Board of Governors
Retreat and Regular Meeting Minutes #300
September 2, 2021
L.A. Care Health Plan, 1055 W. 7th Street, Los Angeles, CA 90017

Members
Hector De La Torre, Chairperson
Alvaro Ballesteros, MBA, Vice Chairperson
Robert H. Curry, Treasurer
Layla Gonzalez, Secretary
Stephanie Booth, MD
Christina R. Ghaly, MD *
George W. Greene, Esq. *

Antonia Jimenez
Honorable Holly J. Mitchell
Hilda Perez
G. Michael Roybal, MD, MPH *
Ilan Shapiro, MD *
Nina Vaccaro, MPH

All via teleconference

*Absent

Management/Staff
John Baackes, Chief Executive Officer
Terry Brown, Chief of Human Resources
Linda Greenfeld, Chief Product Officer
Augustavia Haydel, General Counsel
Linda Greenfeld, Chief Product Officer
Thomas Mapp, Chief Compliance Officer
Marie Montgomery, Chief Financial Officer
Noah Paley, Chief of Staff
Richard Seidman, MD, MPH, Chief Medical Officer
Acacia Reed, Chief Operating Officer

California Governor issued Executive Order Nos. 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, and can share their comments via voicemail, email, or text.

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<td>WELCOME</td>
<td>Hector De La Torre, Chairperson, called to order at 9:09 a.m. the regular meetings of L.A. Care Board of Governors and L.A. Care Health Plan Joint Powers Authority Board of Directors. The L.A. Care Board of Governors and the L.A. Care Health Plan Joint Powers Authority Board of Directors regular meetings were held simultaneously. He welcomed members of the public and thanked those who have submitted public comment by voice mail, text or email. Board Members have received in writing the voice messages and written comments that were sent before the meeting. Comments sent before and during the meeting will be read for up to three minutes. Public comments on any topic that are not listed on the Agenda will be heard at the Public Comment section of the Agenda, and comments on the items listed on the Agenda will be heard before the item is discussed by the Board. Submission of public comment must be sent before public comment period for an item. For those with access to the internet, the materials for today’s meeting are available on the L.A. Care website. If you need information about how to locate the materials, please let us know.</td>
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| APPROVAL OF MEETING AGENDA | Submitted via email, September 2, 2021, at 8:30 AM by Andria McFerson  
Hello chairperson De La Torre,  
In regards to the agenda I feel there needs to be more involvement in the Colored communities and specifically the Black community with the disparities they’re facing especially in today’s times. Systematic racism has been at its worst and that does affect overall health in general including Mental Health, physical health and the overall social determinants of Health that Black people face just leaving out getting in their car and going to the store having to worry about being pulled over harassed by the police or even shot and killed. But, we as Black people have been discriminated against since the very beginning by all races being followed in the store and prejudged as if we are the enemy by just speaking out in defense like right now. The board of supervisors adopted the much needed anti-racist agenda motion calling for a strategic plan and policy platform enacting the initiative as Board directed priority stakeholder engagement opportunities and notifications with better access to community conversation. The CEO was allocated to implement plans to do just that through an original motion of Mark Ridley Thomas the prior supervisor of the most predominant region of Black people. On their agenda they address the Black residents of La county’s disparities by implementing a plan building upon previous efforts. These overlooked plans I feel are similar to Mark Ridley-Thomas request here at LA Care, while holding a seat, to be more involved in the Black community and African-American History month these actions were agreed upon by the fellow board of Governor seats and were supposed to be carried out with LA CARE’S Outreach and engagement Department. This topic was brought up at the Board of Governors meeting only after my request being chair of RCAC 6 Mark Ridley-Thomas’s district. So now almost 2 years later the staff has finally allowed us to have an ad-hoc to only cover African American History month. This agenda and Future agendas need to cover Black disparities they need to be brought up more here at the BOG to cover the decisions made by LA Care to implement more involvement in the community due to the health disparities that WE ARE TORMENTED BY FROM ALL PERSPECTIVES OF THE SOCIAL DETERMINANTS OF HEALTH WE NEED AN AD-HOC TO DISCUSS THAT WITH OUR OWN ECAC. Chair De La Torre can you please address these disparities on the agenda for now and/or future meetings.  
Thanks  
Andria McFerson, RCAC 6 Chair |

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<td>Chairperson De La Torre thanked Ms. McFerson for her comment. L.A. Care’s Board of Governors appreciates her input. He noted that social determinants of health across the board are considered in all we do at L.A. Care. At some point there can be a discussion about the various initiatives that L.A. Care is undertaking on behalf of the members. The agendas were approved as submitted.</td>
<td>Unanimously approved by roll call. 10 AYES (Ballesteros, Booth, De La Torre, Ghaly Gonzalez, Jimenez, Mitchell, Perez, Roybal and Vaccaro)</td>
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| **PUBLIC COMMENT** | **(Member Curry joined the meeting.)**  
Received via text, August 17, 2021, 1:44 pm, from Carolyn Rogers Navarro  
*General Public comment Sept 2, 2021 Carolyn Rogers Navarro, a doctor on LA Cares board publicly discussed my adult autistic daughter Vanessa at an ECAC meeting in Nov of 2015 claiming my grievances were resolved and handled properly when in truth LA Care would not respond to my repeated requests for assistance for my daughter Vanessa Navarro and defended Synermed and retaliated because of our accurate accounts of their abuses, that were later verified. My daughter died less than a month after this Nov meeting. I have told LA Care to self report this abuse of my child’s rights and my rights to advocate for her and my not being notified of her being discussed at this ECAC meeting, I told LA Care I want this public record violating our privacy removed and I want written notice of this removal, LA Care is mandated to self report this abusive conduct to the state privacy officer!*  
Received via text August 19, 2021, at 10:44 am, not self-identified  
*General comment for 8-19-2021 compliance meeting AND 9-2-2021 board meeting. LA Care publicly displays claims of assisting our adult autistic daughter Vanessa Navarro (I am her father) when in truth they defended Synermed and their dishonest doctors and would not return our phone calls and then claimed they assisted us at a public meeting publicaly mentioning my wife and daughter! We approached the LA Care board for help and instead got no notification to us our daughter would be publicly discussed by a board member at a public ECAC meeting violating our right to due process! We obtained these records as proof. Now LA Care is not honoring our request that this record of our daughter being discussed without our knowledge or consent be removed from public view!* | The Consent Agenda and Recommended Consent Agenda items were unanimously approved. 11 AYES (Ballesteros, Booth, De La Torre, Gonzalez, Greene, Jimenez, Perez, Ridley-Thomas, Roybal, Shapiro and Vaccaro) |
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| Received via text August 19, 2021, at 10:55 am, not self-identified                 | General comment 9–2-2021 board meeting.  
LA Care publicly displays claims of assisting our adult autistic daughter Vanessa Navarro (I am her father) when in truth they defended Synermed and their dishonest doctors and would not return our phone calls and then claimed they assisted us at a public meeting publicaly mentioning my wife and daughter! We approached the LA Care board for help and instead got no notification to us our daughter would be publicaly discussed by a board member at a public ECAC meeting violating our right to due process! We obtained these records as proof. Now LA Care is not honoring our request that this record of our daughter being discussed without our knowledge or consent be removed from public view! |              |
9-2-2021 board of governors meeting LA Care keeps deleting comments criticizing them on Facebook when they invite public comments about their public agency. They set it so people can’t review them, it is set so it shows comments were made but not visible.                                                                                 |              |
<p>| Received via voice mail September 1, 2021, at 3:06 pm, anonymous                    | Somebody from the outside needs to seriously audit L.A. Care. They are not delivering services to clients, and pretending that they are. Grievances are largely ignored, delayed, non-responsive and inaccurate. I believe Baackes is misrepresenting DHCS audits because critical issues are causing delay and non-delivery, and they have not been resolved. They have been going on for quite some time. I have noted them in my grievances prior. There is improper denial of services, medications, there is retaliation and abuse. I fight every day 24/7. There has been misreading and misdocumentation of written comments, continued patient rights, Brown Act, HIPPA and ADA violations. I believe violating protocol in the medical, pharmacy legal responsibilities and regulations. ADA accommodation requests are ignored and not responded to. You seem to be violating a number of government title designations. Hector De La Torre, on the 5/7/2020 minutes says, RCAC lack of black members and med students is due to people not stepping forward. I’ve stepped forward to find out information, I can’t get it. The only way I find out certain things is from the BoG meetings. There are massive issues with L.A. Care. No response, no information, if there is any response it is vague, inadequate, |
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<td>incorrect, yet blamed for it and kicked to the curb. Why do you make everything so difficult and destroy our quality of life? I can't get my medical care, medicines, info, because L.A. Care clearly doesn't want me to have it. If they did, I would have had it long ago. The stress and anxiety you are causing for me and many other clients is killing us. The racism and bias expressed by certain Board members and others has still not been addressed, investigated or resolved.</td>
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<td>Received via phone call on September 1, 2021, at 8:09 PM, by Elizabeth Cooper</td>
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<td>Good morning Board Chair Mr. de la Torre and members of the board of governors, and Mrs. John C Baackes chief executive officer of L.A. Care and public. My name is Elizabeth Cooper. On September the 14th 2021 in less than two weeks, California will be having a special election which is very important for the state of California. For every register voter who has receive their ballot, I would like to encourage you to please vote and not throw the ballots away. Don't forget to vote! The issues of health care and other issues that impact so many are very important.</td>
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<td>Received via email, September 2, 2021, at 8:56 AM by Andria McFerson</td>
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| Chair De La Torre, My name is Andria McFerson and I am chair of RCAC 6. Please understand I have spoken about the resource center in my region since the very beginning of me becoming chair. I asked for better access to the resources LA Care provides to Inglewood but, now I just asked that you reopen a closed resource center in my region because the limited location we had no longer even exists. Strangely now we have close to 8 Resource centers with the Inglewood center being one of the original locations but somehow not only staying the smallest throughout all this time with the least amount of parking in the most predominantly Black region but also the least amount of resources when other regions of other predominant races have events like; food banks and many other resources on a regular basis. The last event that we had giving out school supplies was not publicized enough to even give out all the supplies we had to the public. I myself had to dance on the corner with a flag and a backpack to get people to come in and receive the resources for their kids. I got over a hundred school supplies out to the community by people responding to me publicizing the event that day on the corner. So many bags and school supplies were left over it was sad! It's all because once again the resource center is not publicized properly and unfortunately it was shut down limiting the communication to the public the overall event could have also had a better systematic setup to where the DJ would play music near outside traffic and more signs would be outside of the...
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<td>Parking lot with posters on the streets outside of Southwest college where there was the most traffic. It's sad how my overall region is ignored regularly and I don't know why but something needs to be done right away because it affects the community contributing to the lack of preventative care information we have always had to deal with when unfortunately mortality rate is one of the highest in the county. Please change the lack of resources and overall mistreatment in region 6 and address overall systematic racism. Thank You Andria McFerson RCAC 6 CHAIR</td>
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<td>Public Comment</td>
<td>Received via voice mail September 1, 2021, 3:10 pm, anonymous The June 2021 minutes that are on the agenda, L.A. Care could have avoided the unnecessary fines due to outdated doctor information. I personally have told you guys about this problem many times before, and the problems that it causes. May 2021 minutes, the withholding of medical supplies, I’ve been telling you about that for a long time. The call in option is an ADA accommodation request that you guys had in place before, pre-COVID, and it should be reinstated. Hector De La Torre’s responses are still dismissive, disingenuous and irrelevant, when he responds that he just wanted to say what other people were doing. No, that was not the point of your comment when you made it at the time. It was dismissive and you were not trying to move anything forward and resolve it. And you are still violating ADA as it is difficult for me and others to participate in a dialogue with the Board of Governors at the Board of Governors’ meetings. That means back and forth, and we need to hear things in real time. Otherwise, it’s unfair to us and it is difficult for anyone with disabilities to participate. Stop trying to sugarcoat it. And stop trying to say that its because you've been doing it for more than 14 months, that its ok. It’s not. Start taking care of your members instead of alienating them at every turn.</td>
<td>The Consent Agenda and Recommended Consent Agenda items were unanimously approved. 11 AYES (Ballesteros, Booth, De La Torre, Gonzalez, Greene, Jimenez, Perez, Ridley-Thomas, Roybal, Shapiro and Vaccaro)</td>
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<td>Received via phone call on September 1, 2021, at 8:09 PM, by Elizabeth Cooper</td>
<td>Please consider hosting the Board meeting in the San Fernando Valley in the future. Please incorporate the Community and Engagement Department.</td>
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<td>Chairperson De La Torre expressed that the Board meetings are not a dialogue, the meetings are an opportunity for the public to engage the Board and to share their views and concerns. The Board will take that input into consideration when the Board takes actions and make decisions on behalf of L.A. Care. That is the reason and the structure of The Brown Act; that is why public comment is set up the way it is and is heard before the Board considers an item. The Board members take the public comment into consideration as they are deliberating on an item. Chairperson De La Torre was a City Councilmember for eight years, and the same structure was used. He emphasized that the Board members are listening and taking notes during public comment, and if there is an issue raised in public comment that requires action it is followed up on with staff in the appropriate forum. The forum could be at a Board or a RCAC meeting, or internally at L.A. Care. He would like it to be clear on what the Brown Act is and what it is meant to do.</td>
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<td>In terms of having meetings in the San Fernando Valley, he noted that today’s meeting was to be held in person and he had asked staff to find a location in the San Fernando Valley. Unfortunately, the public health situation deteriorated and this meeting is being held virtually, as all meetings have been for the last 14 months. He would like to have meetings in person as much as everyone does, but it is not possible, particularly for a health organization, to have meetings in person when a pandemic is still raging. In planning this meeting, staff was intending that this meeting would be held in person, and be assured that L.A. Care will hold meetings in other areas of Los Angeles County at the appropriate time. He encouraged everyone to get a COVID-19 vaccine. The vaccination is free and available at many locations throughout Los Angeles County and appointments for home visits are available as well.</td>
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<td>• Minutes of July 29, 2021 Board of Governors Meeting</td>
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<td>Unanimously approved by roll call. 11 AYES (Ballesteros, Booth, Curry, De La Torre, Ghaly, Gonzalez, Jimenez, Mitchell, Perez, Roybal and Vaccaro)</td>
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<td>• 2022 Board and Committee Meeting Schedule <strong>Motion EXE 100.0921</strong>* To approve the 2021 Board of Governors meeting schedule as submitted.</td>
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<td>• Quarterly Investment Report <strong>Motion FIN 100.0921</strong>* To accept the Quarterly Investment Report for the quarter ending June 30, 2021, as submitted.</td>
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| • Allocation of Funds to support L.A. Care’s Projects with Non-Travel Meals and Catering and Other Expenses exceeding $10,000  
**Motion FIN 101.0921***  
To approve the allocation of funds to support L.A. Care’s Projects with Non-Travel Meals and Catering and Other Expenses exceeding $10,000 in the total amount of $497,775 for FY 2021-2022.  
• Everise Contract Amendment  
**Motion FIN 102.0921***  
To authorize staff to increase funds to the existing $21 million contract, in the amount of $4.5 million, not to exceed a total spend of $25.5 million, with Everise for call center services and to extend through March 31, 2022.  
• Alchemy Communications, Inc. Data Center Service Lease Agreement Extension  
**Motion FIN 103.0921***  
To authorize staff to enter into a new 5-year Alchemy Communications Inc. data center service lease agreement in an amount not to exceed $4,407,256.62.  
• Children’s Health Consultant Advisory Committee new member, James Cruz, MD  
**Motion CHC 100.0921***  
To approve James Cruz, MD, as member of the Children’s Health Consultant Advisory Committee (CHCAC), effective upon his acceptance of this position, and as of September 2, 2021 for the L.A. Care Plan Partner seat.  |

