

Board of Governors
Regular Meeting Minutes #315
March 2, 2023

L.A. Care Health Plan, 1055 W. 7th Street, Los Angeles, CA 90017



L.A. Care
 HEALTH PLAN

Members

Alvaro Ballesteros, MBA, *Chairperson* *
 Ilan Shapiro, MD, *Vice Chairperson*
 Stephanie Booth, MD, *Treasurer*
 John G. Raffoul, *Secretary**
 Hector De La Torre
 Christina R. Ghaly, MD
 Layla Gonzalez

George W. Greene, Esq. **
 Honorable Hilda Solis **
 Hilda Perez **
 G. Michael Roybal, MD, MPH
 Nina Vaccaro, MPH

Management

John Baackes, *Chief Executive Officer*
 Sameer Amin, MD, *Chief Medical Officer*
 Terry Brown, *Chief of Human Resources*
 Linda Greenfeld, *Chief Product Officer*
 Augustavia Haydel, Esq., *General Counsel*
 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*

*Absent

** via teleconference

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
WELCOME	<p>Ilan Shapiro, MD, <i>Vice-Chairperson</i>, at 1:04 p.m. called to order the regular and special meetings of L.A. Care Health Plan Board of Governors and the L.A. Care Health Plan Joint Powers Authority Board of Directors. The meetings were held simultaneously.</p> <p>Chairperson Ballesteros announced that those attending the meeting in person who wish to submit a public comment should use the form provided. For those with access to the internet, the materials for today’s meeting are available on the L.A. Care website.</p> <p>He welcomed everyone and thanked those who have submitted public comment by voice mail, text or email. He informed participants that for those using the video software during the meetings; the “chat” function will be available to provide live and direct public comment to everyone participating in the virtual meeting. The Chat feature will be open throughout the meeting for public comment.</p> <p>Board Members have received in writing the voice messages and written public comments sent before the meeting. All comments sent before and during the meeting were read for up to three minutes. All are welcome to provide input.</p>	
APPROVAL OF MEETING AGENDA	The agendas were approved as presented.	Unanimously approved by roll call. 9 AYES (Booth, De La Torre, Ghaly,

APPROVED

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		Gonzalez, Perez, Roybal, Shapiro, Solis, and Vaccaro)
APPROVAL OF FINDINGS UNDER THE RALPH M. BROWN ACT	Augustavia Haydel, Esq., <i>General Counsel</i> , noted that with the end of the public health emergency in California, this motion is no longer needed and there is no other action required. <i>The public health emergency ended on February 28, 2023, therefore this motion was withdrawn.</i>	
PUBLIC COMMENTS	<p>Submitted on March 1 at 4:12 PM by Carolyn Rogers Navarro <i>General comment 3-2 2023 And once again what is going on with this lawsuit involving LA Care withholding public records related to LA Cares scorecard? So you been fined the biggest fine EVER by the DMHC, sanctioned with monetary fines by Calif heath office and your being sued by an employee for for racism! What the <expletive> is wrong with you people?</i> https://centerforhealthjournalism.org/2022/04/15/lawsuit-seeks-records-penalized-la-county-health-plan-0?amp</p> <p>Submitted on February 28, 2023 at 7:00 PM by Sender Not Self Identified <i>Public comment , board meeting. Mar 2 2023 The state and county of Los Angeles are negligent enabling patient neglect and board members and county "leaders" should be sued for the abuses against patients rights. They have sat on their fat asses doing nothing when patients are in pain and are dying! Even the state admits it and does nothing significant about it!</i> <i>Add : public comment March 2 2023 , sanctions against LA "care", maybe they need to put you all in jail!</i> https://www.dhcs.ca.gov/services/Documents/MCQMD/Sanctions/SanctionLtrLACare220304.pdf</p>	The Consent Agenda and Recommended Consent Agenda items were unanimously approved. 11 AYES The Consent Agenda and Recommended Consent Agenda items were unanimously approved. 11 AYES (Ballesteros,
APPROVE CONSENT AGENDA ITEMS	Board Member Booth stated that she joined the February 2, 2023 Board of Governors Meeting Minutes during Mr. Baackes' CEO report, earlier than indicated on the meeting minutes. <ul style="list-style-type: none"> February 2, 2023 Board of Governors Meeting Minutes Quarterly Investment Report Motion FIN 100.0323* To accept the Quarterly Investment Report for the quarter ending December 31, 2022, as submitted. 	

APPROVED

The Consent Agenda
and

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	<ul style="list-style-type: none"> • MetaSoftTech Solutions, LLC Contract Amendment <u>Motion FIN 101.0323*</u> To authorize staff to amend the contract with MetaSoftTech Solutions, LLC not to exceed a total of \$3 million, (total contract not to exceed \$3 million), for IT staff augmentation services through June 30, 2023. • OptumInsight Contract Amendment <u>Motion FIN 102.0323*</u> To authorize staff to create amendment #2 of SOW #4 to increase the contract amount from \$7,500,000 to \$14,957,500 (incremental increase of \$7,457,500) and extend the term through December 31, 2026. This amendment will allow OptumInsight, Inc. continue to support L.A. Care Data Mining services. • PaySpan Contract Amendment <u>Motion FIN 102.0323*</u> To authorize staff to create amendment #2 of SOW #4 to increase the contract amount from \$7,500,000 to \$14,957,500 (incremental increase of \$7,457,500) and extend the term through December 31, 2026. This amendment will allow OptumInsight, Inc. continue to support L.A. Care Data Mining services. • InfoCrossing, Inc. Contract Amendment <u>Motion FIN 104.0323*</u> To authorize staff to amend the InfoCrossing Inc. contract to add funding in the amount of \$715,000. The adjusted contract total would not exceed \$3.5 million. The funds would cover anticipated costs from December 01, 2022 through December 31, 2023, and allow InfoCrossing Inc. to continue their services with L.A. Care. • Ratify elected Technical Advisory Committee Chairperson and Vice Chairperson <u>Motion TAC 100.0323*</u> To ratify the election of Sameer Amin, MD, as Chairperson and Hector Flores as Vice Chairperson of the Technical Advisory Committee (TAC) for 2023, a one year term. 	<p>Unanimously approved by roll call. 9 AYES (Booth, De La Torre, Ghaly, Gonzalez, Perez, Roybal, Shapiro, Solis, and Vaccaro)</p>
<p>CHAIRPERSON'S REPORT</p>	<p>Submitted via text on February 28 at 7:00 PM by Carolyn Rogers Navarro: <i>Public comment, chairperson report March 2 2013 Carolyn Rogers Navarro</i> https://www.dmhc.ca.gov/AbouttheDMHC/Newsroom/March4,2022.aspx <i>LA Care thinks this \$55 million is no big deal. It's suggested board member and the public read about what was done to patients being delayed and denied care!</i> https://wps0.dmhc.ca.gov/enfactions/docs/4116/1646418458591.pdf</p>	

