

# BOARD OF GOVERNORS

## Executive Committee

### Meeting Minutes – September 25, 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 ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	Stephanie Booth, <i>Treasurer</i> , called to order the regular meetings of the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee at 1:02 p.m. The meetings were held simultaneously. She welcomed everyone to the meetings.  She provided information on how to submit public comments.	
<b>APPROVE MEETING AGENDA</b>	The Agenda for today’s meeting was approved.	<b>Approved unanimously. 3 AYES (Booth, Raffoul, and Roybal)</b>
<b>PUBLIC COMMENT</b>		
<b>APPROVE MEETING MINUTES</b>	The minutes of the August 28, 2024 meeting were approved.  <i>Agenda items were heard out of the order on the Agenda with no objection from Committee Members.</i>	<b>Approved unanimously. 3 AYES</b>
<b>COMMITTEE ISSUES</b>		
<b>Increase the existing purchase order with TRI Ventures (formerly known as Scout Exchange) for contingent</b>	Terry Brown, <i>Chief Human Resources Officer</i> , summarized a request for approval to execute Amendment VII to the contract with Scout Exchange adding \$12,924,000 to the maximum compensation.	

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS				ACTION TAKEN																				
<p><b>worker vendor management services</b></p>	<p>Scout provides L.A. Care with software to assist in the management of contingent workers (temporary labor). Using Scout streamlines the contingent workforce management process, including timecards, staffing requests, and vendor management.</p> <p>Approval of this motion would authorize staff to extend the contract for temporary labor needs through December 31, 2025 with an additional \$12,924,000 (for a total cost not to exceed \$76,388,908).</p> <p><b><u>Motion EXE 100.1025</u></b>  <b>To authorize staff to increase the spend of the existing purchase order, by an additional amount of \$12,924,000 not to exceed a total spend of \$76,388,908 with TRI Ventures (formerly known as Scout Exchange) for contingent worker vendor management services rendered through the end of the contract term on December 31, 2025.</b></p>				<p><b>Approved unanimously. 3 AYES</b></p> <p><b>The Committee approved placing EXE 100 on the Consent Agenda for October 3, 2024 Board of Governors meeting.</b></p>																				
<p><b>Approve Human Resources Policies HR-205 (Dress Code), HR-225 (Standards of Employee Training), HR-502 (L.A. Care Employee Handbook and Human Resources Policies), and HR-710 (Reimbursement for Education Expenses)</b></p>	<p>Mr. Brown explained that these are standard updates to existing policies. The revised policies are written to comply with changes to Regulatory, Legislative and Judicial changes, and reflect changes in L.A. Care’s practices.</p> <table border="1" data-bbox="489 776 1583 1433"> <thead> <tr> <th>Policy Number</th> <th>Policy</th> <th>Section</th> <th>Description of Modification</th> </tr> </thead> <tbody> <tr> <td>HR-205</td> <td>Dress Code</td> <td>Employee Relations</td> <td>Revised for gender inclusivity</td> </tr> <tr> <td>HR-225</td> <td>Standards of Employee Training</td> <td>Learning &amp; Development</td> <td>Transitioned policy into new template. Rewrote 4.1 and 4.3 to align with current practices</td> </tr> <tr> <td>HR-502</td> <td>L.A. Care Employee Handbook and Human Resources Policies</td> <td>Preface</td> <td>Transfer to new template and removed reference to procedure manual to the title of policy</td> </tr> <tr> <td>HR-710</td> <td>Reimbursement for Educational Expenses</td> <td>Learning &amp; Development</td> <td>Added verbiage to 4.2.3.2 and added 4.2.3.4.3 to exclude reimbursement for courses that are available in L.A. Care University, unless required for a degree program; added 4.2.3.4.4. to exclude subscriptions to online universities</td> </tr> </tbody> </table>				Policy Number	Policy	Section	Description of Modification	HR-205	Dress Code	Employee Relations	Revised for gender inclusivity	HR-225	Standards of Employee Training	Learning & Development	Transitioned policy into new template. Rewrote 4.1 and 4.3 to align with current practices	HR-502	L.A. Care Employee Handbook and Human Resources Policies	Preface	Transfer to new template and removed reference to procedure manual to the title of policy	HR-710	Reimbursement for Educational Expenses	Learning & Development	Added verbiage to 4.2.3.2 and added 4.2.3.4.3 to exclude reimbursement for courses that are available in L.A. Care University, unless required for a degree program; added 4.2.3.4.4. to exclude subscriptions to online universities	
Policy Number	Policy	Section	Description of Modification																						
HR-205	Dress Code	Employee Relations	Revised for gender inclusivity																						
HR-225	Standards of Employee Training	Learning & Development	Transitioned policy into new template. Rewrote 4.1 and 4.3 to align with current practices																						
HR-502	L.A. Care Employee Handbook and Human Resources Policies	Preface	Transfer to new template and removed reference to procedure manual to the title of policy																						
HR-710	Reimbursement for Educational Expenses	Learning & Development	Added verbiage to 4.2.3.2 and added 4.2.3.4.3 to exclude reimbursement for courses that are available in L.A. Care University, unless required for a degree program; added 4.2.3.4.4. to exclude subscriptions to online universities																						

