevating the Safety Net from providers interested in serving our patients. The benefits include funding for residencies, medical student loan debt repayment and recruitment support for safety net positions for physicians.</p> <p>Afzal Shah, <i>Chief Financial Officer</i>, responded that the funds can from the board designated funds and the reference to Elevating the Safety Net will be removed from the motion. The Elevating the Safety Net funds are preserved for its original intention.</p> <p>Committee Member Roybal asked about designated pediatric or adolescent beds at Pacifica Hospital, and Mr. Baackes responded that it is a general acute care hospital with a certain number of behavioral health beds.</p> <p><b><u>Motion EXE 102.0924</u></b><br/> <b>To approve delegated authority to Chief Executive Officer, John Baackes, to issue up to a \$1 million award to Pacifica Hospital of the Valley to support safety net access to health care for L.A. Care members with behavioral health needs.</b></p> | <p><b>Approved unanimously with amendment to the motion summary as noted, by roll call. 3 AYES</b><br/> <b>The Committee agreed by consensus to include this motion on the Consent Agenda for the September 5 Board Meeting</b></p> |
| <p>Human Resources Policy HR- 628 (Use of Sign on and Retention Bonuses)</p> | <p>Terry Brown, <i>Chief Human Resources Officer</i>, summarized a motion to approve revisions to HR-628, the use of sign on and retention bonuses. Some definitions and procedures have been updated in this policy, which was established in 2011 at a \$5,000 level. In 2014 it changed to \$20,000 and at this point we're asking for the board to authorize \$25,000 due to inflation in salaries. The policy has minor revisions to comply with changes to Regulatory, Legislative and Judicial changes, and reflect changes in L.A. Care’s practices.</p>   |   |

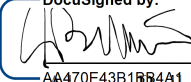
| AGENDA<br>ITEM/PRESENTER | MOTIONS / MAJOR DISCUSSIONS  |   |               |  | ACTION TAKEN  |
|--------------------------|--|---|---------------|--|---|
|                          | Policy<br>Number   | Policy                                  | Section       | Description of Modification  |   |
|                          | HR-628   | Use of Sign-On and<br>Retention Bonuses | Wage & Salary | Added the Definitions and<br>Procedures which were in a<br>separate document |   |
| Approve Consent Agenda   | <p><b><u>Motion EXE A.0824</u></b><br/> <b>To approve the Human Resources Policy HR-628 (Use of Sign-On and Retention Bonuses) as presented.</b></p> <p>Approve the list of items that will be considered on a Consent Agenda for September 5, 2024 Board of Governors Meeting.</p> <ul style="list-style-type: none"> <li>• June 6, 2024 meeting minutes</li> <li>• Ratify L.A. Care Chief Executive Officer’s, John Baackes, execution of Amendment A04 to L.A. Care’s Exclusively Aligned Enrollment (EAE) D-SNP Contract Number 22-20236 with the Department of Health Care Services (DHCS)</li> <li>• 2025 Board and Committee Meeting Schedule</li> <li>• Pacifica Hospital of the Valley Grant</li> <li>• Infosys Contract to provide Information Technology (IT) testing services.</li> <li>• Children’s Health Consultant Advisory Committee (CHCAC) Membership</li> <li>• Children’s Health Consultant Advisory Committee (CHCAC) Revised Charter</li> </ul> |   |               |  | <p><b>Approved unanimously by roll call. 3 AYES</b></p> <p><b>Approved unanimously by roll call. 3 AYES</b></p> |
| <b>PUBLIC COMMENTS</b>   | <p>Submitted in the chat by Andria McFerson, RCAC 5</p> <p><i>Her commitment is still the same, even though her health isn't well enough today to attend physically. Please allow all RCAC access to their prior budgets to have better outreach speaking to not only the RCAC members, but to all public members of L.A. Care. The open communication could be a long term pathway to better mental health disparities and health, and health problems overall. This methodology can be more efficient and even cheaper than just funding other resources and other organizations. Please let the staff of LA Care give them more information about their designated funds given to them for the last three years. They were told they were rolled over because they did not have meetings or have any outreach events, so none of their money was spent.</i></p>   |   |               |  |   |

**APPROVED**

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| <b>ADJOURN TO CLOSED SESSION</b> | <p>The Joint Powers Authority Executive Committee meeting adjourned at 3:20 pm.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i> announced the items for discussion in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 3:20 pm.</p> <p><b>REPORT INVOLVING TRADE SECRET</b><br/> Pursuant to Welfare and Institutions Code Section 14087.38(n)<br/> Discussion Concerning New Service, Program, Business Plan<br/> Estimated date of public disclosure: <i>August 2026</i></p> <p><b>CONTRACT RATES</b><br/> Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>• Plan Partner Rates</li> <li>• Provider Rates</li> <li>• DHCS Rates</li> </ul> <p><b><i>This item is from the Supplemental Special Meeting Agenda</i></b><br/> <b>CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION</b><br/> Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act<br/> Jones v. L.A. Care Health Plan, L.A. Superior Court Case No. 23STCV04081</p> <p><b>THREAT TO PUBLIC SERVICES OR FACILITIES</b><br/> Government Code Section 54957<br/> Consultation with: Tom MacDougall, <i>Chief Information &amp; Technology Officer</i>, and Gene Magerr, <i>Chief Information Security Officer</i></p> <p><b>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION</b><br/> Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act:<br/> Three Potential Cases</p> <p><b>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION</b><br/> Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act<br/> L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069<br/> Department of Health Care Services (Case No. Unavailable)</p> |              |

| AGENDA<br>ITEM/PRESENTER         | MOTIONS / MAJOR DISCUSSIONS  | ACTION TAKEN |
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|                                  | <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION<br/>Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680</li> <li>• Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF</li> </ul> <p>PUBLIC EMPLOYEE PERFORMANCE EVALUATION, PUBLIC EMPLOYMENT and CONFERENCE WITH LABOR NEGOTIATOR<br/>Sections 54957 and 54957.6 of the Ralph M. Brown Act<br/>Title: Chief Executive Officer<br/>Agency Designated Representative: Alvaro Ballesteros, MBA<br/>Unrepresented Employee: John Baackes</p> |              |
| <b>RECONVENE IN OPEN SESSION</b> | The meeting reconvened in open session at 4:17 pm. No reportable actions were taken during the closed session.   |              |
| <b>ADJOURNMENT</b>               | The meeting adjourned at 4:17 pm   |              |

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

APPROVED BY:  
DocuSigned by:  
  
AA470E43B1884A1  
Alvaro Ballesteros, MBA, *Board Chairperson*  
Date: 10/10/2024 11:02 AM PDT

**APPROVED**