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	<p><i>How are enrollees safe! I've observed most board members enough and I don't believe they mostly care if enrollees are safe or care about how they are treated!</i></p> <p>https://wpsso.dmhc.ca.gov/enfactions/docs/4116/1646418458591.pdf https://wpsso.dmhc.ca.gov/enfactions/docs/4116/1646418458591.pdf https://www.dmhc.ca.gov/AbouttheDMHC/Newsroom/March4,2022.aspx</p> <p>Vice Chairperson Shapiro stated that we are moving forward in interesting times. We know that the California public health emergency has ended and the federal public health emergency will end on May 11. This does not mean that COVID 19 and other infections have disappeared. It is important that we have seen that awareness of social determinants of health have been raised in the past few years. He is extremely proud to be part of this organization that is moving forward, not just on the infectious diseases but also in determining the root causes for health disparities.</p>	
<p>CHIEF EXECUTIVE OFFICER REPORT</p>	<p>Submitted via text on February 28 at 7:00 pm by Carolyn Rogers Navarro</p> <p><i>Now I see a lawsuit against LA "care" for ignoring racist , inappropriate comments made in the work environment, (KFI , Black Former LA Care worker) comments about race and personal appearance, even someone's hair! Why do you people act like you can get away with acting like it's the 1950s?! Why on earth hasn't the state shut you down, people are DEAD! My daughter is DEAD! You are supposed to be advocating and protecting the community?! You can't comment but I sure as hell can!</i></p> <p>https://theavtimes.com/2023/01/09/former-la-care-worker-ties-resignation-to-disparate-treatment-comments/</p> <p>John Baackes, <i>Chief Executive Officer</i>, reported:</p> <ul style="list-style-type: none"> • California Department of Health Care Services (DHCS) began an onsite audit on Monday. The audit encompasses the operations of L.A. Care, with focused attention on areas under the enforcement actions that were announced last year. Staff is heavily involved in this audit, which is expected to last two weeks. Sameer Amin, <i>Chief Medical Officer</i>, is involved in the audit and is not expected to attend this meeting. An exit conference for the audit is scheduled on March 10, 2023, at which the Auditors will present preliminary findings. L.A. Care will receive a draft report and can comment. A final report is expected in about six months. • The redetermination of eligibility process for Medi-Cal will resume after the end of the public health emergency. L.A. Care's enrollment has continued to grow. L.A. Care has 2.9 	

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	<p>million members, with 2.7 million Medi-Cal enrollees. In April, California will send redetermination packets to Medi-Cal beneficiaries with annual enrollment dates in the month of June. If the beneficiary cannot complete the eligibility redetermination process satisfactorily, benefits will terminate on July 1. L.A. Care enrollment is expected to increase until July 2023. It is estimated that 13% of L.A. Care’s current enrollment will be determined ineligible over the next year. As previously mentioned, it is expected that there will be three main categories which will be determined to be ineligible:</p> <ul style="list-style-type: none"> ○ some beneficiaries may have moved from Los Angeles County ○ some may have increased income above the eligibility limit ○ some may fail to respond to the redetermination process. <p>For the second group, those who do not have health insurance will be able to continue with L.A. Care by enrolling in L.A. Care Covered. For most of these people, if the income level were below 250% of the federal poverty level, there would be no monthly health care premium cost, only the co-payments and deductible for their coverage tier selected.</p> <p>L.A. Care is focused on the third category, which includes people who may not realize their coverage has ended until they pick up a medication or make a health care appointment. If they then reengage with Medi-Cal, it is possible that they would be reinstated after a gap in coverage of up to 90 days or longer. L.A. Care hopes to avoid the gap in coverage. At the last meeting, a detailed presentation included the measures L.A. Care is taking to communicate with members. A main point to remember is that redetermination will continue for 12 months, and L.A. Care will continue to communicate the importance of this process. There is a glimmer of hope in that Los Angeles County and California officials have a means to renew eligibility automatically using data from other public social benefit agencies. Los Angeles County Department of Public Social Services (DPSS) estimates that up to 50% of current Medi-Cal beneficiaries could have their eligibility automatically renewed through this mechanism. State officials estimate the rate will more likely be in the 20-30% range.</p> <p>L.A. Care is proactively approaching eligibility redetermination by asking Medi-Cal members who call L.A. Care to update their residency and contact information. If there is a change in the information, the DPSS is also notified of the change, as DPSS is responsible for mailing the redetermination packages to beneficiaries. L.A. Care works cooperatively with DPSS because it has always been a problem that beneficiaries are not aware when a redetermination packet has been sent to an old address.</p> <p>L.A. Care included in its budget a potential loss of 13% of the Medi-Cal membership. L.A. Care wants to be sure that the actual loss of membership is not that large. It is believed that</p>	

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	<p>there are many beneficiaries who are eligible but they are not aware of the upcoming redetermination process. The suspension of eligibility redetermination has been in place for nearly three years.</p> <ul style="list-style-type: none"> • The California Safety Net Coalition (SNC) is a statewide effort started by L.A. Care. The coalition includes the California Medical Association, California Hospital Association, California Primary Care Association, SEIU, and Planned Parenthood. All of the local initiative health plans represented by Local Health Plans of California are participating, as well as some of the commercial health plans. The participation is very important as the goal is to have a ballot initiative in November 2024, to reestablish what is known as the managed care organization (MCO) tax. The MCO tax existed until a year ago, when it was allowed to expire in California due to excessive revenue. California's Governor has proposed reestablishing the tax. The difference between the Governor's proposal and the SNC proposal is the MCO taxes the health plans, and most heavily, the Medi-Cal managed care plans. The amount paid in MCO tax is repaid to Medi-Cal managed care plans in the rates. The amount of the MCO tax is used to draw an equivalent amount from the federal government. Under the old MCO tax and in the current proposal from the Governor, the matching funds from the federal government will likely be placed in the general fund. The SNC is proposing that the matching funds are used to supplement reimbursement to Medi-Cal providers. The Governor's administration is aware of the SNC proposal. The best outcome would be if the tax were used by California for two years. When the ballot initiative is passed, the funds could be redirected for supplemental rates and could not be adjusted by administrations in the future. There has not been any opposition experienced yet. It is expected that there will be discussion of how the funds will be distributed among hospitals, federally qualified health centers (FQHCs) and physicians in the community. A motivation for this is that nearly 60% of L.A. Care members are cared for by community-based physicians, who are not employees of the Los Angeles County Department of Health Services (DHS) or FQHCs. Those community physicians do not receive supplemental funding and L.A. Care is most concerned about those physicians moving to other practices, leaving the communities without health care providers. • L.A. Care has appointed Alexander Li, MD, to the position of Chief Health Equity Officer. Dr. Li has been L.A. Care's Deputy Chief Medical Officer for the last five years. The Chief Health Equity Officer is a position required by California's Advancing and Improving Medi-Cal Initiative (CalAIM). L.A. Care's Chief Health Equity Officer will focus on mitigation of health disparities. Dr. Li has been asked to submit a plan within 90 days, and will be working across the community with organizations that are addressing these issues. It is 	

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	<p>recognized that this is not an issue that L.A. Care could solve by itself. L.A. Care would like to collaborate with other organizations to make a positive difference in this area.</p> <ul style="list-style-type: none"> Mr. Baackes announced that this would be the last Board Meeting with Marie Montgomery, <i>Chief Financial Officer</i>. After seven years with L.A. Care, Ms. Montgomery is retiring at the end of March. He cannot express enough gratitude for the contributions she has made during those seven years. One notable accomplishment that is probably not known outside L.A. Care is her leadership in implementing a new accounting system that brings L.A. Care into the 21st century and significantly improves workflow. It is a much more efficient way to track financial performance. The new system is almost completely in place. It was a huge achievement. Ms. Montgomery was instrumental in ensuring that the Elevating the Safety Net funding, which comes through a very complicated process, was properly tracked and is available to support the initiative. L.A. Care has done a very good job with that funding and has extended the program for another five years. Another important accomplishment by Ms. Montgomery is the successful implementation of premium payments for L.A. Care Covered. This program was the first time L.A. Care members made partial payments for their health care premium. It was a huge achievement to overcome a barrier that has prevented other public health plans from joining Covered California. L.A. Care is the only public plan participating in Covered California. L.A. Care Covered enables Medi-Cal members who earn their way out of Medi-Cal to continue coverage with L.A. Care, preserving continuity of care relationships with their health care providers. Ms. Montgomery has been an inspiration to her staff. She is a respected and beloved leader. Mr. Baackes thanked Ms. Montgomery for being part of the team and noted that it has been wonderful having her at L.A. Care. <p>Ms. Montgomery thanked Mr. Baackes and stated that highlighting those accomplishments is very meaningful for her. She noted that she has worked alongside many good people in Finance, Information Technology and other departments. All of the projects required a lot of teamwork. At L.A. Care, the staff takes on many projects and accomplishes many things along the way, of which we are very proud. She noted that Mr. Baackes is the mastermind behind Elevating the Safety Net, she supported it and kept track of the funds. This is the kind of project that has made her role as CFO so rewarding. The mission of L.A. Care and all the good work being done that is sometimes forgotten when changing focus on other matters. All the Community Investment funds including Elevating the Safety Net and Community Resource Centers have helped many people and these are programs that other health plans do not do. It has been rewarding to be the CFO of an organization that is so member-focused and mission focused and has a constituent board. In her career, other boards do not operate that way. It is clear that Board Members are committed to the mission and the members, and supporting the good work staff is trying to do. Retirement is</p>	