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><b>Motion EXE A.0924</b>  <b>To approve the Human Resources Policies HR-205 (Dress Code), HR-225 (Standards of Employee Training), HR-502 (L.A. Care Employee Handbook and Human Resources Policies), and HR-710 (Reimbursement for Education Expenses), as presented.</b></p> <p><i>(Chairperson Ballesteros and Vice Chairperson Shapiro joined the meeting.)</i></p>	<p>Approved unanimously.  <b>3 AYES</b></p> <p><b>This motion does not require full Board approval.</b></p>
<p><b>CHAIRPERSON'S REPORT</b></p>	<p>There was no report from the Chairperson.</p>	
<p><b>CHIEF EXECUTIVE OFFICER REPORT</b></p>	<p>John Baackes, <i>Chief Executive Officer</i>, reported that the California Department of Health Care Services (DHCS) is issuing new all plan letters (APLs) elaborating on requirements in the new Medi-Cal contract for managed Medi-Cal plans to invest 5-7.5% of operating income in the community. When he signed the contract with that 89-word provision, he conducted an assessment of L.A. Care's community investments, which are 20% of our operating income on average. A 23-page draft APL was recently issued clarifying the community investments provision. If the APL draft becomes permanent, the current investments will not count toward the 20% community investment requirement. The APL requires new investments over and above current community investments, and is very specific in describing the required investment areas. The draft APL proposes shared governance with L.A. Care's Board of Governors on how the community investments are spent. L.A. Care is objecting, along with other health plans, through the Local Health Plans of California. A very detailed letter will be submitted to DHCS on behalf of all 17 local health plans in California.</p> <p>There is another clause in the new contract that requires health plans to report administrative expenses including delegated providers. The combined administrative expense of L.A. Care, the delegates, including Independent Physician Associations (IPAs), cannot exceed 7%. This is challenging because L.A. Care and other health plans have experienced a significant increase in administrative expenses over the last 2 to 3 years to meet the requirements of newly mandated DHCS programs, including California Advancing and Improving Medi-Cal (CalAIM). With a limit on administrative expense along with additional oversight and reporting, it will be very difficult for a health plan to reach the required administrative expense level.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>The California state budget is in obviously poor financial condition. DHCS has exercised three acuity adjustments reducing Medi-Cal rates.</p> <p>Afzal Shah, <i>Chief Financial Officer</i>, reported that 2024 final rates were received the previous evening and staff is reviewing the information, there is a third acuity adjustment for 2024 rates. Mr. Baackes reported that adjustment will “claw back” \$199 million. It will continue to be a very difficult environment, with an aggressive reach into the operations of the health plans by the regulator who is also L.A. Care’s customer. The pressure on California’s finances will ultimately be reflected in the Medi-Cal rates. During the previous recession, reimbursement and benefits for Medi-Cal were cut. Cuts have not been discussed yet, the tactic seems to be financial pressure on the health plans. He is bringing awareness to the Board as these factors will color the relationship with DHCS in the remaining time of the Newsom administration.</p> <p>Board Member Booth noted that these regulatory actions may reflect the California administration’s displeasure with health plan support of Proposition 35.</p> <p>Board Member Roybal asked if L.A. Care currently is able to review the administrative expense of its delegated providers. Mr. Baackes responded that L.A. Care’s oversight of delegated providers does not currently include a detailed review of administrative expenses nor an accounting of the level of administrative expense. L.A. Care’s administrative expenses have historically been about 5.5%. The APL has not been finalized because delegated providers are pushing back based on the established “four part rule”. Mr. Shah noted that L.A. Care collects data on medical loss ratio (MLR) from its delegated (subcontracted) providers. DHCS and Centers for Medicare and Medicaid Services (CMS), make a distinction between services that delegates provide directly providing versus services that they purchase. If the MLR is less than 85%, funds will be deducted by regulators from future reimbursement. This year, L.A. Care will have line of sight into the administrative expenses related to the services that delegated providers are purchasing. Regulators are moving towards one set of administrative expense among health plans, plan partners and delegated providers. He anticipates continued collective financial pressure on the administrative expense ratio in 2025 and 2026. Board Member Roybal commented that it will be challenging to meet the required administrative expense level.</p> <p>Mr. Baackes agreed, and noted that almost all IPAs purchase services through managed service organizations (MSOs) and the cost of those purchased services will be added to</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>administrative expenses. There was a severe disruption in services in 2017 because of an MSO failure in Los Angeles County.