

BOARD OF GOVERNORS
Executive Committee

Supplemental and Regular Meeting Minutes – October 25, 2017

1055 West 7th Street, Los Angeles, CA 90017



All votes during a teleconferenced portion of the meeting were by roll call

Members

Louise McCarthy, *Chairperson*
 Hector De La Torre, *Vice Chairperson* **
 Michael Rembis, *Treasurer* **
 G. Michael Roybal, MD, MPH, *Secretary*
 Mark Gamble
 Kimberly Uyeda, MD

Management/Staff

Terry Brown, *Chief Human Resources Officer*
 Augustavia Haydel, Esq., *General Counsel*
 Marie Montgomery, *Chief Financial Officer*
 Richard Seidman, MD, MPH, *Chief Medical Officer*

**Absent ** Via Teleconference*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER Louise McCarthy	Louise McCarthy, <i>Chairperson</i> , called the meeting to order at 2:05 pm. She announced that members of the public may address the Committee on each matter listed on the agenda before or during the Committee’s consideration of the item, or on any other topic at the Public Comment section.	
APPROVE MEETING AGENDA Louise McCarthy	The regular and special supplemental committee Agendas were approved as presented.	Approved unanimously by roll call. 5 AYES (Gamble, McCarthy, Rembis, Roybal, and Uyeda)
PUBLIC COMMENTS	There was no public comment.	
APPROVE MEETING MINUTES Louise McCarthy	The minutes of September 27, 2017 meeting were approved as presented.	Approved unanimously by roll call. 5 AYES
CHAIRPERSON’S REPORT Louise McCarthy	Chair McCarthy informed the Committee that John Baackes, <i>Chief Executive Officer</i> , will join the meeting as soon as he can. She noted that there is no board meeting in November 2017. The Board will meet on December 7. The Executive Committee will meet on November 15.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
COMMITTEE ISSUES		
<p>Government Affairs Update</p> <p>Cherie Compartore</p>	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported:</p> <p><u>Legislation</u></p> <p>Senator Lamar Alexander (R-Tennessee) and Senator Patty Murray (D-Washington) have reached a bipartisan deal. The proposal includes:</p> <ul style="list-style-type: none"> • Two years of Cost Sharing Reduction (CSR) subsidy funding, in addition to funding the remainder of 2017. • A "copper plan" for people 30 years of age and older, which would be less, comprehensive than other Affordable Care Act (ACA) plans but would have a lower premium. • Enrollment outreach funding in 2018 and 2019. • Shorter review time for states seeking waivers from some of the ACA's coverage requirements. • Authorization for funding to help states launch reinsurance programs. <p>When the Senate Republicans made a last-ditch effort to repeal the ACA in September, Senators Alexander and Murray ceased their negotiations in trying to reach a bipartisan deal due to several House Republican senators contending that bipartisan efforts would not make it out of the House even if the Senate passed a bill. Since the failure of the September incident, Alexander and Murray renewed their negotiations.</p> <p>It is unknown if this proposal will have momentum at this time. It is unclear if Senate Majority Leader McConnell will even bring the measure to the floor and unclear if there are the 60 votes for the procedural motions for breaking a filibuster. Also, it will be complex due to other congressional members attempting to get amendments in any deal that might be struck. It is also unclear if the President would sign the bill if sent to him.</p> <p><u>Children's Health Insurance Program (CHIP)/Health Center Funding</u></p> <ul style="list-style-type: none"> • Congress has not yet reached an agreement on how to pay for the CHIP and health center funding. Republicans were looking to pass a bill this last week but wanted to pay for it with cuts from the ACA. The Democrats did not agree. It is possible that the Senate and the House will pass their own versions of CHIP/health center funding and forcing a conference committee. The process could drag on until the 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>end of the year. There are a couple of bills out there that extend CHIP and provide funding for the health care centers but as of this moment, there is no agreement.</p> <ul style="list-style-type: none"> California budgeted for the CHIP program to continue in California. California is not expected to implement a wait list or to reduce benefits in absence of federal funding of the program at this time. Some states have announced they will have a wait list established – not California. <p><u>Special Needs Plan (SNP) Reauthorization</u></p> <ul style="list-style-type: none"> In late September, the Senate passed the Chronic Care Act which included the permanent authorization of Dual Eligible Special Needs Plan (D-SNPs). The bill also contained other provisions on improving the integration of Medicare and Medicaid and coordinating long term services and supports and behavioral health services in D-SNP contracts. On the House side, the Ways and Means Committee is working on its D-SNP policies. The committee is proposing a 5 year reauthorization instead of permanent like on the Senate side. The SNP reauthorization is still a moving target. Staff is monitoring