



L.A. Care
HEALTH PLAN®

For All of L.A.

BOARD OF GOVERNORS MEETING

December 5, 2019 • 2:00 PM

L.A. Care Health Plan, Conference Room 100
1055 W. 7th Street, Los Angeles, CA 90017



**ELEVATING
HEALTHCARE**
IN LOS ANGELES COUNTY
SINCE 1997

Statement

L.A. Care's mission is to provide access to quality health care for Los Angeles County's vulnerable and low-income communities and residents and to support the safety net required to achieve that purpose.

Overview

Committed to the promotion of accessible, affordable and high quality health care, L.A. Care Health Plan (Local Initiative Health Authority of Los Angeles County) is an independent local public agency created by the State of California to provide health coverage to low-income Los Angeles County residents. Serving more than two million members in five product lines, L.A. Care is the nation's largest publicly operated health plan.

L.A. Care Health Plan is governed by 13 board members representing specific stakeholder groups, including consumer members, physicians, federally qualified health centers, children's health care providers, local hospitals and the Los Angeles County Department of Health Services.

L.A. Care advances individual and community health through a variety of targeted activities including a Community Health Investment Fund and sponsorships program that have awarded more than \$180 million throughout the years to support the health care safety net and expand health coverage. The patient-centered health plan has a robust system of consumer advisory groups, including 11 Regional Community Advisory Committees (governed by an Executive Community Advisory Committee), 35 health promoters and six Family Resource Centers that offer free health education and exercise classes to the community, and has made significant investments in Health Information Technology for the benefit of the more than 10,000 doctors and other health care professionals who serve L.A. Care members.

Programs

- **Medi-Cal** – In addition to offering a direct Medi-Cal line of business, L.A. Care works with three subcontracted health plans to provide coverage to Medi-Cal members. These partners are Anthem Blue Cross, Blue Shield of California Promise Health Plan and Kaiser Permanente. Medi-Cal beneficiaries represent a vast majority of L.A. Care members.
- **L.A. Care Covered™** – As a state selected Qualified Health Plan, L.A. Care provides the opportunity for all members of a family to receive health coverage under one health plan in the Covered California state exchange.



- **L.A. Care Cal MediConnect Plan** – L.A. Care Cal MediConnect Plan provides coordinated care for Los Angeles County seniors and people with disabilities who are eligible for Medicare and Medi-Cal.
- **PASC-SEIU Homecare Workers Health Care Plan** – L.A. Care provides health coverage to Los Angeles County’s In-Home Supportive Services (IHSS) workers, who enable our most vulnerable community members to remain safely in their homes by providing services such as meal preparation and personal care services.

L.A. Care Membership by Product Line – As of October 2019	
Medi-Cal	1,999,209
L.A. Care Covered	129,053
Cal MediConnect	16,158
PASC-SEIU	50,715
Total membership	2,195,135
L.A. Care Providers – As of September 2018	
Physicians	4,926
Specialists	19,024
Both	1,537
Hospitals, clinics and other health care professionals	8,778
Financial Performance (FY 2018-2019 budget)	
Revenue	\$7.7B
Fund Equity	\$820.3M
Net Operating Surplus	\$121.4M
Administrative cost ratio	5.5%
Staffing highlights	
Full-time employees (Actual as of November 2019)	2,343
Projected full-time employees (FY 2018-2019 budget)	2,156





AGENDA
BOARD OF GOVERNORS MEETING

Thursday, December 5, 2019, 2:00 PM

L.A. Care Health Plan, 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017

DRAFT

Teleconference Call-In Information/Sites
Call (844) 907-7272 or (213) 438-5597
Participant Access Code #73259739