**CHAIRPERSON’S REPORT**

**PUBLIC COMMENT**

Received via phone call on September 1 at 8:09 PM, by Elizabeth Cooper

*I hope the board elections consider the composition of culturally and linguistically representation*

Chairperson De La Torre noted that the Board agreed on an approach for the Officer elections at the last meeting, but the public health situation has not improved as thought it would back in July. The officer elections are usually in November each year. He reminded that the October Board Meeting is tentatively scheduled, so there might not be a full Board meeting until November. Board members will be asked to send their nominations for Board Officers to Board Services staff. The Executive Committee is comprised of Chairs of various committees and will review the nominations. Members of the Executive Committee are: Hector De La Torre (Chair), Al Ballesteros, Stephanie Booth, MD, Robert H. Curry, Layla Gonzalez, and
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<td>Hilda Perez. The Board can decide in November if the officers will take office immediately or in January 2022.</td>
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| **PUBLIC COMMENT** | Received via text, August 30, 2021, 7:47 am, not self-identified  
9-2-2021 board of gov meeting CEO report, you people don’t give a <expletive> about quality of care, you just want more and more enrollees you can’t actually service! | |
| Received via phone call on September 1, 2021, at 8:09 PM, by Elizabeth Cooper  
*If you can also grant and sponsor those with disabilities. Mr. Baackes please give you comment about the rental assistant program that will impact so many in the communities and possible L.A. Care members who are at risk of being evicted, and for them to have access to those funds available through the government. How can L.A. Care and the staff be part assisting in helping those members.* | |
| Received via email, September 2, 2021, at 9:16 AM by Andria McFerson  
*Chair De La Torre,  
My name is Andria McFerson, Chair of RCAC 6,  
Rental assistance is needed in our communities of LA County.  
Congress allocated money for people who need assistance who are at risk for eviction due to covid-19 constrictions. Can LA Care fund programs to help low-income people struggling to pay their rent and are at a threat to be homeless? This assistance would be an existential decision and very beneficial when people now have no options but either rent or food. Severely low income living conditions in LA County are not only mentally debilitating but a physical threat for kids, seniors and adults to be malnourished and homeless. We also need to know if LA Care has already given rental assistance funds. If so can we have a better plan to give these public information and resources to our RCAC members and overall LA Care members who might be in the process of being homeless.  
As a stakeholder I officially ask that we have an update from the facility, Brilliant Corners, LA Care gave 25 million to for shelter to the homeless. We need to know if there is data to show a level of progression and how they have been fighting against the debilitated population of homeless people in LA County. Please follow through with more information as if we deserve to know because this affects our own family, friends and the communities we represent.  
Thanks, Andria McFerson, RCAC 6 Chair* | |
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<td>John Baackes, <em>Chief Executive Officer</em>; noted that Ms. Cooper’s comments about rental assistance have been forwarded to him by Board Member Gonzalez. In response to that and to Ms. McFerson, he commented that L.A. Care has not provided rental assistance. L.A. Care provided a grant of $20 million over five years to Brilliant Corners as part of the Whole Person Care (WPC) program in Los Angeles County. WPC has used that to provide housing for 328 people (some are families). For the concerns about the expiration of the eviction moratoriums, L.A. Care has awarded 10 Community Health Investment Fund (CHIF) grants to agencies that provide rental assistance in the community, including L.A. Care members. L.A. Care will provide information to Regional Community Advisory Committees (RCACs) and Executive Community Advisory Committee (ECAC) members with a list of those agencies that are available for people to use. Over the last two years, L.A. Care provided $1.25 million in CHIF grants so that those agencies would have the resources needed to serve people. A presentation can also be made at a future ECAC meeting. Mr. Baackes reported:</td>
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- In September, L.A. Care enrollment is more than 2,450,000. September is the last month of L.A. Care’s fiscal year. Marie Montgomery, *Chief Financial Officer*, will present the latest financial results in her report and present the budget for the new fiscal year. This budget presents a much different financial outlook from what was presented a year ago, when L.A. Care faced a significant operating deficit.  

- On January 1, 2022 a staggering number of initiatives developed by the California Department of Health Care Services (DHCS) will launch. L.A. Care and other health plans are responsible for administering these new programs:  

  - Prescription drug benefits will be “carved out” of Medi-Cal and will be managed by a third-party administrator retained by state agencies. Health plans with Medi-Cal managed care members will no longer administer the prescription drug benefits for those members. L.A. Care is opposed to this action because of the potential disruption of services and confusion for Medi-Cal beneficiaries. The transition will likely be very confusing for members, and they will have to use a different card to obtain prescription drug benefits. The Medi-Cal pharmacy benefit does not change, there is only a change in the administration of the program. Medi-Cal members will need to have a different card to access prescription medicines. Notices will be sent to beneficiaries and L.A. Care expects a lot of phone calls asking about the new program. L.A. Care’s pharmacy staff is preparing for the transition.  
  