and engaged with various trade associations on how the reauthorization could interact/included as part of a deal with the rest of the health care policy issues and proposals. <p><u>Universal Coverage Hearings</u></p> <ul style="list-style-type: none"> A special state assembly committee held two hearings this week on California’s health insurance system. While the hearings were not intended to be pro single payer or universal coverage, the hearing was scheduled as a result of the single payer bill that was shelved earlier this year. The hearings really focused on health insurance 101 on California (statistics, who is covered by what program, the uninsured demographics, costs of various programs, etc.). The committee had panel experts that provided information comparing coverage in Taiwan, Germany, Canada, etc. and the U.S. At this time, it was more about fact finding and presenting rather than taking a position on how the care would be delivered in a perfect world. Ms. Compartore believes the legislators that participated in the committee hearings walked away with the realization of how complex the current system is and the various funding sources. Congressional Democrats have introduced the State Public Option Act that would expand Medicaid to universal program that anyone could buy into. This is still just a concept proposal at this point and getting a bit of attention. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS				ACTION TAKEN																				
	<i>(Member De La Torre joined the meeting by telephone.)</i>																								
Human Resources Revised Policies Terry Brown	<p>Terry Brown, <i>Chief Human Resources Officer</i>, summarized the revised policies presented for approval. The revised policies reflect desired changes to L.A. Care's practices.</p> <table border="1" data-bbox="506 332 1591 1248"> <thead> <tr> <th>Policy Number</th> <th>Policy</th> <th>Section</th> <th>Description of Modification or Reason for Creation</th> </tr> </thead> <tbody> <tr> <td>HR-203</td> <td>Attendance and Punctuality</td> <td>Employee Relations</td> <td>Tardiness grace period changed from more than seven minutes to more than 10 minutes.</td> </tr> <tr> <td>HR-229</td> <td>Workplace Bullying</td> <td>Employee Relations</td> <td>1) Workplace bullying definition expanded to include examples of bullying and abusive behavior. 2) Non-retaliation for reporting bullying or abusive conduct added. 3) Policy violations reporting procedures updated.</td> </tr> <tr> <td>HR-317</td> <td>Verification of Employment</td> <td>Employment</td> <td>Verification process updated to reflect current procedures: a. Applications are completed on-line; b. Two professional reference checks are required before offer of employment is extended; c. Reference checks are completed by a third party administrator.</td> </tr> <tr> <td>HR-606</td> <td>Shift Differential</td> <td>Wage and Salary</td> <td>Elimination of Policy. L.A. Care does not have shift differentials.</td> </tr> </tbody> </table> <p><u>Motion EXE A.1017</u> To approve the revisions to Human Resources Policies: HR 203 (Attendance and Punctuality), HR 229 (Workplace Bullying), HR 317 (Verification of Employment), and HR 606 (Shift Differential).</p>				Policy Number	Policy	Section	Description of Modification or Reason for Creation	HR-203	Attendance and Punctuality	Employee Relations	Tardiness grace period changed from more than seven minutes to more than 10 minutes.	HR-229	Workplace Bullying	Employee Relations	1) Workplace bullying definition expanded to include examples of bullying and abusive behavior. 2) Non-retaliation for reporting bullying or abusive conduct added. 3) Policy violations reporting procedures updated.	HR-317	Verification of Employment	Employment	Verification process updated to reflect current procedures: a. Applications are completed on-line; b. Two professional reference checks are required before offer of employment is extended; c. Reference checks are completed by a third party administrator.	HR-606	Shift Differential	Wage and Salary	Elimination of Policy. L.A. Care does not have shift differentials.	<p>Approved unanimously by roll call. 6 AYES (De La Torre, Gamble, McCarthy, Rembis, Roybal, and Uyeda)</p>
Policy Number	Policy	Section	Description of Modification or Reason for Creation																						
HR-203	Attendance and Punctuality	Employee Relations	Tardiness grace period changed from more than seven minutes to more than 10 minutes.																						
HR-229	Workplace Bullying	Employee Relations	1) Workplace bullying definition expanded to include examples of bullying and abusive behavior. 2) Non-retaliation for reporting bullying or abusive conduct added. 3) Policy violations reporting procedures updated.																						
HR-317	Verification of Employment	Employment	Verification process updated to reflect current procedures: a. Applications are completed on-line; b. Two professional reference checks are required before offer of employment is extended; c. Reference checks are completed by a third party administrator.																						
HR-606	Shift Differential	Wage and Salary	Elimination of Policy. L.A. Care does not have shift differentials.																						

