

BOARD OF GOVERNORS
Executive Committee

Meeting Minutes – June 28, 2022

1055 West 7th Street, Los Angeles, CA 90017



L.A. Care
 HEALTH PLAN

Members

Hector De La Torre, *Chairperson*
 Al Ballesteros, *Vice Chairperson*
 Ilan Shapiro MD, MBA, FAAP, FACHE, *Treasurer*
 Stephanie Booth, MD, *Secretary*
 Hilda Perez

Management/Staff

John Baackes, *Chief Executive Officer*
 Terry Brown, *Chief of Human Resources*
 Augustavia Haydel, *General Counsel*
 James Kyle, MD, *Chief of Equity & Quality Medical Director*
 Tom MacDougall, *Chief Technology & Information Officer*
 Thomas Mapp, *Chief Compliance Officer*
 Marie Montgomery, *Chief Financial Officer*
 Noah Paley, *Chief of Staff*
 Acacia Reed, *Chief Operating Officer*
 Richard Seidman, MD, MPH, *Chief Medical Officer*

State and local officials continue to impose or recommend measures to promote social distancing to reduce transmission of the COVID 19 virus. It is prudent to use caution in protecting the health of the public, L.A. Care’s employees and its members where adequate virtual means exist to permit the meeting to occur by teleconference/videoconference with the public being afforded the ability to comment in real time. The Board of Governors and all legislative bodies of the L.A. Care Health Plan, and the Board of Directors and all legislative bodies of the Joint Powers Authority will continue to meet virtually and the Boards will review that decision on an on-going basis as provided in the Brown Act. Members of the public had the opportunity to listen to the meeting via teleconference, and share their comments via voicemail, email, or text.

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Hector De La Torre, <i>Chairperson</i> , called to order the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee meetings at 2:16 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings. <ul style="list-style-type: none"> • For those who provided public comment for this meeting by voice message or in writing, we are really glad that you provided input today. The Committee will hear your comments and we also have to finish the business on our Agenda today. • If you have access to the internet, the materials for today’s meeting are available at the lacare.org website. If you need information about how to locate the meeting materials, please let us know. • Information for public comment is on the Agenda available on the web site. Staff will read the comment from each person for up to three minutes. 	

APPROVED

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	<ul style="list-style-type: none"> The Chairperson will invite public comment before the Committee starts to discuss an item. If the comment is not on a specific agenda item, it will be read at the general Public Comment item 2 on today's agenda. <p>He provided information on how to submit a comment live and directly using the "chat" feature.</p>	
APPROVE MEETING AGENDA	The Agenda for today's meeting was approved.	Approved unanimously by roll call. 5 AYES (Ballesteros, Booth, De La Torre, Perez, and Shapiro)
PUBLIC COMMENT	There were no public comments.	
APPROVE MEETING MINUTES	The minutes of the May 24, 2022 meeting were approved as submitted.	Approved unanimously by roll call. 5 AYES
CHAIRPERSON'S REPORT	There was no report from the Chairperson.	
Government Affairs Update	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported:</p> <ul style="list-style-type: none"> The proposed AB 2724 bill would enable Kaiser to directly contract with California Department of Health Care Services (DHCS) for the Medi-Cal program. The bill was passed by the State Assembly and the State Senate Health Committee, with some amendments. One amendment includes language around rates, that acuity would be considered for all health plans. An amendment was also considered to address behavioral health compliance concerns with a readiness assessment, and required a report from DHCS to the public two years after Kaiser begins serving Medi-Cal beneficiaries in 2024. It is not felt that the protections that were adopted are sufficient to protect the safety net, but L.A. Care is pleased that all of the Senate Health Committee members expressed serious concerns, particularly with the behavioral health portions. L.A. Care will continue working with the Kaiser union (NUHW) representing Kaiser's mental health providers that are also opposed to the legislation. The Governor weighed in again with the State Senate and with the labor union representatives, showing the priority of this bill with the Governor and DHCS. Many of L.A. Care's concerns about the bill have not been addressed. DHCS has not 	