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	<p>bittersweet and it is hard to leave this organization. At the end of her career, to retire from an organization such as this one, she would not have imagined that it would play out so well, including implementing an accounting system. She is really happy with that. Looking at her own career, she can say that she saved the best for last. It has been a great role for her and very rewarding.</p> <p>Later in this meeting, Ms. Montgomery will provide the forecast update. L.A. Care is in good financial shape and going forward it will get even better as we get the margin back where it belongs. Afzal Shah, <i>Deputy Chief Financial Officer</i>, is extremely talented, the finance team is strong and he will make it stronger. There are great things in store for the organization going forward. She thanked everyone for the acknowledgement.</p> <p>Mr. Baackes announced that there will be a retirement celebration for Ms. Montgomery on March 30, and invitations will be sent to Board members.</p> <p>Board Member Solis congratulated Ms. Montgomery. She thanked Mr. Baackes for the update, especially on the audit that is taking place, and she looks forward to hearing what exit information is provided. Concerning eligibility redetermination and the DPSS, she asked about the outreach to individual populations. Mr. Baackes noted that DPSS has informed L.A. Care that their testing shows that beneficiaries could have their eligibility automatically renewed allowing members to be enrolled without submitting paperwork. Submitting paperwork can inhibit re-enrollment. Beginning in April, when the first renewal packets are mailed, L.A. Care will conduct a variety of notifications to members. The use of text messages is not allowed, and L.A. Care will include providers in the notifications and will provide information to be posted at the provider locations. The health care providers are motivated to make sure that people do not lose coverage, particularly those that are undergoing treatment.</p> <p>L.A. Care will also use the Community Resource Centers (CRCs) for outreach. There will be 14 CRCs open by June 2023, and all will have trained staff to assist with completion of the redetermination packet. L.A. Care will use all the social media outlets to raise awareness. L.A. Care will also work with street medicine providers because it is important to reach the members and these street medicine providers are in contact with members who may not have a home and can provide current information to help DPSS re-enroll them using the automatic renewal process.</p> <p>Board Member Solis is interested in the methods using street medicine providers for the unhoused, because there are many people on the street now who are not a part of the DPSS system. She asked what might happen for people on skid row; which is part of her supervisorial district. Mr. Baackes responded that L.A. Care contracts with street medicine providers and will train them on how to instruct patients, so they can make sure their coverage continues. These</p>	

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	<p>providers are the front line on the street. Board Chairperson, Al Ballesteros, is the CEO of a clinic on San Pedro Street, where there are a tremendous number of people who are experiencing homelessness. The clinic will also be helping to educate members through the redetermination process so they remain eligible for Medi-Cal benefits. Board Member Solis suggested connecting with Los Angeles Homeless Services Authority's (LAHSA) and other Los Angeles County staff that work with homelessness in other parts of the County could be useful. Mr. Baackes agreed, and he noted that L.A. Care works with LAHSA through the CalAIM program, and the connection can be made to have more outreach.</p> <p>Board Member Solis asked for an update on the benefits that will be included in CalAIM in supporting the unhoused. Mr. Baackes stated that CalAIM is a package of benefits and services that can be funded with Medi-Cal. One aspect of CalAIM is Enhanced Care Management (ECM), which is a program for people with multiple chronic conditions whose access to health care is impacted by social barriers. Through Medi-Cal, L.A. Care can now integrate social services into care planning through contracted community based organizations. L.A. Care has contracts with 59 organizations. Health plans can provide up to 14 community supports, and L.A. Care has agreed to implement all 14 over two years. Four services were added in January 2022, four more in July, and two more in January 2023. More will be added in July 2023 and January 2024. Of these benefits, the most widely used today is medically tailored meals for beneficiaries whose conditions would be improved by a proper diet. L.A. Care has several providers contracted for these services, including Project Angel Food. Another benefit is recuperative care, which used to be funded by L.A. Care's unassigned reserves but can now be funded using Medi-Cal. This is an important service for people that need care after being in the hospital but are without a home. During the time the beneficiary is in a recuperative setting, L.A. Care works to arrange permanent supportive housing for the member. L.A. Care also provides Housing Navigation Services benefits, which helps identify housing for members with vouchers. He noted there are more benefits, and he offered to provide more information at a future meeting. Supervisor Solis commended L.A. Care for taking on all 14 benefits.</p> <p>Board Member Ghaly stated that she is hearing concerns from community clinics and health centers about their ability to staff up for the redetermination effort. These health care provider sites are interested in making sure that patients retain their health care coverage. Some have asked if L.A. Care would provide support perhaps through grant funding or otherwise, to help with staffing such as enrollment counselors. Mr. Baackes thanked her for this question. For the FQHCs in particular, L.A. Care has worked with them on providing data but has not had conversations around staffing, but L.A. Care is open to considering support. Board Member Ghaly and Mr. Baackes agreed to discuss this at a later time. Mr. Baackes indicated that L.A. Care is also concerned that DPSS is adequately staffed, because ultimately that is where the</p>	

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	<p>processing occurs. L.A. Care’s role is to provide help and information on how to complete the documentation. L.A. Care cannot actually do the processing. Member Ghaly responded that she is hearing concerns about DPSS’ capacity to take on the redetermination process, and questions about what layers of communication are happening in partnership, as well, and DPSS would like to be at that table. Mr. Baackes stated that DPSS has a good relationship with L.A. Care and there is open communication. Starting last year L.A. Care began to provide updated member information to DPSS.</p> <p>Board Member Perez, on behalf of members, wished Ms. Montgomery the best on her retirement. She is honored to be one of the few consumer members to know the Chief Financial Officer. She thanked Ms. Montgomery for her guidance. When Board Member Perez asked to be a member of the Finance & Budget Committee she had a lot to learn, and she still has many questions. Ms. Montgomery was so kind to spend time with Board Member Perez to explain basic information, and she really appreciated it. Board Member Perez thanked Board Member Solis for being on the Board again. When Board Member Solis was last on the Board the common word Board Member Perez heard was, “partnership”. Board Member Solis attended every event she could at the CRCs. She thanked Board Member Solis for thinking about the homeless population and always bringing that up to the Board. Board Member Perez thanked her for caring and raising awareness, especially for the redetermination and many of those individuals cannot provide an address to receive mail. Board Member Perez is a health promoter, and she reaches out to the members. Board Member Perez is thinking about those members that need assistance with the redetermination. This is important.</p> <p>Mr. Baackes said there are 2.9 million members, with possible 3 million by July, and 2.7 million Medi-Cal members. Being a health promoter, Board Member Perez has the honor of participating in different events at the CRCs. This is the way that L.A. Care is present throughout Los Angeles County. L.A. Care reaches out to members this way. If members do not come to L.A. Care, L.A. Care goes to their communities.</p> <p>Board Member Perez stated that being in the trenches and listening to people up front, there are many of our members and many members of the community that still need assistance in person. They need someone to sit with them and fill out the forms or paperwork. There are different ways to do this by phone, by mail, online, using an app, reaching out to the DPSS eligibility worker, but it comes to her attention that this support is offered at the CRCs. She was at the Inglewood CRC for the RCAC meeting, the receptionists did not know about this, and it was not listed on the calendar. She asked Francisco Oaxaca, <i>Chief of Communications and Community Relations</i>, to provide an update. Board Member Perez understands that Mr. Oaxaca oversees many departments, and she has heard that this needs to be ready by July. L.A. Care needs to be ready to help people. Board Member Perez remembers that Mr. Baackes once asked her how</p>	