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN									
Selection Process for Charitable Organizations to receive Board Stipends	Chairperson McCarthy referred to the memo included in the meeting materials. <i>(A copy of this memo may be requested by contacting Board Services.)</i> There were no questions.										
Approval of RCAC/CCI Members	<p>On February 4, 2016, the Board delegated authority to the Executive Committee for approval of advisory committee officers and members in the interim between Board of Governors meetings, so advisory committee members can start serving their term right away. The Board will not meet in November 2017.</p> <p><u>Motion ECA 100.1017</u> To approve the following candidate(s) as members of the Regional Community Advisory Committees (RCAC) and Coordinated Care Initiative Councils (CCI), as reviewed by the Executive Community Advisory Committee (ECAC) during the October 11, 2017 ECAC meeting.</p> <table border="1" data-bbox="501 678 1600 839"> <thead> <tr> <th data-bbox="501 678 852 756">Name</th> <th data-bbox="852 678 1188 756">RCAC/CCI #</th> <th data-bbox="1188 678 1600 756">Type of Member (Agency, if applicable)</th> </tr> </thead> <tbody> <tr> <td data-bbox="501 756 852 797">Tonya Byrd</td> <td data-bbox="852 756 1188 797">RCAC 9</td> <td data-bbox="1188 756 1600 797">Consumer</td> </tr> <tr> <td data-bbox="501 797 852 839">Joseph Airo</td> <td data-bbox="852 797 1188 839">CCI 3</td> <td data-bbox="1188 797 1600 839">Consumer</td> </tr> </tbody> </table>	Name	RCAC/CCI #	Type of Member (Agency, if applicable)	Tonya Byrd	RCAC 9	Consumer	Joseph Airo	CCI 3	Consumer	Approved unanimously by roll call. 6 AYES
Name	RCAC/CCI #	Type of Member (Agency, if applicable)									
Tonya Byrd	RCAC 9	Consumer									
Joseph Airo	CCI 3	Consumer									
CHIEF EXECUTIVE OFFICER'S REPORT John Baackes	There was no CEO report. Mr. Baackes was not able to join the meeting.										
Fiscal Year-End 2016-17 Strategic Vision Progress Report	<p>Wendy Schiffer, <i>Senior Director, Strategic Planning</i>, referred to the report included in the meeting materials. <i>(A copy of the report may be requested by contacting Board Services.)</i></p> <ul style="list-style-type: none"> The format will be updated in 2017-18. Each report will include an in-depth report on one aspect of progress on the strategic initiatives. There were no questions on the progress report. <p>In response to Chair McCarthy's question regarding item 4.2, Ms. Schiffer indicated that some items have yellow highlight as there were changes in the department responsible for specific items, which may have delayed implementation of the task.</p>										