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	<p>shared details on how it will be implemented. L.A. Care will continue to work on it through this year and into 2023.</p> <p>John Baackes, <i>Chief Executive Officer</i>, added that those opposed to the Kaiser contract were pleased with the attention paid to the objections as the legislation was being considered. The DHCS Director was actively lobbying for the bill, which seemed to signal that proponents of the bill were alarmed by the opposition. The local initiative health plans have solid grounds for opposing the bill and Mr. Baackes believes there will be negative repercussions for the safety net, even with the two safeguard amendments that were included in the bill. There will be continued communication to raise awareness of these concerns.</p> <p>Board Member Booth expressed concern about unfair business practices in this situation. Mr. Baackes noted that since the Kaiser contract was announced, there has been concern about the appearance of close collaboration by state Medi-Cal regulators with one contractor. It appears that DHCS is giving a more favorable position to Kaiser than other current Medi-Cal contractors. DHCS, California Primary Care Association and Kaiser appear to be linked in some aspects of the implementation of the new California Advancing and Improving Medi-Cal (CalAIM) program, precluding involvement with other Medi-Cal health plans. This has led to concerns that there are further developments yet to be revealed to the public.</p> <p>Chairperson De La Torre noted that he is hearing that there is still pressure to put this into a budget trailer bill, which would bypass the legislature. Ms. Compartore has heard similar information but has also heard that the legislation is planned to be presented for a vote at the same time as the budget trailer bill. Chairperson de La Torre noted that with the amendments, AB 2724 would need to be voted on again by the State Assembly, so the pressure to include it in the budget trailer bill may be the alternative to avoid that legislative action.</p> <p>Ms. Compartore continued her report:</p> <ul style="list-style-type: none"> • The Governor reached agreement with legislative leadership on the proposed state Budget. A main Budget bill is expected to pass this week along with 27 trailer bills. The Governor is expected to sign that legislation as soon as he receives it. There had been a delay in the Budget negotiations over how to distribute relief funding to Californians for escalating fuel costs. The legislature proposed a rebate to registered car owners. The Governor disagreed with that proposal and instead the relief will be 	

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	<p>distributed in a stimulus payment to taxpayers, regardless of vehicle ownership. On average, a California taxpayer will receive approximately \$1,000. The State Budget includes \$205 million to subsidize costs of providing abortions, paying providers, and providing assistance with costs for room and board to people coming into California from out of state to get an abortion. There are no significant changes in the Budget for Medi-Cal. The Budget includes funding for Covered California in premium tax credit or cost sharing subsidies, depending on whether the federal tax credit is extended. L.A. Care is tracking this issue.</p> <ul style="list-style-type: none"> • Medi-Cal benefits have been approved starting no later than January 1, 2024, for residents ages 26 to 49 regardless of immigration status. • The State Budget includes \$100 million for California to develop a low-cost insulin. • The California Office of Healthcare Affordability will be established in this State Budget, with the stated purpose of monitoring and setting cost targets for health plans, physician groups and hospitals. Data is being collected on costs through Medi-Cal and Covered California. The cost data could be helpful in the future for showing that Medi-Cal rates are much lower than for commercial health plans. As of 2026, health plans in California could be fined for not meeting the cost targets. • Government Affairs staff member Joanne Campbell, <i>Health Care Policy Specialist II</i>, held 14 meetings recently with members of the Los Angeles County Legislative Delegation to discuss L.A. Care and its investments in the community, such as Elevating the Safety Net. Other issues discussed included the pending expiration of the federal Advance Premium Tax Credit (APTC). There is strong support from the delegation, but the attention of Congressional Representatives is focused on other issues at this time, and it seems APTC is not a priority and will not be included in legislation. Mr. Baackes' recent letter on gun safety and mental health issues was also discussed. The letter was sent to every member in the U.S. Congress. <p>Board Member Booth thanked Ms. Compartore for her report. Regarding SB 1384, she noted that controlling guns can help in controlling violence, but it is unlikely to happen, in her opinion. This legislation is asking firearms dealers to have a digital video surveillance system and keep the records for a year, as well as a general liability insurance policy. Board Member Booth doesn't think that having liability insurance will help curtail violence. She believes that it should be established that regulations which will be imposed will actually help with the issue of violence. This legislation proposes an unfunded mandate for collection of information, which is burdensome. She does not think L.A. Care should support this legislation. Board Member Booth asked about AB</p>	