</p> <p>Board Member Roybal asked if the community investment level of 7.5% has to be new investments and would not include L.A. Care’s current community investments such as Community Resource Centers, Elevating the Safety Net and others. Mr. Baackes noted that is in the draft APL and health plans are challenging that provision. L.A. Care is included in the LHPC objection and will write to DHCS with L.A. Care objections. L.A. Care leads the industry with community investments and its current level of investment should be included in the APL provisions. Other health plans also have community investment programs, and have informed DHCS that requirements for new community investments will force them to discontinue current community investments that are not included in meeting the regulatory requirement. Mr. Baackes noted that when he started at L.A. Care he felt the regulators were partners with L.A. Care, but now he feels the relationship has changed into a more contentious one.</p> <p>Board Member Roybal noted that this happened to health plans during the last State budget problems. Sameer Amin, MD, <i>Chief Medical Officer</i>, commented that it’s not only that the community investments have to be new programs, the program must also be acceptable according to requirements delineated in the draft APL, and the detail about unacceptable community reinvestments is very concerning, because a lot of them are programs that L.A. Care thinks are important for its community.</p> <p>Board Member Booth asked about acceptable and unacceptable community investments. Mr. Baackes responded that L.A. Care has requested discussion about the community investment requirements. L.A. Care’s funding for workforce development is essential for the safety net. It appears that DHCS wants investment in programs for which DHCS does not have the funds to invest, which seems to be a reason for DHCS being so directive and particularly for the shared governance over health plan funds. L.A. Care currently funds programs to recruit doctors, supplement salaries for primary care providers and facilities, safety net doctors, medical school scholarships, and more. DHCS does not have similar programs.</p> <p>Board Member Booth asked if CMS has imposed requirements on DHCS, and DHCS is imposing those on health plans. Mr. Baackes has not studied this. Health plans are never informed about CMS communication with DHCS about Medicaid. This is an issue he raised with Chiquita Brooks-LaSure, the Administrator who runs the Medicaid side of CMS.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Board Member Booth asked about communication at the state level about the community investments. Mr. Baackes responded that L.A. Care could probably ask the director of DHCS for an opinion, she is likely to decline because DHCS has not wanted to interfere in health plan contracting with providers. But this is a new contract provision. The APL indicates what areas health plans should invest in.</p>	
<ul style="list-style-type: none"> <li>Government Affairs Update</li> </ul>	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported:</p> <ul style="list-style-type: none"> <li>The Governor has until September 30 to take action on legislation passed by the Legislature, and has signed several high profile bills relating to retail theft, artificial intelligence and housing initiatives. He has not yet acted on bills of significant interest to L.A. Care. One reason is that at the end of the legislative session he convened a special session on gas and oil pricing and to establish additional regulations on oil refinery inventory. The California Assembly agreed to hold a special session but the Senate did not agree to the special session, indicating it would await meaningful action by the Assembly. The special session seems to be politically driven rather than focused on real policy. It is likely the Governor will wait until the last minute on some of the bills that L.A. Care is tracking.</li> <li>L.A. Care is working with its trade associations including LHPC, America’s Health Insurance Plans (AHIP) and the California Association of Health Plans (CAHP) in advocating for priority health care bills that await the Governor’s action.</li> <li>The general election voter guide has been mailed to voters and includes Proposition 35, related to the managed care organization (MCO) tax. There is no argument against Prop 35 in the voter guide. However, the Governor has been privately trying to pressure organizations to not outwardly support Prop 35 nor verbally oppose it. Some organizations have publicly opposed Prop 35, including the California Pan-Ethnic Health Network and the Children’s Partnership. L.A. Care’s Board of Governors approved a support position on Prop 35. The opposition affirms a need for Prop 35 in not allowing the Legislature or the Governor to use Medi-Cal funds to backfill the general fund nor take away important Medi Cal provider rate increases. Prop 35 will permanently guard those funds as long as CMS continues to approve MCO taxes.</li> <li>At the federal level, Congressional leaders approved a continuing resolution on funding for the federal budget through December 20, 2024. Final budget action will be taken up after the November election.