  - L.A. Care is also preparing for the California Advancing and Innovating Medi-Cal (CalAIM) which is a significant expansion of programs for Medi-Cal. The
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|                      | implementation date is approaching and plans are only now beginning to get information about the rates. Two important programs are Enhanced Care Management (ECM) and In Lieu of Services (ILOS), which involve the highest risk members. These new programs are similar to the Health Homes (HH) and Whole Person Care (WPC) federal waiver programs, which will end as CalAIM launches. Health plans are concerned about the transition of members to the new programs, and are working to ensure that everyone who is eligible is enrolled in ECM and ILOS and that care is not interrupted for these members. In reviewing the funding for ECM and ILOS, it appears that there may not be sufficient funding to cover the beneficiaries currently enrolled in HH and WPC. Members enrolled in HH and WPC will have to be reassessed to determine eligibility for the new ECM and ILOS programs. L.A. Care is concerned about members currently in HH or WPC who may not be eligible for ECM or ILOS, but will still need the care provided by HH and WPC. L.A. Care is working closely with Los Angeles County Department of Health Services (DHS) to continue serving these members.
<p>|                      | CalAIM includes provisions making health plans responsible for major organ transplants. There is also a school-based behavioral health services program, where health plans will receive additional funding for behavioral health programs in schools. L.A. Care is working with Los Angeles County school systems to implement this new program. |
|                      | o California announced funding for a COVID-19 vaccine incentive program to increase the vaccination rate for Medi-Cal enrollees; the Medi-Cal population has about a 20% lower rate than the overall vaccination rate for residents of Los Angeles County. L.A. Care submitted a comprehensive plan for its program yesterday, and Mr. Baackes complimented the staff for completing that on time and on such short notice. The plan is broad to allow L.A. Care to be creative and build on its existing programs to encourage people to get the COVID-19 vaccine. |
|                      | • With all of the new programs and projects, L.A. Care staff is stressed. Management is addressing the potential for “burn out” and promoting work-life balance. Other health plans and medical systems are dealing with the same issues. One can imagine that the staff at DHCS is also working hard to implement all the new programs. |
|                      | • Mr. Baackes referenced the written report included in the meeting materials. He noted that since starting the program three years ago, L.A. Care has made 183 grants under the Elevating the Safety Net (ESN) program, and 125 physicians have been hired and are in place with safety net providers. The eight new L.A. Care Scholars were introduced last |</p>
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<td>month. Those eight students will attend medical school at Charles Drew University (CDU) and University of California, Los Angeles. Mr. Baackes and Richard Seidman, MD, MPH, Chief Medical Officer, attended a ceremony recently for the incoming class of 2025 at CDU, where the 28 students received their “white coats.” Mr. Baackes wished that Board Members had heard the introductory remarks by Dr. Carlisle, the President of CDU School of Medicine, by the Dean, and by a student representative who spoke on behalf of the class. They are all committed to graduating doctors who will work in the safety net of providers in Los Angeles County, and will work toward eliminating health disparities in the Black and Latino populations. This was the theme of the day, and it couldn’t have been more clear. In conversations with L.A. Care Scholars that day, it was evident that they are all committed to that. He has no doubt these doctors will work in Los Angeles County once they complete their residency programs.</td>
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<td>• L.A. Care granted $5 million from the ESN initiative to Keck Graduate Institute at Claremont Colleges. The first class of 22 students have been admitted to start this fall in the Community Medicine program.</td>
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<td>• L.A. Care is preparing for the enrollment of eligible undocumented residents aged 50 and older on May 1, 2022.</td>
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<td>Board Member Gonzalez suggested that L.A. Care use bright colors on the envelope when sending the notice about the prescription carve out, to draw attention to the information so that members are more likely to open and read the notice. Mr. Baackes noted that notices mailed at 60 and 90 days will be sent by the Department of Managed Health Care (DMHC), and will likely be in white envelopes. L.A. Care will send a notice to members 30 days prior to the program launch on January 1, 2022, and those envelopes can be put in an envelope to attract attention so members will read the information.</td>
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<td>Board Member Gonzalez asked about the Cal MediConnect (CMC) program, and Mr. Baackes responded that the federal government administers the prescription drug program for CMC enrollees, so there will not be a change for those members. L.A. Care will continue to be responsible for prescription drugs in CMC, Covered California, and in the PASC-SEIU workers programs.</td>
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<td>Board Member Gonzalez asked about member input in the Dual Eligible Special Needs Plan (D-SNP) and CMC. Mr. Baackes indicated that the L.A. Care advisory committee for CMC will continue, with any modifications that may be required by the Centers for Medicare and Medicaid Services (CMS) as a D-SNP plan.</td>
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<td>Board Member Gonzalez asked Mr. Baackes to describe the housing navigation and tenancy support in the new ILOS program. Mr. Baackes commended Cynthia Carmona, Senior Director of Safety Net Initiatives, and her team for the tremendous job they have done in meeting the demands of the new ILOS benefit, and he asked her to comment on the programs in the ILOS program. Ms. Carmona noted that L.A. Care included housing navigation and tenancy support in the services it will offer under ILOS. L.A. Care will work with a network of providers for those services, a large portion of the services will be provided by Los Angeles County’s Housing for Health (HfH) program. HfH has an existing network through WPC, and as WPC beneficiaries transition to benefits under ILOS, L.A. Care will continue to partner with HfH in providing services to members. L.A. Care expects about 10,000 to be enrolled in housing navigation and tenancy support benefits when the programs launch on January 1, 2022, and L.A. Care will continue to provide for those who transition from HH and WPC. Housing navigation is to identify housing resources, and once a resource is identified and the beneficiary moves in, the tenancy support services program begins to support the beneficiary for an extended period. Board Member Gonzalez thanked Ms. Carmona for the information, and for all the work that goes into developing the program on a short timeline. Mr. Baackes added that in July, L.A. Care convened a focus group of ECAC members to help determine the programs and services that L.A. Care will provide under ILOS. Board Member Booth asked if Coordinated Care Initiative (CCI) beneficiaries would be transitioned into the D-SNP. Mr. Baackes responded that CCI is a program to provide Medicaid benefits for beneficiaries who are also eligible for Medicare. L.A. Care’s CCI members receive Medicare benefits through another source (either managed care or fee for service), but are enrolled with L.A. Care for the Medicaid managed care services. These beneficiaries are mostly in long term care and home health programs, which are not covered by Medicare. L.A. Care’s D-SNP program will begin on January 1, 2023. Board Member Booth asked about pharmacy programs for members with chronic conditions, such as diabetes. Dr. Seidman responded that for the most part, those programs will continue. L.A. Care has several different programs for medication therapy management, and it is actually required for the current dually eligible members and those in the D-SNP. L.A. Care also voluntarily offers several programs that improve health outcomes for members. It is known that health outcomes improve when pharmacists become part of the clinical care team and review medication regimens. L.A. Care has pharmacists working directly with clinic practices and see patients remotely or in the clinic, and they are licensed to prescribe independently under...</td>
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a collaborative care agreement with the physicians. L.A. Care will continue those voluntary programs using the pharmacy data available.

Board Member Booth commented that it will be more complicated if the prescription has to go through the state administrator for pharmacy benefits. Dr. Seidman noted that the complication is in obtaining the pharmacy data in a timely manner for L.A. Care members from the state’s contracted pharmacy benefit manager (PBM) instead of from L.A. Care’s own contracted PBM. The process for prescribing and filling the prescription will not be different. Mr. Baackes noted that concerns by health plans about the potential delay in providing pharmacy data to health plans was raised to DHCS representatives, because it could impact managed care services provided by the health plans. L.A. Care currently receives “real time” data for the members from its PBM. The PBM selected by DHCS has informed plans that that will receive data once daily. Real time data is very important in managing health care, particularly for complex care members.

Board Member Vaccaro thanked Ms. Carmona and her team, who have been a tremendous resource for Community Clinic Association of Los Angeles County (CCALAC). She commended them for their work in preparing for the implementation of CalAIM. Board Member Vaccaro noted that L.A. Care has an incredibly talented team and she is relieved and pleased to hear that L.A. Care management is making additional investments in the resources available to staff. CCALAC staff has also been challenged in working with health centers to implement CalAIM. Having fully staffed teams with resources to accomplish these tasks helps the community in preparing for CalAIM. She noted that Medi-Cal rates are quite lean, and it seems there will not be any increase even with the addition of CalAIM or alternative payment methodology (APM). There are additional expenses for providers of care during the pandemic. She asked if there was an opportunity for providers and health plans to work together to ensure that costs of care are adequately covered by Medi-Cal.

Mr. Baackes noted that there will be additional funds for ECM and ILOS, but Medi-Cal base rates for hospitals or providers are not changing. Health plans that contract with Medi-Cal are taking on more administrative costs through the mandated new programs. Mr. Baackes stated he would be happy to work with providers and other organizations to advocate for increased rates. He noted that Elaine Batchlor, MD, Chief Executive Officer, MLK Community Healthcare, is an outstanding spokesperson about the consequences of not adequately funding Medi-Cal, which leads to “health care deserts” in areas throughout Los Angeles County where there are not an adequate number of providers of medical services for Medi-Cal members.
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<td>Board Member Jimenez</td>
<td>Board Member Jimenez commented that over 500,000 undocumented people are enrolled in Medi-Cal in Los Angeles County, and her staff is working to determine how many of those members are over age 50 and will be automatically converted from limited scope coverage to full scope coverage. Besides that, she asked about projections for enrollment beyond those already enrolled in Medi-Cal.</td>
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<td>Phinney Ahn, Executive Director, Medi-Cal</td>
<td>Phinney Ahn, <em>Executive Director, Medi-Cal</em>, responded that L.A. Care staff is gathering data from the California Health Interview Survey information for people who are undocumented, uninsured, and over 50 years of age in Los Angeles County, and estimated that the potential enrollment is 70-80,000 people. Applying the membership assumptions that are normally used to turn statewide or countywide data into an estimate for L.A. Care enrollment, approximately 50,000 new enrollees could choose L.A. Care as their Medi-Cal managed health care plan in Los Angeles County. Ms. Ahn offered to collaborate further with Los Angeles County Department of Public Social Services (DPSS) on these estimates. Board Member Jimenez asked if the estimated new enrollees are in addition to those currently enrolled for limited scope Medi-Cal benefits. Ms. Ahn clarified that the estimate for 50,000 new enrollees is in addition to those already enrolled, as the query to the data was for undocumented and uninsured.</td>
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<td>Board Member Jimenez</td>
<td>Board Member Jimenez has asked her staff to reach out to L.A. Care and Health Net regarding the vaccinated status of Medi-Cal members, which is very low at 42-43%. DPSS would like to collaborate with the health plans on a campaign to encourage Medi-Cal members to get the vaccine. Mr. Baackes noted that collaboration will fit well with the funding expected for the new vaccination incentive program. Mr. Baackes has also discussed collaboration to encourage vaccination with Board Member George Greene, who is CEO at the Hospital Association of Southern California (HASC). For L.A. Care members, it appears for those that are aged 12 and above, over 50% are vaccinated. The vaccination rate is better than the statewide rate for Medi-Cal members, but still 20% below the rate for the general population in Los Angeles County. L.A. Care is addressing that gap in vaccination rate between Medi-Cal members and the general population.</td>
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<td>Board Member Supervisor Mitchell</td>
<td>Board Member Supervisor Mitchell has had the opportunity to talk with people who are doing the door-to-door outreach to encourage vaccination, and with the new vaccination incentive program funding she suggested using creative outreach strategies. There is an opportunity to understand the demographics of the target communities, and she encouraged getting input from local clinics, health promotoras and those who are currently going door-to-door, in developing creative strategies for the outreach. Those who are currently conducting outreach are hearing the hesitancy rationale directly from the target communities. Board Member Supervisor Mitchell has conducted community town hall events, her staff has gathered input with</td>
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community organizations, and even with her own 30-year history in community organizing, outreach and health advocacy, she has been surprised by some of the reasons people are hesitant to get the vaccine.

Board Member Supervisor Mitchell noted that Dr. Batchlor wrote a painfully accurate and transparent article which was published in *The Atlantic*. *(A copy of the article can be obtained by contacting Board Services.)* Dr. Batchlor writes about vaccine hesitancy in her very personal experience with her mother, and about African Americans and the health care industry, raising the issue of insufficient Medi-Cal rates. Members of the public have addressed today’s meeting on the role systemic racism plays in our ability to be healthy. This issue is front and center. If we cannot attract and reimburse providers who are willing to serve in the community and look like the people seeking care, we will continue to perpetuate that multi-generational experience. Some people have a knee jerk reaction to increasing reimbursement. Dr. Batchlor beautifully displays in this article why the lack of fair reimbursement impacts who a Medi-Cal provider is and the communities in which they serve.

Board Member Supervisor Mitchell would not support L.A. Care using its resources for renter assistance until we have fully exhausted the funds government has made available. Funding is available in Los Angeles County through the federal CARES Act and through state-funded programs. There is 100% reimbursement to the tenant or landlord if you are eligible. Applications for assistance can be submitted to Housing is Key at [https://housing.ca.gov/](https://housing.ca.gov/). She suggested making that information available to the consumer advisory committee members so eligible people can apply for the program. Outreach and information sharing is critical.

Mr. Baackes thanked Board Member Supervisor Mitchell for her comments and he noted that he had read the article and has heard Dr. Batchlor speak, and that is why he suggested she is the most articulate advocate for an increase Medicaid funding. He shares the view that L.A. Care should not use its resources when there are other resources available for rental assistance, and the best thing to do is direct people to those available resources. The information can be provided to the consumer advisory committee members so they can help spread the word.

Board Member Roybal noted that providers inform patients about Medi-Cal benefits available. He asked about L.A. Care’s plans to inform Participating Physician Groups (PPG) about upcoming CalAIM benefits as a potential benefit for their patients enrolled through L.A. Care. He suggested using information about how L.A. Care is structuring the added benefits of CalAIM and the efficacy of L.A. Care’s programs, to attract new members to the plan. Mr. Baackes noted that some providers at FQHC’s have been Health Homes contractors and will be

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contractors under CalAIM. L.A. Care will communicate with providers through the normal apparatus.