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	<p>2426, and Ms. Compartore noted this is a bill specific to Martin Luther King Jr. Community Hospital. L.A. Care supports this bill because it would bring additional funding to the hospital.</p> <p>Board Member Booth also noted that AB 1929 establishes a community violence prevention and recovery program for Medi-Cal beneficiaries, which she feels will be delegated to health plans. This is another unfunded mandate, and the implementation will be imposed on health plans.</p>	
CHIEF EXECUTIVE OFFICER REPORT	<p>Mr. Baackes reported:</p> <ul style="list-style-type: none"> • In May, Medi-Cal enrollment is available to eligible residents under the age of 50, regardless of immigration status. L.A. Care has over 16,000 new members in this category in June, and expects 92,000 more members in July, the majority of whom are expected to be undocumented residents over the age of 50. It was anticipated that L.A. Care would enroll 70-80,000, and it seems we will have more than that. Most of the newly-eligible enrollees have previously been treated through the My Health LA program, and at federally qualified health centers (FQHC) and Los Angeles County Department of Health Services (DHS) sites. The enrollees will now have the option of selecting Medi-Cal network health care providers. L.A. Care is welcoming the new members. • The State Budget proposal under consideration by the California Legislature includes expansion of coverage to residents ages 27-49 regardless of immigration status, with enrollment to begin no later than January 1, 2024. There are estimated to be over 800,000 people who will become eligible statewide. L.A. Care expects additional enrollment of around 140,000. • On January 1, 2024, if Kaiser is successful in contracting as a Medi-Cal health plan, L.A. Care's current Kaiser members would be transitioned. • The Medi-Cal eligibility redetermination process is expected to resume when the public health emergency is lifted. The public health emergency currently lasts through July 15, but it is expected to be extended another 90 days and may be extended to April 2023. L.A. Care is closely monitoring the variety of factors which will influence the level of member enrollment. • L.A. Care is planning a 25th Anniversary event on July 22, 2022, at the Charles R. Drew University campus. The eight new L.A. Care scholars will be announced at this event. 	

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<p>Approve Community Health Investment Fund Grants</p> <ul style="list-style-type: none"> California Association of Food Banks 	<p><i>(Member Shapiro left the meeting.)</i></p> <p>Chairperson De La Torre invited comment from Board Members on the process for approving Community Health Investment Fund grants. Board Member Booth suggested that approval of grants is beneficial for the community L.A. Care serves and it seems appropriate to consider grant approvals at the regular Board of Governors meetings. There was no objection to the proposed update to the process. Staff will provide the revised process for consideration at a future meeting.</p> <p>Shavonda Webber-Christmas, <i>Director, Community Benefits</i>, summarized the information included in the meeting materials. There are three motions presented for consideration, and all are part of the CHIF allocation which was approved by the Board.</p> <p>The first motion will support the California Association of Food Banks (CAFB) for \$1.3 million to administer the sixth Community Wellness Initiative (CWI). CAFB will award, support, and provide technical assistance to up to 10 nonprofits to perform CalFresh outreach and enrollment assistance to up to 5,600 eligible families, approximately 17,000 individuals facing food insecurity in Los Angeles County. CAFB was a grantee last year for the same program. The program has shown to be more efficient than directly-operated grants in prior years. CAFB provides an impressive amount of support to the individual grantees. In just three months, more than 1,000 families were supported in the application for CalFresh benefits, on track to help 154 more households per month more than the prior directly operated cohort. CAFB also provided training opportunities and a learning collaborative for the agencies participating in providing services to the community, including L.A. Care health plan members.</p> <p><u>Motion EXE 100.0722</u> To award up to \$1,300,000 to the California Association of Food Banks to support up to 10 grants to Los Angeles County nonprofits, provide training and technical assistance on CalFresh outreach, and enhance grantees’ enrollment assistance to CalFresh eligible individuals and families, including L.A. Care members.</p>	
<ul style="list-style-type: none"> Public Health Foundation Enterprises DBA Heluna Health as fiscal agent for Los Angeles Network for 	<p>Ms. Webber Christmas described a proposal for support of the Los Angeles Network for Enhanced Services (LANES). The proposed funds will enhance the capacity and modernize LANES’ county-wide health information exchange platform and interoperability infrastructure. The project will support the California Advancing and Innovating Medi-Cal (CalAIM) program by connecting and facilitating care coordination across entities providing clinical, behavioral, and social service in real time. LANES’ data</p>	