Hector De La Torre
116 W 31st St
New York, NY 10001

Robert H. Curry
210 W. San Bernardino Road
Covina CA 91723

Welcome

Hector De La Torre, *Chair*

1. Approve today’s Agenda *Chair*
2. Public Comment *Chair*
3. Consent Agenda Items (approved by a Committee) *Chair*
 - Approve November 7, 2019 meeting minutes p.24
 - Charitable Organizations to Receive Board Member Stipends **(BOG 100)** p.46
 - Quarterly Investment Report **(FIN 100)** p.49
 - Revisions to Accounting & Financial Services Policies **(FIN 101)** p.81
 - AFS-006 (Authorization and Approval Limits) p.82
 - AFS-025 (Tangible Net Equity and Working Capital Reserves) p.92
 - AFS-027 (Travel Expenses) p.97
 - AFS-029 (Annual Budgets and Board of Governors Oversight) p.115
 - 2020 Compliance Work Plan **(COM 100)** p.122
 - 2020 Risk Assessment **(COM 101)** p.130
 - 2020 Internal Audit Plan **(COM 102)** p.143
 - 2020 Delegation Oversight Audit Plan **(COM 103)** p.151
 - Regional Community Advisory Committee (RCAC) Members **(ECA 100)** p.163
4. Chairperson’s Report *Chair*
5. Chief Executive Officer Report p.164 John Baackes
Chief Executive Officer
 - L.A. Homeless Health Summit p.166 Alison Klurfeld
Director, Safety Net Programs & Partnerships
6. Chief Medical Officer Report p.176 Richard Seidman, MD, MPH
Chief Medical Officer
7. Department of Health Care Services Contract Amendment **(BOG 101)** p.181 Augustavia J. Haydel, Esq.
General Counsel

Committee Reports

8. Executive Community Advisory Committee Hilda Perez/Layla Gonzalez
Consumer member and Advocate member
9. Children’s Health Consultant Advisory Committee Richard Seidman, MD, MPH

10. Executive Committee *Chair*
- 2020 State & Federal Policy Agenda (**EXE 100**) p.194 Cherie Compartore
Senior Director, Government Affairs
 - Community Health Investment Fund Priorities FY 2019-20 (**BOG 101**) p.218 Roland Palencia
Director, Community Benefits Programs
11. Finance & Budget Committee Robert H. Curry
Committee Chair
- Financial Report (**FIN 102**) p.226 Marie Montgomery
Chief Financial Officer
12. Compliance & Quality Committee Stephanie Booth, MD
Committee Chair
13. Public Comment *Chair*

ADJOURN TO CLOSED SESSION (Estimated time: 30 minutes)

Chair

14. CONTRACT RATES
Pursuant to Welfare and Institutions Code Section 14087.38(m)
- Plan Partner Rates
 - Provider Rates
 - DHCS Rates
15. REPORT INVOLVING TRADE SECRET
Pursuant to Welfare and Institutions Code Section 14087.38(n)
Discussion Concerning new Service, Program, Technology, Business Plan
Estimated date of public disclosure: *December 2021*
16. CONTRACT RATES
Pursuant to Welfare and Institutions Code Section 14087.38(m)
- Plan Partner Services Agreement
17. CONFERENCE WITH LEGAL COUNSEL –EXISTING LITIGATION
Section 54956.9(d)(1) of Ralph M. Brown Act:
Names of cases:
- Dignity Health and Northridge Hospital Medical Center v. L.A Care Health Plan et al. (BC583522);
Appeal No. B288886
 - Dignity Health and Northridge Hospital Medical Center v. L.A Care Health Plan et al. (BS172353)
California Hospital Medical Center et al (Dignity) v. L.A. Care (JAMS. 1220056913)
18. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
Pursuant to Section 54956.9(d)(1) of Ralph M. Brown Act:
Name of Case: Butler v. L.A. Care Case No. 18STCV08155
19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 of the
Ralph M. Brown Act , Two Potential Cases

RECONVENE IN OPEN SESSION

Chair

20. Employee Annual Incentive Plan (EXE 101) p.272

Terry Brown
Chief Human Resources Officer

Chair

Adjournment

There is no Board of Governors Meeting in January 2020

**The next meeting is scheduled on Thursday, February 6, 2020 at 2:00 PM
at L.A. Care Health Plan, 1055 W. 7th Street, Los Angeles, CA 90017**

Please keep public comments to three minutes or less.

The order of items appearing on the agenda may change during the meeting.

If a teleconference location is listed at the top of this agenda, the public can participate in the meeting at that location or by calling the teleconference call in number provided. If teleconference arrangements are listed at the top of this Agenda, note that the arrangements may change prior to the meeting.

To confirm details with L.A. Care Board Services staff prior to the meeting call (213) 694-1250, extension 4183 or 4184.

THE PUBLIC MAY ADDRESS THE BOARD OF GOVERNORS BEFORE DISCUSSION OF EACH ITEM LISTED ON THE AGENDA BY FILLING OUT A “REQUEST TO ADDRESS” FORM AND SUBMITTING THE FORM TO L.A. CARE STAFF PRESENT AT THE MEETING BEFORE THE AGENDA ITEM IS ANNOUNCED. YOUR NAME WILL BE CALLED WHEN THE ITEM YOU ARE ADDRESSING WILL BE DISCUSSED. THE PUBLIC MAY ALSO ADDRESS THE BOARD ON OTHER L.A. CARE MATTERS DURING PUBLIC COMMENT.