Chairperson De La Torre, on behalf of the Board, echoed Mr. Baackes’ earlier concerns for staff. We are all working virtually while at home, the lines between work and personal life have blurred. People are at home all the time with electronic devices, constantly checking them well outside normal business hours. Add to that the demands of the pandemic within a health organization. He thanked the staff for managing through this difficult time, and asked that staff reach out if there is any need that the Board can address to help ease the burden. The Board appreciates everything that the staff is doing in the current environment. Mr. Baackes thanked Chairperson De La Torre for the recognition of the situation, it is very meaningful that the Board understands it.

- Vision 2024

Mr. Baackes reviewed Vision 2024, a new three-year strategic plan. The four strategic directions are the same that were introduced in 2015:

- High Performing Plan: Achieve operational excellence by improving health plan functionality.
- High Quality Network: Support a robust provider network that offers access to high-quality, cost-efficient care.
- Member Centric Care: Provide services and care that meet the broad health and social needs of our members.
- Health Leader: Serve as a national leader in promoting equitable healthcare to our members and the community and act as a catalyst for community change.

These are universal and timeless aspirations that L.A. Care has instituted, and no matter how well the organization performs, it will always strive to improve in each of these areas. The goals and tactics will change each year in the three-year plan. In 2015, L.A. Care was auto-adjudicating only 5% of claims, and today it auto-adjudicates more than 70% of claims. This improvement has helped providers, particularly the hospitals.

Under the strategic direction of a high performing plan, achieving operational excellence by improving health plan functionality, tactics were defined in four areas:

Information Technology (IT) systems
- IT systems for customer service, financial management, care management, provider data
- Interoperability capabilities
- Workforce
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| Succession planning  | • Diverse and inclusive workforce  
                      | • Managed care acumen  
                      | • Staff retention  |
| Financial sustainability | • Administrative efficiency  
                      | • Appropriate risk arrangements  |
| Mature product lines  | • D-SNP launch and transition  
                      | • Membership recruitment and retention  
                      | • Competitive network strategy  |

Mr. Baackes explained that the tactic for IT systems is represented by the big five initiatives which are reflected in the Capital Budget that is approved annually by the Board. These include the Voice of the Customer Initiative to improve customer service information technology, the SAP system for financial management, the inclusion of a new utilization management (UM), care management (CM) and authorization system. L.A. Care continues to make progress on and is committed to realizing these projects. The most visible to providers will be the Syntranet platform for UM and CM. The members will see improvement through the Voice of the Customer Initiative. He explained that Workforce tactics include succession planning and increasing the skillset of employees, and a tactic to achieve a diverse and inclusive workforce was added. James Kyle, MD, Chief of Equity and Quality Medical Director, is leading efforts for diversity and inclusion through the Equity Steering Committee, and an employee subcommittee was established for this effort. Financial sustainability is an important area as the collision of the pandemic and the economic recession created stress on L.A. Care’s finances that is unequalled. Because of L.A. Care’s strong financial position going into the pandemic, the organization was able to endure the crisis without diminishing payments to providers or reducing staffing. L.A. Care is rebuilding the reserves, and it is important to focus on financial sustainability and the reserves allow the plan to continue operating despite adverse circumstances. The D-SNP transition is well along, and L.A. Care is encouraging providers to participate in all products offered through L.A. Care: Medi-Cal, Medicare and the commercial product available through Covered California.

The attribute of a high quality network, supporting a robust provider network that offers access to high-quality, cost-efficient care, includes the following tactics:
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| Mature Direct Network | • Insource delegation functions  
  • Scale up Direct Network and address gaps  
  • Increase access to virtual care  
  Improved quality  
  • Improve ratings  
  • Achieve NCQA Health Equity Distinction  
  Investments in safety net providers and practices  
  • Assist providers in adopting and using Health Information Technology  
  • Practice coaching  
  • Elevating the Safety Net  
  • Community Health Investment Fund |  |

Mr. Baackes noted that much of the work that has been done through the Value Initiative for IPA Performance (VIIP), which was developed to share with IPAs and their providers to show gaps in performance that indicate that the quality of care given to L.A. Care members needed improvement. Through Elevating the Safety Net (ESN), L.A. Care has seen improvement of about a 30-point increase in the average quality score of the IPAs. This is reflected in L.A. Care’s accreditation rating from the National Committee on Quality Assurance (NCQA). L.A. Care’s rating by NCQA had previously slipped by 16 points over six years but since ESN was implemented the score has improved by seven points and the Accreditation rating rose to Commendable from Accredited, with a goal to achieve an Excellent rating. The NCQA rating includes measures to understand the quality of care provided to the members. The data used for the VIIP includes results of surveys such as Healthcare Effectiveness Data Information Set (HEDIS) and the Consumer Assessment of Healthcare Providers and Systems (CAHPS). L.A. Care will continue to invest in those and use them as tools to measure the quality of care given to L.A. Care members and the performance of the IPAs. The VIIP program has now been tied to pay for performance to link the results of the quality surveys to financial incentive payments for providers. L.A. Care’s ESN program is way ahead of other health plans. Inland Empire Health Plan is the only other health plan to emulate the medical school scholarships program. L.A. Care’s ESN five-year program will end in 2022 and will not have expended all of the funds authorized by the Board in 2018. The Board will discuss L.A. Care’s support of this program and the level of resources it will invest in ESN at a future meeting.
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<td>Mr. Baackes noted that the focus on Member Centric Care includes the idea that every member has unique requirements. L.A. Care identifies members with the highest needs, and CalAIM provides new tools and some resources to help address the needs of those members. A new high-touch care management system is being implemented. Prior to the pandemic, the new care management system included the deployment of nurse care managers and community health workers to the Community Resource Centers (CRCs). That deployment would place the resources in the community to encourage home visits or member participation in programs offered at the CRC. It was necessary to postpone the deployment because of the pandemic, and it will be restarted when it is safe to do so. This is an important distinction for L.A. Care. The Equity goal is new, and L.A. Care will identify and seek opportunities to reduce disparities for the members.</td>
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<td>L.A. Care has traditionally sought to maintain its position as a health care leader. L.A. Care will continue to support initiatives, like the CRCs, to provide resources in the community at no cost to people, regardless of membership in L.A. Care. Originally, the CRCs offered health education programs and exercise. The role of the CRCs has expanded to include L.A. Care member services and care management resources. L.A. Care is also taking a leading role in advocating that the public option be added as an amendment to the Affordable Care Act. L.A. Care is the only functioning public option in the United States. L.A. Care members in Medi-Cal who lose eligibility for Medi-Cal can still continue their health coverage through L.A. Care Covered (LACC), with premium cost assistance that mitigates the financial impact. In the seven years that L.A. Care has participated in the health benefit exchange, about 40,000 have transitioned between Medi-Cal and LACC. LACC has achieved the leading premium price point for the coming year, and this effectively has led to a reduction in premium cost among the health plans participating in Covered California in Los Angeles County.</td>
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<td>Mr. Baackes noted that the CRC in Inglewood was one of the smallest CRC sites and L.A. Care was not able to negotiate an extension when the lease recently expired. L.A. Care has leased a new site and the construction work has begun on that CRC. L.A. Care will have 14 CRCs by the end of 2022. The CRCs are a unique resource for the community, and L.A. Care plans to maximize use of the CRCs.</td>
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<td>Mr. Baackes noted that L.A. Care must screen members to identify social determinants that impact health status, and it can then help members enroll in programs to address those impacts. Mr. Baackes noted that L.A. Care’s strategic directions are presented to inform the Board Members and does not need Board approval.</td>
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<td>Mr. Baackes announced that he has received notice that the vaccine incentive program presented to the DHCS yesterday has been approved. Ms. Ahn stated that L.A. Care staff will begin implementing the program, and will work to earn the rest of the incentive funds. Mr. Baackes commented that L.A. Care will incorporate the suggestions from Board Members Supervisor Mitchell, Jimenez and Greene to increase vaccination among Medi-Cal members.</td>
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<td>Mr. Baackes thanked Board Member Booth for her invaluable input during the planning for the strategic vision. Board Member Booth asked Chairperson De La Torre if it would be appropriate for the Board to conduct a vote of confidence. Chairperson De La Torre stated that it is appropriate to ask if there are any objections from Board Members.</td>
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<td>Board Member Curry noted that Mr. Baackes’ strategic vision is both inspirational and aspirational. He feels it is articulate in describing how L.A. Care needs to be, should be and wants to be. He praised the work done on the planning.</td>
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<td>Chairperson De La Torre commented that prior to the pandemic the Board emphasized access and quality of health care for members, and he feels those are reflected in Vision 2024.</td>
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<td>Mr. Baackes thanked Board Members for their support and noted that for the staff who worked on Vision 2024, all are committed to doing the best for members and providers.</td>
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<td>Board Member Gonzalez asked about L.A. Care’s direct network. She and Board Member Perez have mentioned a lack of providers in the Pomona and Lancaster areas. Members tell them how difficult it is to find doctors in those areas. She asked Mr. Baackes to describe how L.A. Care is working in those areas to attract additional resources to the network of health care providers for L.A. Care members.</td>
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<td>Mr. Baackes responded that L.A. Care initially focused on the provider network in the Antelope Valley and was able to significantly increase the number of providers in that area. He noted that there is still an insufficient number of providers, and L.A. Care continues to solicit quality health care providers to participate in the direct network. The ESN grant program has also funded a number of physician positions in the Antelope Valley. All the grant awards are tracked geographically using the Los Angeles County SPA map.</td>
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<td>L.A. Care has also addressed the need for more providers in the eastern San Gabriel Valley in response to member feedback. A third area where more providers are needed is south Los Angeles. Those are the three areas in Los Angeles County where health care deserts, a reference to the insufficient number of providers, have been identified. In terms of increasing the providers in the direct network, L.A. Care meets the requirements, but he acknowledged that more needs to be done to increase the numbers of providers in these areas. He also noted that</td>
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<td>for members of the PASC healthcare worker coverage, the network of providers is smaller than other L.A. Care programs due to unique challenges in the structure of the PASC coverage program. That is a special issue, and he will continue to advocate for expanding coverage options beyond just Department of Health Services sites and Citrus Valley IPA for PASC members. Board Member Gonzalez thanked Mr. Baackes for the information and noted that there also needs to be additional providers that speak other languages in the PASC provider network. Mr. Baackes acknowledged that L.A. Care is aware of requests for other languages in all product lines, and staff is working to address this very difficult issue. He noted that the L.A. Care Scholars are people of color, half are women, and many are bilingual, although it will be a few years before these students are practicing in the safety net.</td>
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<td>Grants and Sponsorship Report</td>
<td>Chairperson De La Torre referred Board Members to the written report included in the meeting materials.</td>
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<td>CHIEF MEDICAL OFFICER REPORT</td>
<td>PUBLIC COMMENT</td>
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<td>Received via phone call on September 1, 2021, at 8:09 PM, by Elizabeth Cooper Please provide an update on the COVID 19 Booster shot.</td>
<td>Submitted via email, September 2, 2021, at 10:14 AM by Andria McFerson Chair Del La Torre, There was a lack of communication to the public to give out necessary information and resources to the community of Region 6 we ended up not giving out many the items that we were supposed to give out due too obvious neglect but not from Dr Seidman or the CEO, from the director of the department that is supposed to carry out unprecedented work ethics. For the betterment of the People's Health in region 6 can we have better resources and proper communication to the public? How can we give life saving information and preventative care resources without a resource center? Also if the resource center is purposely taking out of that area or in the outskirts of Holly Mitchell's district in the near future and put farther away from our region how can we receive necessary information during these days and times where it is much needed? Can you please ask Dr Seidman to address the event he attended giving out resources for the Inglewood FRC today giving the board and the public and update on this Event that LA Care provided? Please? Thank you, Andria McFerson, RCAC 6</td>
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Chairperson De La Torre stated that Mr. Baackes addressed the status of the Inglewood CRC.