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	<p>L.A. Care could invite members to visit the CRCs. L.A. Care is doing a lot, but we need to reach out, for example during the food pantries or vaccine clinics, besides providing those services and working on food security, we need to reach out to let people know the CRCs is there and what services are available. She displayed the calendar that is distributed by the Lynwood CRC. People are invited to come. They do not know what is at the CRC. They just come to get food or diapers, but they are not aware of the classes that are offered or the services available to help them with eligibility redetermination.</p> <p>Mr. Baackes noted that the eligibility redetermination services will be available at all times and an appointment is not needed. Mr. Oaxaca responded that L.A. Care is in the process of contracting with 10 different community partner agencies that currently provide Medi-Cal enrollment services throughout Los Angeles County. Several are also contracted with the County under the Children’s Health Outreach Initiative to provide these services, so these are established providers in the community. Each CRC will have at least one partner on site for a certain number of days each week. Some CRCs will have two different partners taking turns, to increase capacity. The target is to have these services available by April. Anyone entering the CRC can get in person enrollment assistance for Medi-Cal in the appropriate languages for the visitors to the CRC. L.A. Care has produced and will release shortly, animated videos with information about the redetermination process that will appear on the video screens at all the CRCs. Along with that, there is printed materials that will go up at the CRCs shortly, in anticipation of the redetermination process starting in April. L.A. Care is developing a redetermination ambassador training program for promotoras, so they can help reach out to people at L.A. Care events with information about services available at the CRCs. He offered the CRCs as a resource to the community clinics, to refer their patients who may need personal assistance with enrollment or eligibility redetermination. L.A. Care expects that individuals who look for that assistance may be those with complications, may have experienced roadblock with access to the online system, or may have never gone through the process and need assistance.</p> <p>Board Member Perez asked about social media outreach. Mr. Oaxaca reported that L.A. Care would be very active with posting information on social media for eligibility redetermination. L.A. Care will use social media to provide education, raise awareness and let the community know the CRCs are available. These services are not just for L.A. Care members. Anyone who needs assistance will be helped with redetermination and will be able to enroll in L.A. Care Covered or another health product if they are no longer eligible for Medi-Cal. Mr. Oaxaca noted that there would be information on the L.A. Care website for members and providers about Medi-Cal eligibility redetermination.</p>	

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	Vice Chairperson Shapiro stated that everyone here wants to make sure that anyone that is eligible for Medi-Cal is able to complete the redetermination process. There are willing partners in the community to help in any way possible to help distribute the information.	
<ul style="list-style-type: none"> Annual and Monthly Grants and Sponsorships Reports 	<p><i>Mr. Baackes referred Board Members to the written reports included in the meeting materials.</i></p>	
ADVISORY COMMITTEE REPORTS		
<p>Executive Community Advisory Committee (ECAC)</p>	<p>Submitted via email by, March 2, 2023 at 1:49pm by Andria McFerson RCAC 6 Chair: <i>How can the Health Promoters and the RCAC member contribute to outreach for redetermination and homeless members helping with information and overall to help LA Care with peer to peer contact and support letting the public know about resources like we used to do for many years.</i> <i>Thanks again, Andria McFerson, Health Promoter L.A. Care, ECAC /RCAC 6</i></p> <p>Mr. Baackes responded that ECAC members are part of the DHCS Coverage Ambassadors program and will receive information about the redetermination process directly from DHCS. L.A. Care also expects that Regional Community Advisory Committee (RCAC) members will be a good source of verbal updates in their communities.</p> <p>Submitted via chat on March 2, 2023, at 1:58 PM, from Demetria Saffore to everyone: <i>Why are the public comments being ignored and not addressed?</i></p> <p>Submitted via chat on March 2, 2023, at 1:56 PM, from Gladis Alvarez to everyone: <i>Be in touch or make a partnership with Regional Centers would be helpful to reach person with Disabilities.</i></p> <p>Board Member Gonzalez thanked everyone listening to the Board meeting today and to the RCAC and ECAC members and public that were able to attend in person today. We appreciate your attendance and welcome your comments, suggestions and questions. ECAC met on February 8. The meeting minutes can be obtained by contacting Community Outreach & Engagement staff.</p> <ul style="list-style-type: none"> As part of the CEO update Phinney Ahn, <i>Executive Director, Medi-Cal</i>, reported on Medi-Cal redeterminations. Normal renewal processing will resume in April for individuals with the annual renewal month of June. It will be a gradual process and disenrollment will not 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>happen immediately. The first two months (April and May) renewal packets will be distributed and the auto renewal process will begin. Then redetermination packet processing will be underway by June. Disenrollment for ineligible applicants could begin on July 1.</p> <ul style="list-style-type: none"> • Dr. Amin reported that the federal public health emergency would end on May 11. The state emergency ended February 28, and will affect Medi-Cal redetermination and potentially other issues like the cost share for individuals for in-home COVID-19 testing. L.A. Care is preparing to help members navigate through the transition. • Auleria Eakins, <i>Manager, Community Outreach & Engagement</i>, provided an update that included the following highlights: <ul style="list-style-type: none"> ○ Long Beach CRC is now open. Information on the Grand opening event will be provided to members when available. ○ She announced that in February, the RCACs began business meetings. ○ In honor of Black History month, CO&E and Health Promoters collaborated with the California Black Health Network, the California Healthcare Foundation, Evitarus research and Voice Media Ventures to present “Listening to Black Californians: How the Health Care System Affects their pursuit of Good Health.” Members had an opportunity to join the dialogue and hear from Rhonda Smith, Executive Director of California Black Health Network, and Katherine Haynes, Senior Program Officer of the California Health Care Foundation, as they speak about their organizations efforts to address policy and health equity gaps affecting black communities. ○ The Disability Awareness Month webinar will be on March 30, 2023. • Prity Thanki provided a Government Affairs update. She reported that Governor Newsom has released a January proposal for the 2023-24 California state budget. To address a projected budget deficit of \$22.5 billion in 2023-24, the Governor proposes to delay funding for new programs, and in some cases, his proposal ties new program implementation to future revenue. The Governor’s proposal avoids major cuts, retains significant budget reserves, and maintains investments from previous budgets, including Medi-Cal expansion to all income-eligible adults regardless of immigration status effective January 2024; grant adjustments for CalWORKs and SSI/SSP, and many housing and homelessness investments. The proposed budget continues funding to support increased county workload in restarting the process for eligibility redeterminations for beneficiaries. The proposed budget also includes funding to maintain efforts to address homelessness. • Linda Merkens reported on the 2023 Board of Governors Election Process, which is the same process that was conducted during the elections in 2016. Last November, ECAC members reviewed the proposed election process. Staff distributed the written rules to the RCAC members in December and January, and RCAC members provided feedback. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>ECAC members received the RCAC member feedback and approved the election process. Applications can be submitted until nominations are closed on April 12, and voting will take place sometime in June 2023.</p> <p>Board Member Gonzalez had the pleasure of attending RCAC meetings in Lancaster and Pacoima. It was great to see all the members; they were eager to get together and share their reports. Unfortunately, it has been three years of not hearing their comments, and she heard reports of a lack of specialty doctors in these areas, it is very difficult and takes too long to get durable medical equipment, and the wait times on the member services telephone line are too long. Many people complained they had to wait over an hour on the phone to speak to an L.A. Care staff person regarding a complaint. Board Member Gonzalez will raise these issues at the ECAC meeting and ECAC members will be able to add any other comments.</p> <p>Board Member Perez thanked Board Member Gonzalez for following up with member issues. She referenced the public comment from Ms. Alvarez, a RCAC member from Pomona, suggesting a partnership with Los Angeles County Regional Centers. She thanked Ms. Alvarez for her comment, and added that she really likes when members participate and express themselves, so it is not just she or Board Member Gonzalez speaking. As was heard in Board Member Gonzalez’ report, this is the time for RCAC members or for anyone that would like to be in our position. Language is not a barrier and the application period is open until April 12 to be a candidate. Candidates who wish to do so will have an opportunity to introduce themselves to RCAC members at their meetings. It is exciting, it is a lot of learning and it is time-consuming. A Board Member reads a lot, as a voting member one wants to be sure to align with what the members express and bring that to the table. This is an invitation for members to become a candidate. Board Member Perez is in her second term as the consumer member representative, Board Member Gonzalez is the consumer advocate member. If one has questions, please reach out to the Community Outreach & Engagement (CO&E) or to Board Services staff regarding the election.</p> <p>Board Member Perez commented, for those members that do not know where the CRC is located in their community, please log on to the L.A. Care website: https://www.lacare.org/healthy-living/community-engagement/community-resource-centers Translation is available on the website in 10 different languages. She encouraged members to visit the CRC and get a calendar. Contact information for each CRC is listed on the website. L.A. Care’s social media platforms also include information about events. She invited L.A. Care members, RCAC members and Board members to visit a CRC. It is very different to listen to the reports here than engaging and participating with the community, where you will hear directly from them and see the environment and talk to the CRC staff. You can hear if the policies and programs that the Board members talk about actually work and what can be</p>	