ACTION MAY NOT BE TAKEN ON ANY MATTER RAISED DURING THE PUBLIC COMMENT PERIODS UNTIL THE MATTER IS SPECIFICALLY LISTED ON A FUTURE AGENDA, according to California Govt Code Section 54954.2 (a)(3) and Section 54954.3.

NOTE: THE BOARD OF GOVERNORS CURRENTLY MEETS ON THE FIRST THURSDAY OF MOST MONTHS AT 2:00 P.M. POSTED AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION AT Board Services, 1055 W. 7th Street – 10th Floor, Los Angeles, CA 90017.

Any documents distributed to a majority of the Board Members regarding any agenda item for an open session after the agenda has been posted will be available for public inspection at Board Services, L.A. Care Health Plan, 1055 W. 7th Street, 10th Floor, Los Angeles, CA 90017, during regular business hours, 8:00 a.m. to 5:00 p.m., Monday – Friday.

An audio recording of the meeting is made to assist in writing the minutes and is retained for 30 days.

Meetings are accessible to people with disabilities. Individuals who may require any accommodations (alternative formats - i.e., large print, audio, translation of meeting materials, interpretation, etc.) to participate in this meeting and wish to request an alternative format for the agenda, meeting notice, and meeting packet may contact L.A. Care's Board Services Department at (213) 694-1250. Notification at least one week before the meeting will enable us to make reasonable arrangements to ensure accessibility to the meetings and to the related materials.



Schedule of Meetings December 2019

Monday	Tuesday	Wednesday	Thursday	Friday
				1
2	3	4	5 <i>Board of Governors Meeting</i> 2 pm	6
9	10	11 <i>ECAC</i> 10 am (for approx. 3 hours)	12	13
16 <i>RCAC 2</i> 10 am (for approx. 2-1/2 hours) <i>RCAC 5</i> 2 pm (for approx. 2-1/2 hours)	17 <i>RCAC 3</i> 9:30 am (for approx. 2-1/2 hours)	18	19 <i>RCAC 6</i> 3 pm (for approx. 2-1/2 hours) <i>RCAC 10</i> 1 pm (for approx. 2-1/2 hours)	20 <i>RCAC 1</i> 10 am (for approx. 2-1/2 hours)
23	24	25	26	27
30	31			

No Board Committee meetings for the month of December 2019



BOARD / COMMITTEE	MEETING DAY, TIME, & LOCATION	MEETING DATES	MEMBERS
<p>Board of Governors General Meeting</p>	<p>1st Thursday 2:00 PM <i>(for approximately 3 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017</p>	<p>December 5</p>	<p>Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Robert Curry, <i>Treasurer</i> Layla Gonzalez, <i>Secretary</i> Stephanie Booth, MD Christina R. Ghaly, MD George W. Greene, Esq. Antonia Jimenez Hilda Perez Honorable Mark Ridley-Thomas G. Michael Roybal, MD, MPH Ilan Shapiro, MD Nina Vaccaro</p> <p><u>Staff Contact:</u> John Baackes <i>Chief Executive Officer, x4102</i> Linda Merkens <i>Senior Manager, Board Services, x4050</i></p>

**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

Board of Governors - Standing Committees

	MEETING DAY, TIME, & LOCATION	MEETING DATES	MEMBERS
Executive Committee	4 th Monday of the month 2:00 PM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017	<i>No meeting in December</i>	Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Robert H. Curry, <i>Treasurer</i> Layla Gonzalez, <i>Secretary</i> Stephanie Booth, MD Hilda Perez <u>Staff Contact:</u> Linda Merkens <i>Senior Manager, Board Services, x4050</i>
Compliance & Quality Committee	3 rd Thursday every 2 months 2:00 PM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017	<i>No meeting in December</i>	Stephanie Booth, MD, <i>Chairperson</i> Alvaro Ballesteros, MBA Christina Ghaly, MD Hilda Perez Ilan Shapiro, MD <u>Staff Contact:</u> Victor Rodriguez <i>Board Specialist, Board Services x 5214</i>
Finance & Budget Committee	4 th Monday of the month 1:00 PM <i>(for approximately 1 hour)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017	<i>No meeting in December</i>	Robert H. Curry, <i>Chairperson</i> Stephanie Booth, MD Hector De La Torre Hilda Perez G. Michael Roybal, MD, MPH <u>Staff Contact:</u> Malou Balones <i>Senior Board Specialist, Board Services x4183</i>
Governance Committee	1055 W. 7th Street, 1st Floor Los Angeles, CA 90017 MEETS AS NEEDED		Hilda Perez, <i>Chairperson</i> Stephanie Booth, MD Layla Gonzalez Antonia Jimenez <u>Staff Contact:</u> Malou Balones <i>Senior Board Specialist, Board Services/x 4183</i>

For information on the current month's meetings, check calendar of events at www.lacare.org. Meetings may be cancelled or rescheduled at the last moment. To check on a particular meeting, please call (213) 694-1250 or send email to boardservices@lacare.org.