Dr. Seidman reported:

- He was at the event in Inglewood for several hours and he saw the enthusiasm and smiles, even though he couldn’t see the kids’ whole faces, but could see their eyes. The supplies that were distributed were well received. There was a relatively small supply of diapers to give away which went very quickly. Many of the people he talked with did not need the diapers in their household but they took them to give to people who did need them.

- The COVID-19 booster shots have not yet been approved for the general public by the U.S. Food and Drug Administration (FDA), nor formally recommended by the Centers for Disease Control (CDC) Advisory Committee on Immunization Practice. The Biden Administration and the Surgeon General have stated that in the United States booster shots will be administered as early as September 20. The use of a booster shot for people who have received either the Pfizer or Moderna vaccines has not been formally approved by the FDA or recommended by the CDC. He advised that people wait for the formal approval by the CDC or FDA, as those agencies are charged in the health structure to make those recommendations. The Biden Administration have set the stage for the FDA and the CDC to act.

- He recognized a new law in Texas, which makes abortions illegal after detection of a heartbeat, usually about six weeks from conception. A group of abortion providers in Texas asked the Supreme Court of the United States (SCOTUS) to take emergency action to put the new law on hold, and the SCOTUS voted 5-4 against taking any action, which allowed the new law to take effect on September 2. It represents a significant change as this is the first state action since Roe v. Wade to severely restrict abortion. This has potentially a significant impact on access to care for abortion services, and affects women’s rights and the right to choose. It may disproportionally impact members such as those served by L.A. Care.

Mr. Baackes read a text sent to him from Francisco Oaxaca, Chief of Communications and Community Relations: “The new Inglewood location is in the Crenshaw Imperial shopping center, which is two blocks away from the previous location. It will be completed in late November and will be more than twice the size as the previous site. The previous site was closed when the lease expired in April, to avoid excessive increases in month to month rent costs. Staff will provide an update when site construction is completed and when the new site will be open.”
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<td>Dr. Seidman referred to his written report <em>(a copy of his report can be obtained by contacting Board Services)</em>.</td>
<td>• He stated he feels it is very difficult to get a sense of where things are with the pandemic. The answer depends on several things: where you happen to be in the world and where you are in a country, your socio-economic status, and your vaccination status. He appreciates the comments by Chairperson De La Torre and Mr. Baackes, and the many suggestions for improving vaccination rates. After about two months of increases in COVID-19 cases, hospitalizations and deaths, there appears to be a leveling off in those rates. There is a similar plateau in those rates nationally, but as case numbers are beginning to decrease in the deep South areas of the U.S., cases are increasing in the mid-West and mid-Atlantic regions. In Los Angeles County, there is good news as some declines occur in rates, case numbers and hospitalizations are stabilizing around 1,700 per day. The hospital delivery system is still significantly stressed, but not nearly as badly as during the last fall and winter surges. Case rates are increasing at the fastest rates among the unvaccinated children ages 5-11. For adolescents, now back in school along with some of the primary grade students, unvaccinated adolescents are more than eight times more likely to be infected with COVID-19 than vaccinated adolescents. The calls for increased vaccination as our most powerful tool are the most important. Schools have adopted multi-layered methods to reduce spread of COVID-19 in schools. They have found in most situations there is a single case at a school. Some schools have two or more cases and there are certainly schools that are reporting outbreaks of more than three cases at the school that are related in terms of where the virus was contracted. In some schools with small numbers of cases that are unrelated, the source of the virus was outside the school setting. In most schools, more than half of the cases were spread through sports activities. There are particular challenges in reducing the spread among teens working out together and competing against one another. The Department of Public Health is working with the schools to further reduce the spread of the virus in those sports settings.</td>
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<td>• L.A. Care is reporting over 145,000 cases and over 4,400 deaths among the members.</td>
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<td>• More than 1 million L.A. Care members, ages 12 and above, have received at least one dose of a COVID-19 vaccine. This equates to 55% of those eligible. The rate lags behind the rate of vaccination for Los Angeles County (76%) and California (75.5%). L.A. Care has tracked that 20% gap for several months. In California, other managed Medi-Cal plans have experienced similar gaps in the vaccination rate. L.A. Care welcomes the additional DHCS funding for increasing efforts to raise the vaccination rates, including incentives to offer to members to overcome vaccine hesitancy. He commended the work of Phinney Ahn and her team in developing the submission of L.A. Care’s vaccine incentive program to DHCS.</td>
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| The incentive program builds upon the work that L.A. Care has been doing in partnership with many organizations since the vaccine became available. L.A. Care's members are known to be at risk for being under immunized. Communication was broad and varied. Early on, L.A. Care questioned if the vaccine would be distributed equally by population or equitably based upon the projected impact of the disease. Los Angeles County has done very well in distributing and administering the vaccine in the areas hardest hit by the pandemic, and still there is 20% gap. L.A. Care's plan submitted to DHCS leverages the work that has been done and will continue to do. Calls for additional creativity and additional partnerships in the vaccine incentive program are appreciated, and L.A. Care can do more than what is outlined in the plan. The plan is very broad and there is a robust communication aspect, leveraging the website and social media feeds, call, text and celebrity campaigns. The plan includes collaboration with various L.A. County departments including Public Health, Health Services and Public Social Services. Mr. Baackes earlier mentioned grants to address vaccine hesitancy. There were priority populations identified by DHCS: individuals that are homebound, ages 50-64 with multiple chronic conditions, adolescents and young adults aged 12-25, and people of color. L.A. Care will not limit the plan to those. The data shows that African Americans and Latinx communities are under vaccinated compared to other groups, and the lesser vaccinated geographic areas include the Antelope Valley, South Los Angeles, parts of East Los Angeles and the San Fernando Valley. The portion of members aged 12 and above who are partially vaccinated has increased from 51% to 55% in the past week. L.A. Care will continue to work hard to close that gap. Board Member Booth believes equity is important. There are three ways to eliminate inequity or disparity. One would be to lift up the lowest group, another would be to ignore the highest group and leave that group to get worse, or the inequity or disparity would be eliminated by the deaths of people with comorbidities. The last is not something that anyone would do. She noted that goals for people with diabetes include testing for hemoglobin A1c and regular checks of blood pressure. A goal for reducing disparities should be worded differently. Dr. Seidman noted that there will be opportunity for discussion of disparities later in the meeting. He acknowledged that there are several different ways to close a gap in a cohort relative to the overall number. Some organizations reduce disparity by changing the measures or method of measuring. L.A. Care's overall approach and philosophy on quality improvement, population health and the reduction of disparities is that it is not an either/or proposition. The goal is to improve outcomes for L.A. Care's members at large and across the board, while at the same time measuring to identify disparities and developing targeted programs on top of what we do to improve outcomes across the board. Those targeted programs are to improve outcomes.
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<td>where disparity was measured and identified, to bring that cohort with the disparate outcomes up to the overall performance. This is how L.A. Care approaches quality and disparity. Dr. Kyle added that the pervasiveness of disparities across a population and multiple populations is more than a mathematical difference, it is a marker of injustice and a marker of the impacts on communities that have been denied access to care and other social determinants of health. While L.A. Care is working to improve those numbers, there is also an effort to take a hard look at the underlying causes of disparities to address them as well. L.A. Care is trying to find ways to improve the lives and lifestyles of the members we serve. As a health plan, NCQA and other organizations measure incremental improvements. If we are not careful, we can get locked into incrementalism and not address the root cause. L.A. Care can be attentive to the mathematics, to the actual numeric disparities that we find in A1c or other things, but we also want to look at the larger picture and how we can address the underlying causes and create a world where disparities do not exist in the way that they exist today. Board Member Booth offered that the wording could be “work to identify and decrease disparities,” instead of “change the disparity in A1c levels and blood pressure.” Dr. Seidman thanked her for the suggestion, it is consistent with the approach taken by L.A. Care.</td>
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<td>Board Member Vaccaro was recently notified that Health Net is not planning to re-contract with Molina after re-procurement, and those enrolled in Medi-Cal would no longer use Molina providers. She asked if L.A. Care is planning for a potential loss of Molina’s providers to Medi-Cal patients in Los Angeles County and the impact to providers. Mr. Baackes responded that he met with Abbie Totten, the new CEO of Molina California, and this topic was discussed. It was agreed that a small workgroup would be formed with members from L.A. Care and Molina to discuss existing options. Mr. Baackes noted that any changes from the re-procurement would not be implemented until January 2024. He will continue to update Board Members regarding this topic.</td>
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**ADVISORY COMMITTEE REPORTS**