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Enhanced Services (LANES)	<p>repository contains clinical and behavioral data for an estimated nine million unique patients, including 1.2 million L.A. Care members.</p> <p>Board Member Ballesteros commented that LANES is a great solution to exchange patient information in real time. LANES is in the process of trying to bring additional Los Angeles County hospitals into the health information exchange (HIE). In order to make LANES more robust it might need assistance in bringing on those hospitals, so the system can have more complete patient information. Mr. Baackes agreed there is an effort to bring more providers into the LANES HIE. Manifest MedEx is another nonprofit HIE organization which began in the Inland Empire. LANES has a better operating system. In the CalAIM and other legislative initiatives around health care, there is a data exchange framework which requires providers, except county operated sites, to join an HIE by January 31, 2023. This will boost participation in the HIE networks.</p> <p>Board Member Booth asked about interoperability between the HIEs. Mr. Baackes indicated that there is an effort to develop a statewide HIE which will include the local HIEs.</p> <p><u>Motion EXE 101.0722</u> To award up to \$500,000 to Public Health Foundation Enterprises DBA Heluna Health as fiscal agent for Los Angeles Network for Enhanced Services (LANES) to modernize LANES health information exchange platform and interoperability infrastructure.</p>	<p>Motions EXE 100, EXE 101 and EXE 102 were simultaneously approved unanimously by roll call. 4 AYES (Ballesteros, Booth, De La Torre and Perez)</p>
<ul style="list-style-type: none"> Liberty Hill Foundation (EXE 102) 	<p>The third motion is for support of infrastructure development and program sustainability for the Liberty Hill Foundation’s Stay Housed LA Network, which consists of thirteen community-based organizations offering eviction prevention services. Stay Housed L.A. is the largest eviction prevention and defense program in the country, and serves tenants across Los Angeles County who are at risk of losing their housing, a critical social determinant of health. Through recent contracts with the County of Los Angeles and the City of LA, Stay Housed LA administers a countywide public awareness campaign, and eviction prevention services, including targeted housing outreach, education, tenant navigation, as well as non-legal pre-litigation services. L.A. Care’s housing stability initiative has provided support for legal services. The community based organizations in the Stay Housed LA Network are subcontracted to serve tenants in Los Angeles County, host a specific number of educational workshops, and to provide navigation services for individual tenants in vulnerable communities.</p>	

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	<p>Board Member Booth asked about the cost efficiencies based on assisting 52,800 tenants. Ms. Webber Christmas indicated that L.A. Care’s grant of \$500,000 will provide support for those tenants. Other funding will provide support for up to 500,000 people in Los Angeles County. Board Member Booth thanked Ms. Webber-Christmas for including the cost efficiency data and commended the program for its cost effectiveness.</p> <p><u>Motion EXE 102.0722</u> To award up to \$500,000 to the Liberty Hill Foundation to support infrastructure development and program sustainability of its Stay Housed LA Network to prevent evictions through education and advocacy services for housing insecure tenants throughout LA County, including L.A. Care members.</p>	
Approve Consent Agenda	<p>Approve the list of items that will be considered on a Consent Agenda for July 28, 2022 Board of Governors Meeting.</p> <ul style="list-style-type: none"> • June 2, 2022 Board of Governors Meeting Minutes • ImageNet, LLC Contract Amendment • OptumInsight, Inc. Contract Amendment • Health Management Systems Contract Amendment • Toney Healthcare Consulting Contract Amendment • Cognizant Technology Solutions Contract Amendment • Cognizant Technology Solutions for Hosting Services for L.A. Care’s core systems • California Association of Food Banks Grant Funding • Public Health Foundation Enterprises dba Heluna Health as fiscal agenda for Los Angeles Network for Enhanced Services Grant Funding • Liberty Hill Foundation Grant Funding 	<p>Approved unanimously by roll call. 4 AYES</p>
PUBLIC COMMENTS	There were no public comments.	
ADJOURN TO CLOSED SESSION	<p>The Joint Powers Authority Executive Committee meeting was adjourned at 3:10 p.m.</p> <p>Ms. Haydel announced the items to be discussed in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 3:12 p.m.</p>	

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	<p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> • Plan Partner Rates • Provider Rates • DHCS Rates <p>REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: <i>June 2024</i></p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> • L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable) <p>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</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> • Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680 • Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF 	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 4:05 p.m. No reportable actions were taken during the closed session.	
ADJOURNMENT	The meeting adjourned at 4:05 p.m.	

Respectfully submitted by:

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

APPROVED BY:

DocuSigned by:

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Hector De La Torre, *Chair*
Date: 8/23/2022 | 10:12 PM PDT

APPROVED