**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

	MEETING DAY, TIME, & LOCATION	MEETING DATES	MEMBERS
Service Agreement Committee	1055 W. 7th Street, 1st Floor Los Angeles, CA 90017 MEETS AS NEEDED		Layla Gonzalez, <i>Chairperson</i> Antonia Jimenez Hilda Perez <u>Staff Contact</u> Malou Balones <i>Senior Board Specialist, Board Services/x 4183</i>
Audit Committee	1055 W. 7th Street, 1st Floor Los Angeles, CA 90017		Alvaro Ballesteros, MBA, <i>Interim Chairperson</i> Stephanie Booth, MD, Layla Gonzalez <u>Staff Contact</u> Malou Balones <i>Senior Board Specialist, Board Services, x 4183</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

	MEETING DAY, TIME, & LOCATION	MEETING DATES	MEMBERS
L.A. Care Community Health	Meets Annually or as needed 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017		Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Robert Curry, <i>Treasurer</i> Layla Gonzalez, <i>Secretary</i> Stephanie Booth, MD Christina R. Ghaly, MD George W. Greene, Esq. Antonia Jimenez Hilda Perez Honorable Mark Ridley-Thomas G. Michael Roybal, MD, MPH Ilan Shapiro, MD Nina Vaccaro Staff Contact: John Baackes <i>Chief Executive Officer, x4102</i> Linda Merkens <i>Senior Manager, Board Services, x4050</i>
L.A. Care Joint Powers Authority	Meets as needed 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017		Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Robert Curry, <i>Treasurer</i> Layla Gonzalez, <i>Secretary</i> Stephanie Booth, MD Christina R. Ghaly, MD George W. Greene, Esq. Antonia Jimenez Hilda Perez Honorable Mark Ridley-Thomas G. Michael Roybal, MD, MPH Ilan Shapiro, MD Nina Vaccaro Staff Contact: John Baackes <i>Chief Executive Officer, x4102</i> Linda Merkens <i>Senior Manager, Board Services, x4050</i>

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2019 MEETING SCHEDULE / MEMBER LISTING**

Public Advisory Committees

	MEETING DAY, TIME, & LOCATION	MEETING DATES	STAFF CONTACT
Children’s Health Consultant Advisory Committee General Meeting	3 rd Tuesday of every other month 8:30 AM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017		Tara Ficek, MPH, <i>Chairperson</i> Staff Contact: Victor Rodriguez <i>Board Specialist, Board Services/x 5214</i>
Executive Community Advisory Committee	2 nd Wednesday of the month 10:00 AM <i>(for approximately 3 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017	December 11	Ana Romo, <i>Chairperson</i> Staff Contact: Idalia Chitica, <i>Community Outreach & Education, Ext. 4420</i>
Technical Advisory Committee			Staff Contact: Victor Rodriguez <i>Board Specialist, Board Services/x 5214</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

REGIONAL COMMUNITY ADVISORY COMMITTEES

REGION	MEETING DAY, TIME, & LOCATION	MEETING DATE	STAFF CONTACT
Region 1 Antelope Valley	3 rd Friday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Family Resource Center-Palmdale 2072 E. Palmdale Blvd. Palmdale, CA 93550 (213) 438-5580	December 20	Russel Mahler, <i>Chairperson</i> Staff Contact: Kristina Chung <i>Community Outreach & Education, x5139</i>
Region 2 San Fernando Valley	3 rd Monday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Family Resource Center-Pacoima 10807 San Fernando Road Pacoima, CA 91331 (844) 858-9942	December 16	Estela Lara, <i>Chairperson</i> Staff Contact: Kristina Chung <i>Community Outreach & Education, x5139</i>
Region 3 Alhambra, Pasadena and Foothill	3 rd Tuesday of every other month 9:30 AM <i>(for approximately 2-1/2 hours)</i> Rosemead Community Center 3936 N. Muscatel Avenue, Room 3 Rosemead, CA 91770 (626) 569-2160	December 17	Cynthia Contreas-Wood, <i>Chairperson</i> Staff Contact: Frank Meza <i>Community Outreach & Education, x4239</i>
Region 4 Hollywood-Wilshire, Central L.A. and Glendale	3 rd Wednesday of every other month 9:30 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Health Plan Conference Room 100 1055 W. 7 th Street Los Angeles, CA 90017 (213) 694-1250		Sylvia Poz, <i>Chairperson</i> Staff Contact: Jose Rivas <i>Community Outreach & Education, x4090</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