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<th>Executive Community Advisory Committee (ECAC)</th>
<th>Submitted via email, today at 9:47 AM by Andria McFerson</th>
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<td><em>Hello Chairperson De La Torre,</em> Can the ECAC have more interactive communication for the opportunity to become a member of the BOG? We have not received the necessary information in order to know how to run for a seat let alone when the nomination seat is closed. Why have we not received the proper information and at this point how can we run? I want to make this a public comment for the record I do want to run for a BOG seat please*</td>
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<td><em>give me the information on how to do so being that proper protocol was constricted I do still want a fair chance to do so.</em> Thank you, Andria McFerson, CAC 6 CHAIR</td>
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<td>Mr. Baackes stated that the election was scheduled in 2020. The election process approved by ECAC members involves campaign visits by candidates to all the RCACs, and an event which brings all the RCAC members together to vote. During the pandemic, RCAC meetings are not being held, so the election process has been postponed until public gatherings are safe. When the public health officer in Los Angeles County advises that public gatherings are safe, the election process will resume. Information will be communicated to RCAC members from Board Services staff. The election will be held as soon as circumstances allow RCAC members to meet and everyone can participate and vote.</td>
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<td>Board Member Gonzalez reported:</td>
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<td>- She sends condolences to all of the thousands of families that have lost someone due to COVID-19.</td>
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<td>- ECAC did not have a Committee meeting in August. The next ECAC meeting is on September 8. She announced that everyone is welcome to join the meeting. She noted that public comments can be submitted in writing. Minutes for the July ECAC meeting can be obtained by contacting the Community Outreach &amp; Engagement staff (minutes are available on the L.A. Care website).</td>
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<td>- ECAC members participated in the L.A. Care Social Justice and Health Equity training on August 11. She thanked L.A. Care staff for making it possible. Dr. Kyle moderated a panel discussion with Nicole Vick, Community Health Education Specialist. Dr. Alberto Pimentel of Harvard College, led a discussion about health equity and social justice. This lively discussion was an opportunity to discuss health disparities and inequality within healthcare, and the correlation between social determinants of health. The panelists point out examples of disparities within lower income communities related to COVID-19, the digital divide and other socio economic issues faced by low income, less educated communities. The discussion touched on the impact of behavior, social environment, and physical environment that has an overall effect on the wellness of communities. Members learned how they can begin to use their voice to impact policies, interventions and access to health. RCAC and ECAC members had the opportunity to ask questions about ways they can continue to be involved. Participants were reminded that it will take all of us to be strong advocates if we are to begin solving issues of equity in our community. Board Member</td>
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<td>Gonzalez found the event very interesting. It reached the members at a level that they could understand and had a great impact on the members present. Board Member Perez thanked Board Member Gonzalez for her questions about benefits and how members can access resources and apply them to their daily lives in their finances and their well-being. She thanked her also for voicing the concerns of RCAC members. Board Member Perez asked for more information about the L.A. Care Scholars, because RCAC members wish to know who they are, where they come from and their background. RCAC meetings have not been held. Board Member Perez noted that she has seen videos on social media about the L.A. Care Scholars. She asked who at L.A. Care could answer questions from members about the L.A. Care Scholars. Mr. Baackes responded that his written report for the last Board Meeting had brief profiles of each of the L.A. Care Scholars. Board Member Perez asked if there could be a presentation by Mr. Oaxaca or Misty De Lamare, Director, Communications, regarding the communications process for events at FRCs and CRCs. She noted that events in Lynwood and Inglewood were not the only ones with lack of participation. A back to school event in Wilmington had a supply of backpacks that was much too small for the people who attended. People who came for a backpack had to be turned away as there were not enough. With all due respect to the staff at the FRCs and the CRCs, she would like the communications staff to present information about how information is provided, what efforts are behind the events, and how events are coordinated with NSA (L.A. Care's event vendor). Board Member Perez believes this is a different way of doing things, and the communications department knows the areas for improvement. Board Member Perez invited Dr. Eakins at the Community Outreach &amp; Engagement Department to report at a future meeting about the events for RCAC members. Board Member Perez mentioned some of the recent events: a Community Dialogue on August 11, a Health Equity Training: Why it Matters and How to Achieve It, on August 4, and a discussion of Black History Month. Board Member Perez would like Dr. Eakins to present information on the planning and how the issues are being addressed. Board Member Perez asked for reports on the Enrollee Advisory Committee. Chairperson De La Torre thanked Board Member Perez for her comments and questions, and he asked staff to follow through appropriately. Dr. Seidman reported that the members of the Children’s Health Consultant Advisory Committee met on August 17 (contact Board Services to obtain a copy of approved meeting minutes). He presented the August 2021 Chief Medical Officer report. Ms. Compartore gave a report on the 2021-2022 State Budget, with a focus on the funding to support the care of children and women. The budget includes $4.4 billion over five years</td>
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| for Children and Youth Behavioral Health programs and services. There is a new doula benefit provided in the budget, about which not much is known yet beyond the criteria for which women will qualify and the conditions to qualify for the benefit.  
- The Committee approved the nomination of James Cruz, MD, the Interim Chief Medical Officer for Blue Shield Promise Health Plan, as member of the Children’s Health Consultant Advisory Committee (CHCAC), effective upon his acceptance of this position. | | |
| Technical Advisory Committee | The Technical Advisory Committee (TAC) met on August 5 (contact Board Services to obtain a copy of approved meeting minutes).  
- Mr. Baackes reported on the status of Medi-Cal redeterminations and provided highlights of the CalAIM program.  
- Dr. Seidman gave an update from his Chief Medical Officer report.  
- Wendy Schiffer, Senior Director, Strategic Planning, Strategy, Regulatory and External Affairs, presented information about L.A. Care’s 2024 Strategic Vision. There was a robust discussion by the committee and their input is seen throughout the presentation earlier today.  
Board Member Perez noted that she is a member of CHCAC. She suggested that members of the CHCAC and TAC be invited occasionally to the Board of Governor’s meetings. Board Members would have the opportunity to meet them and they can learn what the Board does. Chairperson De La Torre thanked her for the suggestion. The Board meeting agendas are very full but there could be an opportunity in the future to hear a report on activities in each of the committees. Board Member Perez invited Board Members to attend the upcoming ECAC meeting.  
Chairperson De La Torre noted that members of the advisory committees are welcome to participate in the Board of Governor’s meetings. Board Member Perez announced that Board Member Shapiro is also a member of CHCAC. | | |
<p>| EXECUTIVE COMMITTEE REPORTS | | |
| Executive Committee | Attended RCAC 8, recognize the staff supporting the | |
| | The Executive Committee met on August 23. Motions reviewed and approved by the Committee were on the Consent Agenda today. (A copy of approved meeting minutes can be obtained by contacting Board Services and will be available on the website.) | |
| Government Affairs Update | Cherie Compartore, Senior Director, Government Affairs, referred Board Members to the document included in the meeting materials, and she reported: | |</p>
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<td>o May Revise – 2020-21 Budget</td>
<td>• The Biden Administration has announced a 25% permanent increase in the monthly benefit for the Supplemental Nutrition Assistance Program (SNAP) on October 1, 2021. The temporary 15% increase during the pandemic will expire this month. The average increase will be approximately $35. L.A. Care will conduct outreach and partnering with key organizations in Los Angeles County and encourage those who are eligible to sign up for SNAP benefits.</td>
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<td>o Legislative Matrix</td>
<td>• The California Senate and Assembly Appropriations Committee met last week and took action on hundreds of bills before they head to the floor in their respective houses. This process weeds out many of the more expensive bills. Staff is monitoring 30 active bills that would have an impact on L.A. Care’s operational and strategic interests. The Legislators will spend the next two weeks in floor sessions in each house and hold final votes on bills that will move to the Governor’s desk to be signed in to law. The current legislative session will end on September 10. The Governor will have until October 10 to sign or veto bills. If the Governor takes no action, the bill will become law.</td>
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Ms. Compartore noted two bills of particular interest:

- **AB361 amends the Brown Act.** At the beginning of the pandemic, the Governor signed Executive Orders, which amended the Brown Act provisions to allow flexibility for public agencies to meet remotely during the pandemic. The Executive Order will expire shortly. AB361 makes the flexibility provisions permanent, to apply whenever an emergency declaration is issued.

- **SB316 allows Federally Qualified Health Centers and Rural Health Centers to receive payment when a patient attends two visits on the same day.** Currently the clinics are not paid for more than one visit on the same day at the same location. This is the third or fourth time this bill has made its way through the legislature. Past bills have been vetoed by the Governor due to cost. L.A. Care is actively supporting passage of this bill, but it is not clear if it will become law.

There will be final report to the Board at the end of the legislative session.

Chairperson De La Torre commented that this year each of the 120 members of the California Legislature could only bring 12 bills forward, because of the cumbersome nature of conducting legislative business in a pandemic. There was a smaller pool of legislation and there will be an even smaller number of bills that are signed into law. Once the pandemic ends, the legislative session that follows will likely see an increase in the number of bills to consider.
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<td>• Authorization of Expenditures for the Provider Loan Repayment Program under the Elevating the Safety Net Initiative (EXE 101)</td>
<td>Cynthia Carmona, Senior Director, Safety Net Initiatives, summarized a motion to authorize expenditures for the Provider Loan Repayment Program (PLRP) under the ESN Initiative. To date, the investment in the PLRP totals $18 million and 101 provider awards since launching the ESN initiative in the summer of 2018. The PLRP has experienced a 92% program retention rate with only nine providers no longer eligible for their award due to changes in employment status or completed payment of educational debt. The PLRP is currently administered by Uncommon Good. There are 12 providers awaiting approval. To continue the success of recruiting and retaining providers committed to practicing in L.A. County’s safety net, our review committee would like to propose two expenditure requests for consideration: 1. PLRP new grant of $6 million to award between 30 and 60 new providers. The review committee requests approval of an additional $6 million to award between 30 and 60 new providers who meet the eligibility criteria, including a three-year commitment to practice in L.A. County’s safety net. As of August 16, 2021, twelve new providers have applied for award funds and are waiting for approval. 2. PLRP new grant of $1.96 million to award up to 22 providers a two-year award extension. The review committee requests approval of an additional $1.96 million to support 22 current awardees by offering extended loan repayment assistance for an additional two years. Awards extensions will be available for providers who have committed to practicing in L.A. County’s safety net for at least three years under our PLRP. The total budget request proposed under this board motion is $7.96 million to expand and sustain awards under our PLRP starting in FY 2021-22 through FY 2024-25.</td>
<td>Unanimously approved by roll call. 10 AYES (Ballesteros, Booth, Curry, De La Torre, Ghaly Gonzalez, Mitchell, Perez, Roybal and Vaccaro) Board Member Jimenez experienced technological difficulty and was not able to vote.</td>
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**Motion EXE 100.0921**
To delegate authority to the Chief Executive Officer to:
1. Approve and authorize an expenditure of $6 million to award new providers who are eligible for Provider Loan Repayment Program award funds starting in FY 2021-22 through FY 2023-24.
2. Approve and authorize an expenditure of $1.96 million to extend awards for 22 providers for an additional two years starting in FY 2021-22 through FY 2024-25.
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<td><strong>Finance &amp; Budget Committee</strong></td>
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<td>PUBLIC COMMENT</td>
<td>Received via phone on September 1, 2021 at 8:09 PM, by Elizabeth Cooper</td>
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<td><strong>Thank you Mr. Curry for the presentation, as a concerned public person I hope you can always include in your budget full funding for community outreach and engagement department.</strong></td>
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<td>Board Treasurer Robert Curry reported that the Committee met on August 23. <em>(Contact Board Services to obtain a copy of approved meeting minutes.)</em> The committee approved motions approved earlier today on the consent agenda, and approved a motion to amend a contract with Change Health Resources, LLC, for staff augmentation services through May 31, 2022. This motion does not require approval by the full Board.</td>
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<td>• <strong>Chief Financial Officer Report</strong></td>
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<td>• <strong>9 + 3 Forecast Update</strong></td>
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<td>Marie Montgomery, <em>Chief Financial Officer</em>, reported:</td>
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<td><strong>Membership</strong></td>
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<td>L.A. Care’s June 2021 membership is 2,429,174, which is 26,169 members favorable to the forecast and 97,000 member months favorable to the year-to-date (YTD) forecast. The suspension of Medi-Cal eligibility redeterminations continues to drive the membership favorability in June. The forecast assumed redeterminations will likely not restart prior to the end of the fiscal year and L.A. Care will continue to experience modest growth.</td>
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<td><strong>Consolidated Financial Performance for June 2021</strong></td>
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<td>June 2021 results compared to the 3+9 forecast show a $180,000 net deficit for the month, which is $4.6 million favorable to the forecast. The favorability for the month is driven primarily by the operating margin, which is favorable by $6 million.</td>
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<td><strong>Consolidated Financial Performance YTD</strong></td>
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<td>YTD the net surplus is $103 million; $149 million favorable to the forecast which assumed a deficit. The overall favorability is driven primarily by lower than forecasted incurred claims of $133 million. For the year-to-date financial performance, we have the significant impact in revenues and healthcare expenses due to the delay in the carve out of Medi-Cal pharmacy benefits. The financial impact for pharmacy was not included in the forecast.</td>
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<td><strong>Consolidated Financial Performance 3+9 to 9+3 Forecast Comparison</strong></td>
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<td>The 3+9 forecast assumed a deficit of $67 million as compared to a projected net surplus of $136 million in the 9+3 Forecast. The improvement in net surplus of $203 million is driven by lower incurred claims of $200 million. The significant increase in revenues and healthcare expenses is due to the delay in transitioning the pharmacy benefits program which was assumed</td>
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## MOTIONS / MAJOR DISCUSSIONS