</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Mr. Baackes commented that the coalition formed around the MCO tax met this morning. There are about a half a dozen organizations that have opposed but there are 300 organizations that are supporting prop 35, including trade associations and the health plan associations. Both the Democratic and the Republican parties have endorsed Prop 35. The opposition is fairly thin and has not mounted a paid media campaign in opposition. The Vote Yes Prop 35 media campaign began earlier this week.</p> <p>Board Member Booth asked about the potential for action to reverse the provisions of Prop 35 in the future. Ms. Compartore noted that a 3/4ths majority affirmative vote of the Legislature is required to change or repeal the initiative. The Department could make changes to comply with federal regulation. Voters could also change or repeal it with another initiative.</p> <p>Board Member Roybal asked about the arguments against Prop 35. The opposition is that Prop 35 would divert funds from the opposition's interests, and would take money away from other programs. There is no credible connection because this is new money directed at specific programs for primary care, special care and other health care. Prop 35 does not infringe on funding for other programs.</p> <p>Mr. Baackes noted that the taxes raised would supplement and would not supplant existing revenue sources. Ms. Compartore noted that the coalition established the categories of the specialties to be funded. The administration wanted control of the general fund and used that to their advantage. It created specific special deals for some provider groups or specialties that weren't originally included in the coalition. If Prop 35 is approved by voters, those specific areas of funding will end. Advocates of those specific funding areas are using the end of that additional exclusive funding as a negative against Prop 35.</p> <p>Chair Ballesteros asked about active opposition to Prop 35. Mr. Baackes responded that the Governor is silent in public on this, but behind the scenes he is not happy about it. Indications are that he will not go public in his opposition, there are too many in favor of it and no resources to conduct an effective opposition campaign. If he publicly opposed it and it was passed, he would be losing face and his reputation. Remaining silent is better for him.</p> <p>There are a lot of leaders in the coalition supporting Prop 35 who have been champions and allies of the Governor throughout his career. It is a watermark event that Prop 35 is so important to those leaders that they would differ with the Governor on this issue.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>Chief Financial Officer Report</p> <ul style="list-style-type: none"> <li>Monthly Investments Transactions Report</li> </ul>	<p>Afzal Shah, <i>Chief Financial Officer</i>, reported that August financial reports will be presented at the October 23, 2024 Finance &amp; Budget Committee. He referred to the investment transactions reports included in the meeting materials (<i>a copy of the report is available by contacting Board Services</i>). This report is to comply with the California Government Code as an informational item. L.A. Care's total investment market value as of as of August 31, 2024, was \$3.5 billion.</p> <ul style="list-style-type: none"> <li>\$3.4 billion managed by Payden &amp; Rygel and New England Asset Management (NEAM)</li> <li>\$125 million in BlackRock Liquidity T-Fund</li> <li>\$11 million in Los Angeles County Pooled Investment Fund</li> <li>\$6 million in Local Agency Investment Fund</li> </ul>	
<ul style="list-style-type: none"> <li>Authorized signatories for all L.A. Care Health Plan's and L.A. Care Health Plan Joint Powers Authority's (JPA) banking and investment accounts</li> </ul>	<p>Mr. Shah summarized the motion requesting an update to L.A. Care and L.A. Care Joint Powers Authority signatories. The three signatories will have authority to approve financial transactions, create accounts, and make investment decisions on behalf of the organization.</p> <p>The motion will provide authority over all L.A. Care Health Plan's and L.A. Care Health Plan Joint Powers Authority's (JPA) banking and investment accounts to the following three employees:</p> <ol style="list-style-type: none"> <li>Afzal Shah, <i>Chief Financial Officer</i>,</li> <li>Jeff Ingram, <i>Deputy Chief Financial Officer</i>, and</li> <li>Radiah Campbell, <i>Controller</i></li> </ol> <p>This authority will be renewed when the investment policy is brought for approval by the Board, which is approximately annually, or as updates are needed.</p> <p><b><u>Motion EXE 101.1024</u></b>  <b>To authorize the employees listed above as authorized signatories for all L.A. Care Health Plan and L.A. Care Health Plan Joint Powers Authority (JPA) banking and investment accounts.</b></p> <p>Mr. Shah introduced Radiah Campbell, <i>Controller</i>. She greeted the Committee members and noted she is excited to join L.A. Care.</p>	<p><b>Approved unanimously. 5 AYES (Ballesteros, Booth, Raffoul, Roybal and Shapiro)</b></p> <p><b>The Committee approved placing EXE 101 on the Consent Agenda for October 3, 2024 Board of Governors meeting.</b></p>
<p>Ntooitive Contract for marketing campaigns for L.A. Care's direct lines of</p>	<p>John Cota, <i>Senior Director, Creative and Marketing</i>, presented a motion to approve a contract with Ntooitive, the agency that supports L.A. Care with all marketing and</p>	



AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>business, including the L.A. Care Covered (LACC) Shop and Compare Tool, and the Community Resource Centers</p>	<p>advertising needs. He noted a correction to the contract amount to \$15.1 million due to an error in the original draft of this motion.</p> <p>Board Member Booth noted the contract is expensive and the cost has increased over the five years or so that Ntooitive has provided services for L.A. Care. She would like to better understand why this is a good company to keep and the funds are spent appropriately for these services so the Executive Committee knows the funds are well spent. She asked about data or reports on new member enrollment generated by Ntooitive services. She asked if the LACC shop and compare tool, which was first mentioned in 2021, requires ongoing development and management.</p> <p>Mr. Cota responded that the calculator requires ongoing development and management of the LACC shop and compare tool is required to reflect the current pricing model.</p> <p>Board Member Booth noted that between 2019 and 2024, the price increased from \$5.3 million roughly to \$12.3 million, a 135% increase. She asked if that is due to inflation or additional services and if L.A. Care receives value in those services. Mr. Cota noted that up to 95% of the funds are for procurement by Ntooitive of contracts with media for TV, radio and other outlets where L.A. Care advertising appears.</p> <p>Board Member Raffoul suggested a report on L.A. Care’s marketing plan at a future Board meeting. Board Member Booth suggested adding data on the enrollment increase reflected in the marketing plan. Mr. Cota commented that L.A. Care added a layer into the contract to be able to provide de-identified new membership data to correlate media impressions with the marketing. In the next year it is hoped that the return on investment will be more accurate in reflecting the tactics that are executed. Board Member Raffoul suggested identifying funding used to create awareness and growth, and identify the goals for growth.</p> <p><b><u>Motion EXE 102.1024</u></b>  <b>To authorize staff to execute a new statement of work with Ntooitive in the amount of \$15,189,396 for marketing campaigns for L.A. Care’s direct lines of business, including the LACC Shop and Compare Tool, and the Community Resource Centers for the period of October 1, 2024 through September 30, 2025.</b></p>	<p><b>Approved unanimously. 5 AYES (Ballesteros, Booth, Raffoul, Roybal and Shapiro)</b></p> <p><b>The Committee approved placing EXE 102 on the Consent Agenda for October 3, 2024 Board of Governors meeting.</b></p>
<p>Edifecs, Inc. Contract to provide Software as a</p>	<p>Tom MacDougall, <i>Chief Information and Technology Officer</i>, introduced a motion requesting approval to execute a five-year contract with Edifecs, Inc. from October 2024 to September 2029 in the amount of \$25,497,331, reflecting an increase of \$5 million in</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
Service (SaaS) licensing and integration services	<p>licensing fees over five years. The contract will support L.A. Care’s internal infrastructure to manage encounter data and make sure that the data quality is good. There will be an initial increase and costs will decrease over the contract term. The vendor will assume responsibility for maintaining the software.</p> <p>Board Member Booth asked about statements of work (SOW) in contracting with this vendor. Mr. MacDougall stated there are four SOWs over the next few years for additional services with discounts already negotiated.</p> <p><b><u>Motion EXE 103.1024</u></b>  <b>To authorize staff to execute a contract in the amount of \$25,497,331 with Edifecs, Inc. to provide Software as a Service (SaaS) licensing and integration services for the period of October 2024 to September 2029.</b></p>	<p><b>Approved unanimously. 5 AYES</b></p> <p><b>The Committee approved placing EXE 103 on the Consent Agenda for October 3, 2024 Board of Governors meeting.</b></p>
Delegate Authority for CEO to execute a membership sponsorship agreement with the California Medical Association (CMA)	<p><i>Board Member Booth may have financial interests in Plans, Plan Participating Providers or other programs and as such she refrained from the discussion and vote on this motion.</i></p> <p>Mr. Baackes stated that in 2022, L.A. Care entered into a pilot group membership program (Pilot Program) with California Medical Association (CMA) whereby L.A. Care paid the membership expenses to CMA and the Los Angeles County Medical Association (LACMA) for 312 physicians participating in L.A. Care’s Direct Network. The goal was to increase L.A. Care’s direct network participation. Benefits of CMA and LACMA membership include physician education and training, practice management support, health information technology, physician wellness, legal and regulatory compliance support, financial and insurance benefits, recruitment and office staffing assistance, and community-directed resources. Given the success of the pilot program, L.A. Care would like to expand the group membership program by up to an additional 841 physicians. The proposed expansion will begin October 1, 2024 and will cease on September 30, 2027.</p> <p>Board Member Shapiro commented that membership in these organizations is a great benefit for physicians and this will include some physicians that would otherwise not get involved. He suggested a program to help guide new members with participation and advocacy for important community programs. He suggested that L.A. Care negotiate access to the resources offered by the two organizations.</p>	