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	<p>adjusted. Board Member Perez asked for a presentation from Mr. Oaxaca about the opening of the new CRCs. She would like the presentation to include information such as: what is taken into consideration when choosing a the location, demographics or categories observed in the area, the number of members per line of business, the predominant languages and ethnicities in those areas, members with chronic diseases or disabilities, and languages spoken by staff members, such as Khmer or Pacific Islander populations in Long Beach. For example, Board Member Perez spoke with the manager at the Lynwood FRC, and learned it is really difficult to reach out to the English-speaking members. She noted that the FRC managers meet regularly to talk about outreach. Events and classes that are offered at the FRCs are intended to provide members with information on health topics, and these are a way to reach out to members. She asked that the report include ways that L.A. Care is engaging certain populations and concerns of members. She asked if financial demographic studies are taken into consideration when choosing a location.</p> <p>Board Member De La Torre commented that the only California Budget from the Governor that matters is the May Revision. Everyone is anxious about what will be proposed this May. In every month in the current fiscal year, the state income is below projections. Therefore, there will be less money in June than was projected. The January Budget proposal from the Governor is not very realistic. When the revised budget proposal is released around May 10, we will have about six weeks to push for all of the things needed for the safety net.</p> <p>Board Member Perez asked about the status of the Equity Council. Mr. Baackes responded that all the Equity Councils established in 2020 remain in place, and reports will be made to Dr. Li as the new Chief Health Equity Officer. Dr. Li reports directly to Mr. Baackes and is a member of the CEO Cabinet at L.A. Care. Reports on the activities can be brought to the Board. The difference in the position previously held by James Kyle, MD, is that Dr. Li will focus on mitigating health disparities, so it is more of an outward facing position vs. an internal facing position. The plan developed by Dr. Li will be shared with the Board of Governors and among the RCACs and ECAC.</p>	
<p>Technical Advisory Committee</p>	<p>Submitted via email on March 2 2023 at 1:49 pm by Andria McFerson <i>How can the Health Promoters and the RCAC member contribute to outreach for redetermination and homeless members helping with information and overall to help LA Care with peer to peer contact and support letting the public know about resources like we used to do for many years.</i> <i>Thanks again, Andria McFerson, Health Promoter LA Care ECAC /RCAC 6</i></p> <p>Vice Chairperson Shapiro reported that the Technical Advisory Committee (TAC) met on February 9 and a report will be presented at the next Board meeting.</p>	

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BOARD COMMITTEE REPORTS		
Executive Committee	Attended RCAC 8, recognize the staff supporting the Vice Chairperson Shapiro reported that the Executive Committee met on February 22 (<i>approved meeting minutes can be obtained by contacting Board Services and will be available on the website</i>).	
<ul style="list-style-type: none"> Government Affairs Update 	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>,</p> <ul style="list-style-type: none"> The California State Budget deficit is likely to be \$10 billion more than the \$22.5 billion deficit projected by the Governor in January. Adding to the confusion is that the federal government in the emergency declaration in January delayed the IRS deadline for people in flood zones. California just delayed the deadline for state tax filing. This means that state revenue will also be delayed for those taxpayers. The State Budget will be decided months earlier, in June, without knowing what the total deficit will be. It is hoped the Governor will honor his commitment in the prior year’s budget, to extend Medi-Cal eligibility to residents without satisfactory immigration status ages 26 to 54 years. That would provide coverage for the remainder of residents without satisfactory immigration status, and would be effective January 1, 2024. There are many competing interests in the budget planning, and the process is likely to be very chaotic with the decrease in state revenue. San Jose’s Assemblymember Ash Kalra has again introduced a single-payer bill for health care, as a “spot” bill. This is the first year of the two-year legislative cycle, so it is not expected that this bill will proceed until 2024. Assemblymember Joaquin Arambula, who represents the Fresno area, introduced a bill that would direct the state to request permission from the federal government to allow immigrants living in California without authorization to use Covered California as a means of purchasing health coverage with no subsidies. Other states have gotten similar provisions approved by the federal government. If this were approved, the next step would be to secure state funding to offset the premium cost. It will be challenging to manage this in the current budget. There are many repeat bills that were brought forward from the prior legislative session. Over 2,600 bills have been introduced, with 40% introduced as “spot” bills. A “spot” bill is introduced with a general subject matter and the actual detail of the bill is not yet in print. This is the largest number of bills introduced in California for the last 10 years. L.A. Care is tracking 200 bills and an updated legislative matrix will be provided soon. At the federal level, earlier today Senators Bernie Sanders and Bill Cassidy wrote a joint letter asking health leaders in the Congress to identify the root problems and solutions to improve health workforce access throughout the United States. This is an open letter asking for advice from all interested stakeholders. There is no real plan yet. 	