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<td>to take effect in April in our 3+9 Forecast. Overall administrative expense for 9+3 Forecast decreased by $1 million compared to the 3+9 Forecast. However, excluding the Navitus administrative expenses for both forecasts, administrative expense is actually lower by $12 million in 9+3 forecast due to lower spending in Purchased Services, Professional Fees and Business Fees.</td>
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<td><strong>Variance Walk 3+9 Forecast and 9+3 Forecast</strong></td>
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<td>The original budgeted deficit was $169 million. The 3+9 Forecast deficit was $67 million and the 9+3 Forecast is projected to be at a $136 million surplus. The favorable impact from the pharmacy benefit is included for the full fiscal year. The most significant favorable item is $172 million in incurred claims. This is the main driver for a net surplus position. The medical costs drivers steering committee has been meeting bi-monthly and is focused on needed improvements to healthcare costs, including fee for service and capitation rates, changing risk arrangements and improvements in overpayment recoveries. Shared risk members moving to dual risk increases capitation expense by $40.2 million and contributes to incurred claims favorability. The unfavorable $10.6 million shared risk relates mainly to the level of incurred claims for LACC and CMC. Lower incurred claims for 2020 increases the shared risk expenses. For LACC, the final risk adjustment factor (RAF) score improved to .80 for calendar 2020 and that improved the revenue, pushing further into a medical loss ratio (MLR) rebate position of $9.7 million. The updated RAF carries forward into the CY 2021 RAF estimates. The administrative expense is close to $12 million favorable excluding the Navitus fees for the pharmacy benefits program.</td>
<td>Please see below for the vote on FIN 104.</td>
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<td><strong>Motion FIN 104.0921</strong></td>
<td>To accept the Financial Report for June 2021, as submitted.</td>
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<td><strong>FY 2021-22 Capital and Operating Budget</strong></td>
<td>Board Members may have financial interests in Plans, Plan Participating Providers or other programs and as such should consider refraining from the discussion of such issues. In order to expedite the process, those Board Members’ vote on the Budget reflects a vote concerning the entire budget excluding those items for which the member is abstaining, as identified:</td>
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<td>Board Members Ballesteros, Curry, Ghaly, Roybal, and Shapiro</td>
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<td>Community Programs (excluding Community Clinic Program/ (SCOPE) Plan</td>
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<td>Board Members Ballesteros, Shapiro and Vaccaro</td>
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<td>Provider Recruitment Program, Residency Support Program, and Community Clinic Program</td>
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<td>Board Member Perez</td>
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<td>Health Promoters/Promotoras Program</td>
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<tr>
<td>FY 2021-22 Budget</td>
<td>Membership Trend</td>
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<td>• FY 2019-20. The decline in membership from the previous fiscal year was expected to continue to accelerate until March 2020, when the pandemic hit. The monthly Medi-Cal eligibility redetermination process was suspended, leading to a steady increase in membership.</td>
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<td>• FY 2021-22. The suspension of Medi-Cal eligibility redeterminations continues to drive an increase in membership through the first nine months of the fiscal year. That increase is projected to continue through the end of the fiscal year.</td>
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<td>• FY 2021-22. Expected a slow restart of the redetermination process in January 2022. Projecting a 5% annual decrease in Medi-Cal membership spread out over the remainder of the fiscal year.</td>
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<td>Membership 2021-22 Projections</td>
<td>The projected net membership loss for FY 2021-22 is expected to be 54,000 members or 2.21%, with member months growing approximately 695,000 or 2.43%.</td>
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<td>• Medi-Cal membership is projected to drop beginning in January 2022 by 5% annually (0.42% per month) through end of the fiscal year. It is expected the monthly Medi-Cal eligibility redeterminations will restart and the redeterminations that were delayed will be processed gradually over the course of the year. No assumptions were included for enrollment for undocumented ages 50 and older. Updates to the forecast will include those related changes.</td>
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<td>• LACC &amp; CMC membership projections are modeled to include member retention and new enrollment, driven by enhanced subsidies and broker support. LACC’s membership is projected to result in a net enrollment (retained and new) increase to 100,000 members during the open enrollment period. This is an opportunity for growth, as LACC is currently priced in the #1 position for all metal tiers in both regions within L.A. County. CMC assumes a small increase in membership.</td>
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<td>Board Member Booth asked about estimated enrollment in LACC by people who may lose Medi-Cal coverage. Ms. Montgomery responded that the assumption is for a steady state, and she noted that members who become ineligible for Medi-Cal can enroll in LACC.</td>
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<td>• PASC-SEIU projections assume a flat growth in membership.</td>
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<td>FY 2021-22 Budget Assumptions</td>
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<tr>
<td><strong>•</strong> The budget does not include revenue, healthcare expenses and administrative costs for CalAIM programs (Enhanced Care Management (ECM), In Lieu of Services (ILOS) and Major Organ Transplant). The financial impact from CalAIM and other initiatives will be provided in a future forecast.</td>
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<td><strong>•</strong> As part of the revised forecast staffing levels will be based on the results of the HMA administrative benchmark project.</td>
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<td><strong>•</strong> Pharmacy benefits carve-out for Medi-Cal will be effective January 1, 2022, with significant reduction in revenue and healthcare expense for Medi-Cal, including Plan Partners.</td>
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**FY 2020-21 9+3 Forecast vs FY 2021-22 Budget**

A $9 million decrease in the operating margin is projected through 2021-22, which includes the revenue decrease and healthcare costs decrease driven primarily by the pharmacy carve-out.

The FY 2021-22 Budget projects a net surplus of $91 million; a $45 million decrease from the 9+3 Forecast. A new ratio was included: Margin before Non-Operating Income/Expense, and it is projected to be stable at 1.7%. The Budget assumes a decrease in interest income due to the lower interest rate environment.

**FY 2021-22 Budget Rate Assumptions**

- **CY 2021-22 Medi-Cal Classic Rates**: DHCS rates for CY 2021 were used and assume a 3% rate increase across all categories of aid for CY 2022.
- **Medi-Cal CCI Duals (Non CMC)**: Final DHCS rates for CY 2021 were used without the pharmacy component and the pandemic Skilled Nursing Facility 10% rate increase, and an increase in the remaining rate by 3% for CY 2022.
- **CMC**: The current rate levels were projected to FY 2021-22 and assumed Medicare revenue will increase 2.5% in CY 2022.
- **LACC**: The revenue is based on the CY 2021 rates and the CY 2022 rates submitted to Covered California.

**FY 2021-22 Paid vs Reported Trends**
The FY 2021-22 budget is based on the six months pre-pandemic cost levels. The Budget projections blend pre-pandemic cost levels with current financial results. If there is a significant increase in claims due to a post-COVID utilization resurgence as a result of pent up demand for services, the budget assumptions may not be sufficient and may be updated.

**FY 2021-22 Shared Risk & Provider Incentive Assumptions**
The shared risk expense was increased for the upcoming fiscal year. The shared risk surpluses more recently are generated through LACC and CMC. The Provider Incentive Budget is fairly
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| consistent but it includes the Behavioral Health Initiative incentive for participating provider groups. | **FY 2021-22 Administrative Expenses Assumptions**  
Overall administrative expense for FY 2021-22 Budget increased by $3 million compared to 9+3 Forecast because there will be three months' Navitus expense in the FY 2021-22 Budget compared to 9 months in the 9+3 Forecast. Excluding the Navitus expense, total administrative expense is increased by $18.3 million. Administrative cost is lower on a pmpm basis, however, the administrative ratio increases due to the revenue decrease. |              |
| Community Programs | The budgeted amounts for the grant programs are higher than the current fiscal year. The increases are in spending for Elevating the Safety Net and the Community Resource Centers for L.A. Care and Blue Shield Promise. |              |
| Operating Margin by Segment | Overall MCR decreases from 93.5% to 93.1%.  
- Plan Partners – MCR projected to stay fairly flat from 96.1% to 96.4%.  
- SPD/CCI – MCR decreases from 93.5 to 89.0%.  
- TANF/MCE – MCR increases from 94.1% to 95.3%.  
- CMC – MCR stays flat from 90.0% to 90.9%.  
- Commercial – MCR increases from 77.3% to 82.4%. The Budget assumes LACC continues at an MCR that puts it close to the MLR floor level. |              |
| Risks and Opportunities | Claims trends can either be an opportunity or a risk. L.A. Care could see continued improvement including re-contracting and recoveries, or deterioration due to pent up demand. L.A. Care could see better rates than assumed and better than expected membership, particularly in LACC, and improved administrative efficiency due to technology enhancements.  
The retroactive institutional member reclassification is a risk. This could be a risk or an opportunity depending on the approach DHCS takes. The In Home Supportive Services final reconciliation and the CCI risk corridor relating to the 2014 to 2016 period are still to be finalized. |              |
<p>| Key Initiatives in the 2021-22 Budget | - Planning and preparation for the various CalAIM programs |              |</p>
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<td>• Enhanced Care Management (ECM) rates are expected at the end of September. Health Homes and Whole Person Care will transition to ECM on January 1, 2022.</td>
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<td>• L.A. Care has selected four In-Lieu of Services to offer for January 1, 2022</td>
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<td>• Expecting to receive the allocation for incentives budgeted at $600 million per year over a 2.5-year period. The incentives will be focused on funding priority areas including delivery system infrastructure, ECM and ILOS provider capacity building, ILOS take-up and quality</td>
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<td>• Major Organ Transplant transition to managed care January 1, 2022</td>
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<td>• Planning and preparation for CMC transition to D-SNP</td>
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**Balance Sheet**

The total fund equity is estimated to be over $1.1 billion at the end of September 2022. Board Designated funds of $102 million are projected at the end of the current fiscal year. In the Workforce Development Initiative of Elevating the Safety Net, the final $31 million will be designated for fiscal year 2021-22. Grants from Blue Shield are included as Board Designated funds.

**Tangible Net Equity (TNE)**

TNE forecast is based on the 9+3 forecast surplus of $136 million. Using June actuals, the September 2021 projection is 520% of TNE and 42 days of cash on-hand, and any additional improvement to surplus or reduction to healthcare expenses will further increase the percentage. The projection for the FYE 2021-22 is 621% and 49 days of cash on-hand.

**Key Capital Projects FY 2021-22**

The capital projects budget is comparable to the prior year’s budget. The major components are:

- Leasehold improvements are primarily related to the CRC buildouts.
- In the implementation of SAP, the premium billing and disbursements phases have been completed. Focus is now on the automation of the Medi-Cal revenue, which is a very significant phase. L.A. Care will also focus on accounts payable, the general ledger and financial reporting phases. Budgeting and forecasting, and procurement will follow according to the roadmap from IT.