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><b><u>Motion EXE B.0924</u></b>  <b>To delegate authority to the CEO to execute the CMA group membership program agreement in the amount of \$3,461,700 in order to provide three years of membership in California Medical Association (CMA) and Los Angeles County Medical Association (LACMA) for up to 1,153 physicians participating in L.A. Care’s provider network.</b></p>	<p><b>Approved unanimously.  3 AYES (Ballesteros, Raffoul, and Roybal),  2 ABSTENTIONS (Booth and Shapiro)</b></p>
<p>Approve Consent Agenda</p>	<p>Approve the list of items that will be considered on a Consent Agenda for October 3, 2024 Board of Governors Meeting.</p> <ul style="list-style-type: none"> <li>• September 5, 2024 meeting minutes</li> <li>• TRI Ventures (formerly known as Scout Exchange) Contract</li> <li>• Authorized signatories for all L.A. Care Health Plan’s and L.A. Care Health Plan Joint Powers Authority’s (JPA) banking and investment accounts</li> <li>• Ntooitive Contract</li> <li>• Edifecs, Inc. Contract</li> <li>• Delegate Authority for CEO to execute a membership sponsorship agreement with the California Medical Association (CMA) for up to 1,153 physicians in L.A. Care’s provider network</li> <li>• RCAC Membership</li> </ul>	<p><b>Approved unanimously.  5 AYES (Ballesteros, Booth, Raffoul, Roybal and Shapiro)</b></p>
<p><b>PUBLIC COMMENTS  ON CLOSED SESSION  ITEMS</b></p>		
<p><b>ADJOURN TO CLOSED  SESSION</b></p>	<p>The Joint Powers Authority Executive Committee meeting adjourned at 2:08 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 2:08 pm.</p> <p><b>REPORT INVOLVING TRADE SECRET</b>  Pursuant to Welfare and Institutions Code Section 14087.38(n)  Discussion Concerning New Service, Program, Business Plan  Estimated date of public disclosure: <i>September 2026</i></p>	