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	<p>Board Member Solis noted that the Board of Supervisors has approved a five-signature letter to California’s Governor and the Legislature, asking for flexibility on mental health funding, Proposition 68. She asked if L.A. Care’s Board of Governors could review this, as it would free up money to do the programs in CalAIM, in addressing assistance for individuals suffering from mental health conditions, as many of those that are unhoused have acute mental illness. The funding flexibility would allow building facilities, and more importantly, to have a more nimble process to get funding to appropriate providers and provide services in the community, which aligns with L.A. Care’s mission. She invited L.A. Care’s Board to consider joining the letter. Mr. Baackes noted that it could be brought to the next Executive Committee meeting.</p>	
<p>Finance & Budget Committee</p>	<p>Board Member Booth reported that the Finance & Budget Committee met on February 22 (<i>approved meeting minutes can be obtained by contacting Board Services and are available on the website</i>). The Committee reviewed and approved motions at that meeting that were approved earlier today on the Consent Agenda.</p>	
<p>Chief Financial Officer Report</p>	<p>Ms. Montgomery presented Financial Reports for December 2022 and the forecast update (<i>a copy of the presentation can be requested by contacting Board Services</i>).</p> <p><u>Membership</u> December 2022 membership was 2.76 million, favorable to the budget for the month and year to date (YTD).</p> <p><u>Consolidated Financial Performance</u> There was \$34 million net surplus for December 2022; \$28 million favorable to the budget, driven primarily by the Housing and Homelessness Incentive Program (HHIP) revenue of \$29 million, which was earned based on L.A. Care’s submission of the investment plan which was not included in the budget. The funding will be used over future periods. Administrative expense is slightly unfavorable and non-operating net revenue favorable due to investment income and the timing of grant spending.</p> <p>YTD there is \$39 million net surplus; \$23 million favorable to the budget. There are higher fee for service (FFS) incurred claims, offset by higher membership and revenue for institutional members. Administrative expense YTD is favorable by \$8 million and non-operating revenue is favorable by \$7 million due to investment income and unrealized gains. The bulk of L.A. Care’s assets are short term, which are yielding higher returns at this time.</p> <p><u>Operating Margin by Segment</u> Overall Medical Care Ratio (MCR) was 94.0% vs budget of 94.2%.</p>	

Reported vs Paid Claim Trend

There is increased stability in the reported vs. paid claims trend in recent months. L.A. Care's year-end reserve position is holding up with three months of experience.

Key Financial Ratio

- The MCR was 94.0%.
- The administrative ratio was 5.0%, lower than the budget of 5.4%.
- Working Capital and Tangible Net Equity are ahead of benchmarks.
- Cash to claims is below the benchmark. The State recently initiated the IHHS reconciliation process.

Tangible Net Equity (TNE) vs. Days of Cash On Hand

December 2022 Fund Balance was \$1.13 billion, which represents 544% of TNE. The target of 600% was based on the average of 8 other Local Initiatives and County Organized Health Systems. L.A. Care currently have enough cash to cover operating expenses for the next 50 days.

3+9 Forecast Update

Afzal Shah, *Deputy Chief Financial Officer*, noted that the 3+9 forecast includes revised assumptions for Medi-Cal, now estimated at 76,500 new members for January, February and March. DSNP is estimated at 3.9% increase for the year, and a small decrease is expected to continue for PASC membership. For L.A. Care Covered (LACC), the estimate is about the same at 125,000 members. This forecast does not assume growth in LACC membership resulting from the redetermination process for Medi-Cal. An adjustment will be made if needed in a future forecast.

The forecast assumes Medi-Cal disenrollment of 13% beginning in July 2023. The result for this forecast is 190,000 additional members than was in the Budget.

Board Member Booth noted that Mr. Shah said there was information in the estimates for January and February, so should the new forecast be for 5 months + 7 months remaining in the fiscal year. Mr. Shah noted that this forecast is built on financial results through December with 9 months remaining in the fiscal year. There is actual membership information for January 2023, but not the financial report for January.

Mr. Shah continued his report. After the Budget was approved last September, L.A. Care received the 2023 calendar year rates from DHCS, and has incorporated those rates in this forecast. There are assumptions for the unsatisfactory immigration status (UIS) members, since L.A. Care has not received the number of members in this category. This is important because rates for the satisfactory immigration status (SIS) and UIS members will be blended for the first six months and then will be paid separately starting in July 2023. DSNP is in line with the bid

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	<p>filing. FFS incurred costs have been estimated based on experience. There is some uncertainty in this forecast.</p> <p>L.A. Care is down streaming the DHCS rate methodology to Plan Partners, with similar risk adjustment and using blended rates for UIS and SIS members for now. The biggest impact to the LACC line is the risk adjustment factor (RAF) which is lower than the budget resulting in a decrease in revenue for this line of business. L.A. Care is meeting with multiple providers to see how the RAF score can be increased. Interest income is assumed using current higher short-term rates.</p> <p>The results of the assumptions show forecasted revenue higher than the original budget. Correspondingly, health care costs will also be higher than the budget. The forecasted MCR is 92.6%, versus 94% in the budget.</p> <p>There is an improvement in the operating margin, primarily driven by rates. There are also many new programs, new populations, and risk adjustment changes. A big risk is the potential change in UIS and SIS rates and distribution after the blended rate period ends.</p> <p>The forecast projects administrative expense at 4.7% of revenue, lower than budgeted. There were added costs for salaries and benefits due to additional full time equivalent (FTE) positions, increased purchased services driven primarily by information technology investments, and an increase in broker commissions for LACC.</p> <p>L.A. Care's forecasted net surplus is \$298 million (2.7% of revenue) versus the budgeted amount of \$80 million (0.8% of revenue). This forecasted surplus includes HHIP and IPP funds. The net margin excluding HHIP and IPP is 2% for all lines of business, which is consistent with the margin assumed by DHCS. In prior years, the margins have been much lower. The forecast shows L.A. Care is in a better financial position than last year.</p> <p>Board Member Ghaly noted that the new forecasted margin would contribute to the Tangible Net Equity (TNE). She asked what the target is for TNE. Ms. Montgomery responded that the TNE target is 600%.</p> <p>Board Member Ghaly asked if the forecast would put the TNE over that target. Mr. Shah responded that the TNE has not been recalculated for the latest forecast. He pointed out that the number of days' cash on hand is also an important metric. Currently L.A. Care is at 50 days' cash on hand, and since the state budget will have a higher deficit, it is important to ensure there is sufficient days' cash on hand. He would like to see the days' cash on hand at 60, or two months. Most other similar health plans are at a much higher level of days' cash on hand.</p>	