Acacia Reed, *Chief Operating Officer*, presented the Key Capital Projects for FY 2021-22. In prior years, there was a focus on the five pillar programs to improve operational efficiencies or improve compliance within existing operations. In the next fiscal year, many of those pillar programs continue as L.A. Care seeks innovation and improvement:
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<td>L.A. Care’s implementation of the Department of Health Care Services (DHCS) program to improve the quality outcomes and drive delivery system transformation through value based initiatives, modernization of systems, and payment reform.</td>
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<td>Care Catalyst – New Health Services Clinical System</td>
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<td>A multi-year program focused on replacing the existing Care Management platform (Clinical Care Advance – CCA) to effectively, and efficiently, manage the workflows, data integration, analytics, and reporting for all core functions within L.A. Care’s Health Services organization.</td>
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<td>CMS Interoperability Mandate</td>
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<td>A CMS mandate that introduces new policies designed to expand access to health information, and facilitate the seamless exchange of data. L.A. Care is creating technical infrastructure to enable and support members and providers to use API based technologies.</td>
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<td>DSNP Product Launch</td>
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<td>Involves the launch of a Dual Eligible Special Needs Plan (D-SNP) product for CY2023 in response to DHCS requirement to transition CMC and CCI to a statewide Managed Long-Term Services and Support (MLTSS) and D-SNP structure. The goal is to provide dually eligible beneficiaries with quality integrated care that supports care coordination.</td>
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<td>Encounters &amp; Risk Adjustment / EDIFEC</td>
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<td>Leverage and extend the new EDIFECS encounter platform to more effectively manage and report risk adjustment data for CMC (Medicare) and LACC (commercial) product lines. QNXT Insourcing is a multi-stage initiative to more efficiently host core system to realize significant cost savings in hosting and management. L.A. Care IT staff will gain greater flexibility in release management, maintenance schedules, and in development of functionality.</td>
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<td>Oracle Upgrade</td>
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<td>To ensure security and robust functionality, this initiative is to upgrade L.A. Care’s Oracle database infrastructure and extend the life of the asset.</td>
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<td>Provider Roadmap</td>
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<td>A multi-year program focused on improving L.A. Care’s provider data quality and management, including enhancements to data intake, standardization, validation, storage, and reporting processes.</td>
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<tr>
<td>QNXT Insourcing</td>
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<tr>
<td>A multi-stage initiative to more efficiently host core system (QNXT) to realize significant cost savings in hosting and management. L.A. Care IT staff will gain greater</td>
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Motions FIN 104 and FIN 105 were unanimously approved simultaneously by roll call. For motion FIN 105, Board Members Curry, Ghaly, Perez Roybal, Shapiro, and Vaccaro
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<td>flexibility in release management, maintenance schedules, and development of functionality.</td>
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<td>considered not to be voting on the sections of the Budget for which there might be a potential financial conflict of interest.</td>
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<td>SAP/ERP – Finance System</td>
<td>Continued implementation of a new enterprise financial management platform to enable streamlined, and scalable, business functions including procurement, accounts payable, premium billing, recoveries, reconciliations, budgeting &amp; forecasting, and financial reporting. The Premium Billing and Claims Disbursement/Recoveries phases have been completed.</td>
<td>9 AYES (Booth, Curry, De La Torre, Ghaly, Gonzalez, Mitchell, Perez, Roybal and Vaccaro) Board Members Ballesteros and Jimenez experienced technical difficulty and were not able to vote.</td>
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<td>VOICE Program</td>
<td>A multi-year customer service infrastructure program enhancing systems, tools, and processes that transform the way L.A. Care’s members and providers navigate and find information, including self-service options.</td>
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<td>Motion FIN 105.0921</td>
<td>To approve the Fiscal Year 2021-22 Operating and Capital Budget, as submitted.</td>
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- **Monthly Investments Transactions Report**
  - Ms. Montgomery referred to the investment transactions report included in the meeting materials. *(Contact Board Services to obtain a copy of the report.)* L.A. Care’s total investment market value as of June 30, 2021 was $1.7 billion.
  - $1.4 billion managed by Payden & Rygel and New England Asset Management (NEAM)
  - $72 million in Local Agency Investment Fund
  - $201 million in Los Angeles County Pooled Investment Fund

- **Quarterly Internal Policy Reports**
  - Ms. Montgomery referred to the 3rd Quarter Expenditure Reports required by L.A. Care Internal Policies for the FY 2020-21, included in the meeting materials. *(A copy of the reports can be obtained by contacting Board Services.)* L.A. Care’s internal policies require reports on all expenditures for business related travel expenses incurred by employees, members of the Board of Governors, Stakeholder Committees, and members of the Public Advisory Committees. The Authorization and Approval Limits policy requires reports for executed vendor contracts for all expenditures and the Procurement Policy requires reports for all sole source purchases over $250,000. These are informational items only, and do not require approval.
    - Policy AFS-004 (Non-Travel Expense Report)
    - Policy AFS-027 (Travel Expense Report)
    - Policy AFS-006 (Authorization and Approval Limits)
    - Policy AFS-007 (Procurement)
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| Compliance and Quality Committee | Received via voice mail, Sept 1, 1:16 pm, Anonymous  
*Your Compliance Department is continually out of compliance. You’ve been notified this through grievances when people can get them through. And, as you see on your minutes that are on this agenda, that many people have said that you guys are covering up the grievances. This has been an ongoing problem. Grievances are not responded to, if they are, they are late, the response is irrelevant. You guys sent out letters saying, that are very vague which have been audited by the DHCS for repeatedly. A grievance letter saying regarding your expressed dissatisfaction, very vague, and that’s exactly what a grievance is, isn’t it? This is nonsense. Respond to the grievances, actually read them, and actually dissect them and address them, and resolve them, so that we can get our health care. Because you guys are blocking us from our healthcare, which you are getting paid. Stop gas lighting us. You are violating HIPPA rights, you’re violating patient rights, you’re violating ADA rights. Unbelievable.*  
Submitted via email, today at 12:01 AM by Andria McFerson  
*Chair Del La Torre, We need a class available to members of the public to teach all people including seniors and people with disabilities to use the virtual world maybe perhaps in coherence with other companies that may already offer these free resources. With the COVID-19 impact and the impacts of many other of diseases can there be a plan to teach members how to have virtual doctor appointments and do necessary things like order food online. This definitely entails better compliance and quality with LA Care and also a very substantial positive impact towards people with chronic conditions along with so many others. Actually limiting person to person contact more people will attend their necessary doctor’s appointments saving many lives and implementing better preventative care. If this has already been done can we have access to this information at the RCAC meeting and to the general public. Thank You, Andria McFerson*  
Chairperson De La Torre noted that the points are well-taken as the move toward telehealth continues. For the other issues raised, he suggested that information be distributed to the advisory committee members.  
Committee Chairperson Booth reported that the Committee met on August 19 (Contact Board Services to obtain a copy of approved meeting minutes).
AGENDA
ITEM/PRESENTER

MOTIONS / MAJOR DISCUSSIONS

• Dr. Seidman gave the August 2021 Chief Medical Officer report. He provided an update earlier today.
• Thomas Mendez, Director, Quality Performance Informatics, presented the 2020 HEDIS Results.
• Thomas Mapp, Chief Compliance Officer, and Compliance Department staff presented information from the August 2021 Chief Compliance Officer report.

The Committee received information on:
• Enterprise wide monitoring program,
• Disaster recovery,
• Risk Assessment Report and
• Key Performance Indicators.

She reminded Board Members that notices will be distributed soon for the annual compliance requirements which will need to be completed by Board Members by November.

Audit Committee

PUBLIC COMMENT
Received via voice mail, September 1, 2021 at 2:57 pm, Anonymous
Regarding the Audit Committee, if you guys are going to audit things, audit the grievances. Oftentimes we can’t get a grievance in, not because of the reps, but because of your grievance and appeals department. They are non responsive. They do not respond appropriately. It is ridiculous. Audit the grievances that have been filed by the clients. I see in the minutes that many people have echoed other people’s grievances about not being responded to. About the ridiculousness of the responses. Of the problems that keep going on. And yet, your audit committee apparently has not audited you guys so that you can see where the problems lie. But if you look at grievances, you would see where your problems lie. Part of it is the lies that are being spread around to us, the clients. Refusing to give us information, refusing to give us services, requiring us to jump through hoops that we don’t have to and shouldn’t have to jump through, which are violations of many regulations, which are keeping us from getting our medical care. But you are still receiving the money

Committee Chairperson Ballesteros reported that the Audit Committee met on July 30 to discuss the Deloitte & Touche Audit Plan for FY 2020-21 (contact Board Services to obtain a copy of approved meeting minutes or meeting materials).
• The Board previously delegated authority to the Audit Committee for overseeing the work of our external independent financial audit firm.

ACTION TAKEN
**AGENDA ITEM/PRESENTER**

- The Committee approved staff’s recommendation to continue the engagement with Deloitte.
- Deloitte & Touche presented the Audit Plan for FY 2020-21. (Contact Board Services to obtain a copy of the plan.)
  - Last year’s audit went smoothly. Deloitte was able to accelerate the audit timeline through expanded interim procedures, implementation of new procedures in claims and other medical expenses and increased use of data analytics and other audit technology.
  - Annual debrief/assessment sessions were held on the prior year’s engagement with L.A. Care management and staff.
  - Deloitte adapted the audit plan to changes within L.A. Care and the macroeconomic environment which considered the impact of COVID-19 events during the preliminary risk assessment.
  - Deloitte evaluated market conditions, prior year results, and company specific considerations as well potential changes in response to COVID-19 to continue to perform the iterative risk assessment procedures.
  - Deloitte will implement additional procedures to save time and improve quality such as recreating triangles using technology.
- 2021 Proposed Audit Fee is $398,000, excluding expenses.
- The Committee approved Deloitte’s proposed audit plan for FY 2020-21.

**PUBLIC COMMENT on Closed Session Items**

Submitted via email, September 2, 2021 at 11:28 AM by Andria McFerson

*Chair Del La Torre,*

*Can we please offer a class to teach all people including seniors and people with disabilities to use the virtual world maybe perhaps in coherence with other companies that may already offer these resources. With the COVID-19 impact and the impacts of many other of disease can there be a plan to teach members how to have virtual doctor appointments and do necessary things like order food online. This would be would be a very substantial positive impact towards people with chronic conditions and so many others to actually limit person to person contact. If this has already been done can we have access to this information to the RCAC’s and the general public.*

*Thank You,*

*Andria McFerson*
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<td><strong>ADJOURN TO CLOSED SESSION</strong></td>
<td>Augustavia J. Haydel, <em>General Counsel</em>, announced the following items to be discussed in closed session. The L.A. Care Board of Governors adjourned to closed session at 12:28 pm.</td>
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| **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, Technology, Business Plan  
Estimated date of public disclosure: *September 2023* |  |
| **CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION** | Pursuant to Section 54956.9(d)(1) of Ralph M. Brown Act  
*Long Beach Memorial Medical Center et al v. L.A. Care Health Plan* - AAA Case No. 012000002356  
*Prime Healthcare Services- Alvarado LLC et al. v. Local Initiative Health Authority for Los Angeles County* – Case No. 21STC1751  
*Prime Healthcare Services- Alvarado LLC et al. v. Local Initiative Health Authority for Los Angeles County* – JAMS No. 1220069752 |  |
| **THREAT TO PUBLIC SERVICES OR FACILITIES** | Consultation with Tom MacDougall, Chief Information & Technology 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 |  |
| **RECONVENE IN OPEN SESSION** | The Board reconvened in open session at 1:59 p.m.  
There was no report from closed session. |  |
| **ADJOURN TO CLOSED SESSION** | Augustavia J. Haydel, *General Counsel*, announced the following items to be discussed in closed session. The L.A. Care Board of Governors adjourned to closed session at 2:02 pm. |  |
| **REPORT INVOLVING TRADE SECRET** | Pursuant to Welfare and Institutions Code Section 14087.38(n)  
Discussion Concerning new Service, Program, Technology, Business Plan  
Estimated date of public disclosure: *September 2023* |  |
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<td>ITEM/PRESENTER</td>
<td>RECONVENE IN OPEN SESSION</td>
<td>The Board reconvened in open session at 3:28 p.m.</td>
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<td>There was no report from closed session.</td>
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<td>ADJOURNMENT</td>
<td>The meeting was adjourned at 3:28 p.m.</td>
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Respectfully submitted by:
Linda Merkens, Senior Manager, Board Services
Malou Balones, Board Specialist III
Victor Rodriguez, Board Specialist II

APPROVED BY:
Layla Gonzalez, Board Secretary
Date Signed 11/4/2021 | 2:06 PM PDT