CONTRACT RATES

Pursuant to Welfare and Institutions Code Section 14087.38(m)

- Plan Partner Rates
- Provider Rates
- DHCS Rates

THREAT TO PUBLIC SERVICES OR FACILITIES

Government Code Section 54957

Consultation with: Tom MacDougall, *Chief Information & Technology Officer*, and Gene Magerr, *Chief Information Security Officer*

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 LEGAL COUNSEL—EXISTING LITIGATION

Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act

- 1) *Lakewood Regional Med. Ctr., Inc., et al. v L.A. Care* (JAMS Case No. 1220075422)
- 2) *Lakewood Regional Med. Ctr., Inc., et al. v L.A. Care* (JAMS Case No. 1220074758)

CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act

- 1) *University of Southern California on behalf of its Keck Hospital of USC v. Local Initiative Health Authority for Los Angeles County*, L.A.S.C. Case No. 22STCV02659
- 2) *University of Southern California on behalf of its USC Verdugo Hills Hospital v. Local Initiative Health Authority for Los Angeles County*, L.A.S.C. Case No. 22STCV15865
- 3) *University of Southern California on behalf of its Keck Hospital of USC v. Local Initiative Health Authority for Los Angeles County*, L.A.S.C. Case No. 22STCV33996
- 4) *University of Southern California on behalf of its Keck Hospital of USC and on behalf of its USC Norris Comprehensive Cancer Center v. Local Initiative Health Authority for Los Angeles County*, L.A.S.C. Case No. 23STCV22700
- 5) *University of Southern California on behalf of its USC Verdugo Hills Hospital v. Local Initiative Health Authority for Los Angeles County*, L.A.S.C. Case No. 23STCV25633
- 6) *University of Southern California on behalf of its Keck Hospital of USC v. Local Initiative Health Authority for Los Angeles County*, L.A.S.C. Case No. and Norris 23STCV25875
- 7) *University of Southern California on behalf of its USC Verdugo Hills Hospital v. Local Initiative Health Authority for Los Angeles County*, L.A.S.C. Case No. 24STCV21495
- 8) *University of Southern California on behalf of its Keck Hospital of USC v. Local Initiative Health Authority for Los Angeles County*, L.A.S.C. Case No. 24STCV20537

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>9) <i>University of Southern California on behalf of its Keck Hospital of USC and on behalf of its USC Verdugo Hills Hospital v. Local Initiative Health Authority for Los Angeles County, L.A.S.C. Case No. 23STCV13310</i></p> <p>10) <i>University of Southern California on behalf of its Keck Hospital of USC, on behalf of its USC Verdugo Hills Hospital, and on behalf of its USC Norris Comprehensive Cancer Center v. Local Initiative Health Authority for Los Angeles County, L.A.S.C. Case No. 24STCV13333</i></p> <p>11) <i>University of Southern California on behalf of its Keck Hospital of USC v. Local Initiative Health Authority for Los Angeles County, L.A.S.C. Case No. 24STCV17654</i></p> <p>12) <i>University of Southern California on behalf of its USC Verdugo Hills Hospital v. Local Initiative Health Authority for Los Angeles County, L.A.S.C. Case No. 22STCV02072</i></p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable)</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION 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 Sections 54957 and 54957.6 of the Ralph M. Brown Act Title: Chief Executive Officer Agency Designated Representative: Alvaro Ballesteros, MBA Unrepresented Employee: John Baackes</p>	
<b>RECONVENE IN OPEN SESSION</b>	The meeting reconvened in open session at 2:38 pm. No reportable actions were taken during the closed session.	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ADJOURNMENT	The meeting adjourned at 2:38 pm	

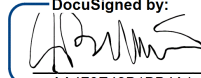
Respectfully submitted by:

Linda Merkens, *Senior Manager, Board Services*

Malou Balones, *Board Specialist III, Board Services*

Victor Rodriguez, *Board Specialist II, Board Services*

APPROVED BY:

DocuSigned by:  


AA470E43B1BB4A1...  
 Alvaro Ballesteros, MBA, *Board Chairperson*

Date: 11/3/2024 | 7:35 PM PST

**APPROVED**