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	<p>Ms. Montgomery noted that in the new contract DHCS is considering a requirement for a deposit guaranty. Staff has looked into the cost of a surety bond or similar vehicle, and it is very expensive. The most viable path is to set aside those funds. Local Initiative plans are advocating against this with DHCS, noting that those funds remain with the health plan while commercial health plans set a lower TNE target and send dividend funds to the parent company. L.A. Care uses some of the funds to support grants. Ms. Montgomery clarified that DHCS is considering a requirement of two months cash on hand. Since health plans receive funds monthly in arrears, there is already one month in reserve. It is not clear how the other costs would be guaranteed.</p> <p>Mr. Shah continued with his report. The budget projected an \$80 million net surplus. The 3+9 projects \$298 million, including \$71 million in reserve for Housing and Homelessness Incentive Program (HHIP). The surplus nets to \$227 million, which is a positive variance of \$147 million over the budget.</p> <p>Board Member Ghaly noted that the challenge of the CalAIM program is demonstrated on the Enhanced Care Management (ECM) and Community Supports (CS) lines, where the revenue is worse and the costs are somewhat better, which translates to less service for members. Patients are experiencing more difficulty in getting the services that are promised under CalAIM. She asked about messaging with DHCS, because there is a huge disconnect between the promises in CalAIM, the funding it is bringing in (which is less), and the services going out the door (which are less). It works out to a small negative on the balance sheet, but it is a huge negative for patients. Mr. Baackes responded that L.A. Care uses two trade associations to communicate, because it is a concern felt industry-wide. Local Health Plans of California and the California Association of Health Plans are carrying the same message to DHCS. He is not sure that the impact of the message is fully appreciated by DHCS. It is a problem that the funding does not match the expenses incurred with the vendors, particularly for ECM. CS costs are similar. Mr. Baackes is not clear on how funding for the CalAIM connects with the current deficit budget. He agrees with Board Member Ghaly. The California Safety Net Initiative is aimed at base rates, not the supplemental programs added under CalAIM. There are rumors that CalAIM implementation will slow down to allow funding to catch up. All Local Initiative plans are in the same position. Mr. Baackes also pointed out that the amount of reporting required under CalAIM is a burden for health plans and is a particularly heavy burden for the community-based organizations that must report data to the health plans. He spoke at a Los Angeles County Medical Association conference recently about physician burnout, and he attributes burnout for physicians in Medi-Cal to the low reimbursement and the regulatory requirements that cascade down from health plans to the individual physicians. L.A. Care is advocating for higher compensation and regulatory relief on the reporting.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Mr. Shah noted that for ECM there is a risk corridor for 2023, which provides some protection if the costs rise above a certain level. Ms. Montgomery noted costs are inadequate on the CS line in the transition from Whole Person Care (WPC) funding.</p> <p>Mr. Baackes asked Board Member Ghaly to comment on the comparison in funding between WPC and ECM. Board Member Ghaly responded that ECM is worse in every way. WPC and the Health Homes (HH) programs had greater flexibility, better rates. ECM and CS have onerous administrative burdens for providers. It is difficult to access services. In CalAIM, patients receive fewer services and providers are able to fund fewer services. Staff is tied up with administrative activities that are not believed to be necessary or high value additions, and the finances are worse. Mr. Baackes noted that WPC and HH were demonstration programs, and lessons learned from these demonstration programs should be applied to permanent programs. There have not been any reports on the WPC and HH programs yet. This means that CalAIM was designed without that information, which he thinks would have influenced a different outcome.</p> <p>Mr. Shah continued with his report. The overall December YTD Medical Cost Ratio (MCR) is 92.6%. The Medi-Cal MCR is 93.5%.</p> <p>Mr. Shah reviewed financial opportunities and risks:</p> <p><u>Opportunities</u></p> <ul style="list-style-type: none"> • LACC RAF improvement through provider & member engagement • LACC membership from Medi-Cal disenrollments • CBAS utilization lower than expected due to return to in-center care • Continued shared risk to dual risk conversion <p><u>Risks</u></p> <ul style="list-style-type: none"> • Continued uncertainty with the impact of COVID-19 • COVID-19 Testing costs including potential retroactive SB510 ruling • Higher costs for ECM & Major Organ Transplant cost • Higher medical cost trends than assumed in the forecast • Retroactive rate actions including final UIS/SIS blend • IHSS and other CCI reconciliations <p>Board Member Solis asked for information on investments in infrastructure to improve patient processes. Ms. Montgomery responded that there are a number of technology improvements underway; one is a project to improve collection of provider data, which will increase efficiency in claims processing. Acacia Reed, <i>Chief Operating Officer</i>, described the implementation of</p>	