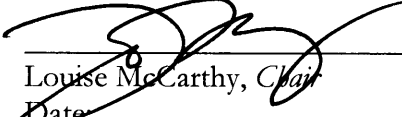
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>CHIF Priorities FY 2017-18</p>	<p><i>Members McCarthy, Gamble and Uyeda may have financial interests in Plans, Plan Participating Providers or other programs and as such should consider refraining from the discussion and vote on this motion.</i></p> <p>Member Roybal presided over the discussion. Due to conflicts, discussion and action on this item was deferred to the December board meeting.</p> <p><u>Motion EXE 100.1017</u></p> <ol style="list-style-type: none"> 1. To approve a Community Health Investment Fund (CHIF) FY 2017-18 allocation of up to \$10 million in the following priority categories: <ol style="list-style-type: none"> (1) Support safety net clinics' infrastructure to provide high quality and coordinated services and help clinics thrive in a managed care environment, recommended at \$2.5 million, (2) expand access to high-barrier services for low-income and vulnerable populations, recommended at \$1.5 million, (3) improve community health for underserved populations by addressing the social determinants that lead to poor health outcomes, recommended at \$2.0 million, and (4) \$4.0 million for Brilliant Corners, in partnership with the Los Angeles County Department of Health Services' Flexible Housing Subsidy Pool fund, to provide housing for homeless individuals, including L.A. Care members. These homeless housing funds support the goals of the Whole Person Care initiative under the California Medi-Cal waiver. 2. Delegate authority to the CEO to implement the CHIF program and to approve grant investments for up to \$150,000 per applicant. Also, allow for CEO to adjust maximum or minimum priority category amounts noted above to align with community needs and requests. All other policies and approvals related to grant making investments will remain in place. 	<p>Action on this motion was deferred to the December Board meeting.</p>
<p>APPROVE CONSENT AGENDA FOR DECEMBER 7, 2017 BOARD OF GOVERNORS MEETING</p>	<p>The Finance & Budget Committee approved and recommended that the following motions be included on the Consent Agenda for the December 7, 2017 Board of Governors meeting:</p> <ul style="list-style-type: none"> • Quarterly Investment Report • Revised Policy AFS 002 (Capital Assets) • Revised Policies AFS 004 (Non-Travel) and AFS-027 (Travel and Other Expenses) 	<p>Approved unanimously by roll call. 6 AYES</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> Revised Policy AFS 007 (Procurement Approval Process) <p>The Executive Committee approved the above motions from Finance & Budget Committee and the following motion to be placed on the Consent Agenda for the October 5, 2017 Board meeting:</p> <ul style="list-style-type: none"> RCAC/CCI Membership 	
ADJOURN TO CLOSED SESSION	<p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the items to be discussed in closed session. She announced there is no anticipated report from the closed session. There was no public comment on the closed session items, and the meeting adjourned to closed session at 2:29 p.m.</p> <p><i>This agenda item was not discussed.</i></p> <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><i>This agenda item was not discussed.</i></p> <p>REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Product Lines <i>Estimated date of public disclosure: October 2019</i></p> <p>CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to Section 54956.8 of the Ralph M. Brown Act Property: 3200 East Imperial Highway, Lynwood, CA. 90262 Agency Negotiator: John Baackes, CEO Negotiating Parties: Kamran Setareh, 3200 Imperial Highway Corporation, 272 S. Lasky Dr. #201, Beverly Hills, CA 90212 Under Negotiation: Price and Terms of Payment</p> <p>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Initiation of litigation pursuant to Section 54956.9(d)(4) of Ralph M. Brown Act. One Potential Case</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	CONFERENCE WITH LABOR NEGOTIATOR Section 54957.6 of the Ralph M. Brown Act Agency Negotiator: Louise McCarthy Unrepresented Employee: Chief Executive Officer PUBLIC EMPLOYEE PERFORMANCE EVALUATION Section 54957 of the Ralph M. Brown Act Title: Chief Executive Officer	
RECONVENIE IN OPEN SESSION	The meeting reconvened in open session at 2:45 p.m. No reportable actions were taken during the closed session.	
ADJOURNMENT	The regular meeting adjourned at 2:45 p.m.	

Respectfully submitted by:
 Linda Merkens, *Manager, Board Services*
 Malou Balones, *Committee Liaison*

APPROVED BY:



 Louise McCarthy, *Chair*
 Date: _____

APPROVED