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	<p>Syntranet, which is a major investment in the health services programs to improve care management and utilization management functions.</p> <p>Mr. Baackes noted that in addition to investment in technology, L.A. Care is also investing in human resources. There has been a significant increase in staffing; because in the enforcement action last year it was noted that the utilization management and customer service center were understaffed. It has been difficult to recruit nurses in 2022, and L.A. Care changed its policies to allow nurses to work remotely, including from out of state as long as the nurse held a California license. L.A. Care held a job fair last Saturday, and 260 people looking for employment attended. The investments in technology and the increased staffing will help improve services for L.A. Care members.</p> <p>Board Member Solis asked about services directed to assist clinics with Medi-Cal redeterminations. Mr. Baackes responded that L.A. Care would first look to the Community Health Investment Fund, (CHIF) which has \$10 million in funding that has not been assigned. He noted that there is a great concern about hospital solvency, and a hospital in Madera County closed on New Year's Eve. There is currently a hospital system in Los Angeles County that has filed for bankruptcy protection. L.A. Care is holding in reserve its ability to rescue a hospital that may be on the verge of closing. Los Angeles County cannot lose any safety net hospitals. That is a bigger funding demand than helping with the redetermination process, which could be done through the CHIF. L.A. Care is carefully watching out for the safety net hospitals. CSNI would not produce funding until 2025. Between now and then, L.A. Care may need to use its reserves for the safety net providers in the most jeopardy. This is a very important point, and a discussion could be held on this at a future meeting.</p> <p>Board Member Greene thanked Mr. Baackes for recognizing that there are hospitals in dire financial straits right now. He works with the California Hospital Association and with member hospitals across Los Angeles County to monitor facilities that are considering actions related to financial hardship. He would be happy to have an offline conversation about the status of Los Angeles County facilities. Mr. Baackes noted that since the pandemic started, L.A. Care made no-interest advance payments to hospitals totaling \$105 million and another \$35 million to other providers.</p> <p>Board Member Booth thanked Ms. Montgomery for the education she provided, she learned a lot.</p> <p><u>Motion FIN 105.0323</u> To accept the Financial Reports for December 2022 as submitted.</p>	<p>Unanimously approved by roll call. 10 AYES (Booth, De La Torre, Ghaly, Gonzalez, Greene, Perez, Roybal, Shapiro, Solis, and Vaccaro)</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<ul style="list-style-type: none"> Monthly Investments Transactions Report 	<p>Ms. Montgomery referred to the investment transactions reports included in the meeting materials. <i>(A copy of the report can be obtained by contacting Board Services)</i>. This report is provided to comply with the California Government Code and is presented as an informational item. L.A. Care's total investment market value as of December 30, 2022 was \$1.7 billion.</p> <ul style="list-style-type: none"> \$1.51 billion managed by Payden & Rygel and New England Asset Management (NEAM) \$74 million in Local Agency Investment Fund \$156 million in Los Angeles County Pooled Investment Fund 	
<ul style="list-style-type: none"> Quarterly Internal Policy Reports 	<p>Ms. Montgomery referred to the expenditure reports pursuant to internal policies that are included in the meeting materials. The reports relate to business travel and non-travel related expenses and authorization and approval policies and purchases over \$250,000, and sole source purchases over \$250,000.</p>	
<p>Compliance & Quality Committee</p>	<p>Committee Chairperson Booth reported that the Compliance & Quality Committee met on February 16.</p> <ul style="list-style-type: none"> Board Member Booth was re-elected Chairperson of the committee. Mr. Mapp and the Compliance Department presented information from the February 2023 Chief Compliance Officer report: <ul style="list-style-type: none"> Dual Eligible Special Needs Plan (D-SNP) update included information about the member transition from Cal Medi-Connect to DSNP. L.A. Care is working to ensure that members can keep their current providers for continuity of care. Customer Solution Center staff gave a report on: <ul style="list-style-type: none"> Enrollment: L.A. Care has managed a 92% retention rate from Medicare Advantage Medicare-Medicaid Plan (MMP) to Dual Eligible Special Needs Plan (D-SNP) as of January 2023 The Call Center reported that the top five reasons why members call L.A. Care is to inquire on over the counter medication benefits, interpreter services requests, pharmacy, ID Card requests, and other benefits. L.A. Care received 403 continuity of care requests, maintains a log of the requests and validates that the Participating Provider Group (PPG) addresses and completes all requests. L.A. Care reaches out to PPGs around the 30-day turnaround time on any open items to ensure timely completion. Issues inventory report is continuing to be updated. Issues that are remediated in 2022 will be part of the Internal Audit follow up review process, with 88 issues being tracked from 2022 to 2023. Two need further follow up, 30 are in process of remediation, 51 have been remediated, and five new issues were added. Special Investigations Unit provided an update. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • Dr. Amin gave a Chief Medical Officer report. He reported the following: <ul style="list-style-type: none"> – The public health emergency in California ended on February 28 and noted it will affect Medi-Cal redeterminations (as mentioned previously). L.A. Care is expecting an influx of calls from members impacted by the transition. – He announced an organizational change. Case Management, Utilization Management, and Managed Long Term Services and Supports will now be under the Health Services department. A leadership team is being formed for those teams to ensure that L.A. Care is doing right by its members. <p>Earlier today, Board Member Booth heard that people are feeling they are not acknowledged. She thanked each member of the public who is here today for attending the meeting. For those of who are commenting, she thanked them for sharing their views.</p> <p>She assured visitors that every single person on this Board of Governors feels very strongly that patient safety and access to quality health care services is the highest priority. The Board also knows that members have different experiences and she wants members to know that Board Members hear you. One almost never hears an immediate and direct response to a comment, but please know each comment is heard and informs us about the important issues on which the Board deliberates. If there is a question that requires an answer, please contact Board Services staff, so an L.A. Care staff member can speak with you regarding your particular concern.</p>	
PUBLIC COMMENT on Closed Session Items	<p>Submitted via text on March 2 at 1:22pm by sender not self-identified <i>Public comment, I don't believe you read all public comments liars! Maybe you should be sued for lying , look at all these people suing LA Care , I can't wait to visit the courthouse and look you up! People suing LA Care, activist group to view public records, racially discriminated against former employee, state (sanctions) it was just stated no public comment from me until I confronted you!</i></p> <p>Submitted via chat on March 2, 2023 at 1:49 PM by Gladis Alvarez <i>Gracias LA Care por Abogar por las personas mas necesitadas dentro de nuestra comunidades. Seria grandioso si pudieran incluir programas para apoyar en la transition a las personas adultas con discapacidades para que Les sea mas eficaz accesar a sus servicios medicos en un Ambiente plenamente inclusivo para Ellos. ya que los recursos afuera para estar personas cuando ya son adultos estan limitados y no accesibles o apropiadamente adaptados a las necesitadas unicas de cada individuo.</i></p> <p>English interpretation of the above public comment: <i>Thank you L.A. Care for advocating for people with needs among our communities. It would be great if you could also include programs to support the transition of adult persons with disabilities, so it would be more efficient for them to access medical services in an environment that would be highly inclusive, due</i></p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><i>to the fact that resources and access for adult individuals are really limited and are not adequately adapted to the unique necessities of every individual.</i></p> <p>Submitted on March 2 2023 at 3:09 pm by Andria McFerson <i>Today we were just told that Tuesday, February 28, 2023 the Public Health Emergency ended and with it the exemptions to the Brown Act Requirements also ended With this new information, L.A. Care Leadership and the ECAC Chair have agreed to cancel the March ECAC meeting to help L.A. Care staff and ECAC members prepare for the transition to in-person meetings which will begin April 2023. I wanted to know is LA Care staff is bringing back all laws according to the Brown Act and hopefully Robert Rules of Order during the meetings for the Stakeholders', committee members and members of the public to participate in the ECAC, RCAC & BOG meetings. Will only one chair still make all decisions about the meeting times, date, speakers and overall agenda items? As a chair I have asked for items to be on the agenda that the staff sent out to the chairs to approve and I was told the chair that mediated the meeting can make that decision on her own. Will we have that right back? So does that include comments being asked for after the presentations are explained so that the public could respond effectively on how all announcements and motions and presentations effect them and their community? Please let us know because we could practice much more advocacy while talking about BOG motions and file motions with the ECAC if we had more input from the public and what affects them? Thank You, Andria McFerson, ECAC/RCAC 6 CHAIR</i></p> <p>Mr. Baackes noted that L.A. Care would be addressing Ms. McFerson’s concerns. An informal meeting is being planned with ECAC members to review meeting process as we emerge from the Brown Act exemptions under the public health emergency. The place for public comments in the Board of Governors meetings will be prior to Board consideration of the Agenda items so the Board Members hear the public comments before an item is deliberated.</p> <p>Submitted via email on March 2 2023 at 3:14 pm by Andria McFerson <i>Hello Chair, Can we please hear the public comments in the chat box? There are people making comments in the chat box in English and Spanish and they are not being read.</i></p>	
ADJOURN TO CLOSED SESSION	<p>The Joint Powers Authority Board of Directors meeting adjourned at 3:26 pm.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the following items to be discussed in closed session. The L.A. Care Board of Governors adjourned to closed session at 3:27 pm. No report is anticipated from the closed session.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<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>March 2025</i></p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable) L.A. Care Health Plan v. United States, (U.S. Court of Federal Claims Case No. 17-1542); (U.S. Court of Appeals for the Federal Circuit Case No. 20-2254)</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act HRRP Garland, LLC v. Local Initiative Health Authority for Los Angeles County L.A.S.C. Case No. 21STCV47250</p> <p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act: Four 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"> • THC- Orange County, LLC DBA Kindred Hospital – Los Angeles, et al. v. L.A. Care, L.A.S.C. 22STCV19872 • KND Development 52, LLC d/b/a Kindred Hosp. Baldwin Park, et al. v. L.A. Care, AHLA Case No. unavailable • KND Development 52, LLC d/b/a Kindred Hosp. Baldwin Park, et al. v. L.A. Care, L.A.S.C. 23STCV01166 <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 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
RECONVENE IN OPEN SESSION	The Board reconvened in open session at 4:43 p.m. There was no report from closed session.	
ADJOURNMENT	The meeting adjourned at 4:43 p.m.	

Messages submitted in the “chat” during the meeting:

March 2, 2023 2:00 PM from Demetria Saffore to everyone:
I see that you all are just going to sweep public comments under the rug.

March 2, 2023 2:16 PM from Demetria Saffore to everyone:
Are you all not going to address the public comments?

March 2, 2023 2:17 PM from Demetria Saffore to everyone:
I totally understand the you all have to deal with each agenda items but public comments are on the agenda so I don't understand why they're being ignored.

March 2, 2023 3:18 PM from Andria McFerson to everyone:
??????

March 2, 2023 3:19 PM from Gladis Alvarez to everyone:
I know translation was I little different!

Public Comment submitted after public comment had ended:

Submitted on March 2 2023 at 4:50 pm by Andria McFerson
Enjoy the rest of your weekend and stay warm.

Is it okay if LA Care asked any Orgs we communicate with to give information to the public (signs and posts maybe) on important resources to find healthy alternatives to the hail and rain outside? Or can we work with a mobile unit that gives some sort of coat drive with sweaters and shoes?

Could this positively help more Orgs made to assist the unhoused during this long stretch of cold weather we've had in LA? I gave hot water and tea bags and warm food to my homeless friends. I received those materials from another public facility that a man couldn't walk to because it was too cold and wet outside and they didn't have shoes. They were so grateful.

Also a disabled women-of-child needed shoes when it was hailing and instead of throwing old bags sweaters and shoes in the trash my neighbors and I give them to shelters and many other people directly that needed warm water and food.

Our prior meetings had presentations then public comments and then motions were voted on in that order. So will we allow that section of The Brown Act back into practice, I'm only asking of course because I may be wrong, does the original Brown Act require that meeting agendas provide an opportunity for members of the public to comment and address the body about any item listed on the agenda before the body's consideration of that item?

Per.. (Section 54954.3).

Thanks,

Enjoy your weekend, - Andria McFerson

Respectfully submitted by:

Linda Merkens, *Senior Manager, Board Services*

Malou Balones, *Board Specialist III*

Victor Rodriguez, *Board Specialist II*

APPROVED BY:

DocuSigned by:

John Raffoul

John G. Raffoul, *Board Secretary*

Date Signed 4/10/2023 | 2:17 PM PDT

APPROVED