REGION	MEETING DAY, TIME, & LOCATION	MEETING DATE	STAFF CONTACT
<p>Region 5 Culver City, Venice, Santa Monica, Malibu, Westchester</p>	<p>3rd Monday of every other month 2:00 PM <i>(for approximately 2-1/2 hours)</i> Veterans Memorial Building Garden Room 4117 Overland Avenue Culver City, CA 90230 (310) 253-6625</p>	December 16	<p>Maria Sanchez, <i>Chairperson</i></p> <p><u>Staff Contact:</u> Jose Rivas <i>Community Outreach & Education, x4090</i></p>
<p>Region 6 Compton, Inglewood, Watts, Gardena, Hawthorne</p>	<p>3rd Thursday of every other month 3:00 PM <i>(for approximately 2-1/2 hours)</i> South LA Sports Activity Center 7020 S. Figueroa Street Los Angeles, CA 90003 (323) 758-8716</p>	December 19	<p>Andria McFerson, <i>Chairperson</i></p> <p><u>Staff Contact:</u> Jose Rivas <i>Community Outreach & Education, x4090</i></p>
<p>Region 7 Huntington Park, Bellflower, Norwalk, Cudahy</p>	<p>3rd Thursday of every other month 2:00 PM <i>(for approximately 2-1/2 hours)</i> Community Empowerment Center 7515 Pacific Blvd. Walnut Park, CA 90255 (213) 516-3575</p>		<p>Fatima Vasquez, <i>Chairperson</i></p> <p><u>Staff Contact:</u> Martin Vicente <i>Community Outreach & Education, x 4423</i></p>
<p>Region 8 Carson, Torrance, San Pedro, Wilmington</p>	<p>3rd Friday of every other month 10:30 AM <i>(for approximately 2-1/2 hours)</i> Providence Community Health Wellness and Activity Center 470 N. Hawaiian Ave. Wilmington, CA 90744 (424) 212-5699</p>		<p>Ana Romo – <i>Chairperson</i></p> <p><u>Staff Contact:</u> Martin Vicente <i>Community Outreach & Education, x 4423</i></p>

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2019 MEETING SCHEDULE / MEMBER LISTING**

REGION	MEETING DAY, TIME, & LOCATION	MEETING DATE	STAFF CONTACT
Region 9 Long Beach	3rd Monday of every other month 9:30 AM <i>(for approximately 2-1/2 hours)</i> First Congressional Church of Long Beach 241 Cedar Avenue Long Beach, CA 90802 (562) 436-2256		Tonya Byrd, <i>Chairperson</i> <u>Staff Contact:</u> Kristina Chung <i>Community Outreach & Education, x5139</i>
Region 10 East Los Angeles, Whittier and Highland Park	3rd Thursday of every other month 1:00 PM <i>(for approximately 2-1/2 hours)</i> L.A. Care East L.A. Family Resource Center 4801 Whittier Blvd Los Angeles, CA 90022 (213) 438-5570	December 19	Damaris de Cordero, <i>Chairperson</i> <u>Staff Contact:</u> Frank Meza <i>Community Outreach & Education, x4239</i>
Region 11 Pomona and El Monte	3rd Thursday of every other Month 10:00 AM <i>(for approximately 2-1/2 hours)</i> Pomona Family Resource Center 696 W. Holt Street Pomona, CA 91768 (909) 620-1661		Maria Angel Refugio, <i>Chairperson</i> <u>Staff Contact:</u> Frank Meza <i>Community Outreach & Education, x4239</i>

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BOARD / COMMITTEE	MEETING DAY, TIME, & LOCATION	MEETING DATES	MEMBERS
<p>Board of Governors General Meeting</p>	<p>1st Thursday 2:00 PM <i>(for approximately 3 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017</p> <p>*Tentative (placeholder meeting) **Offsite – location TBD ***Offsite All Day Retreat – location TBD</p>	<p><i>No meeting in January</i> February 6 March 5 * April 2 May 7 June 4 ** July 30 <i>No meeting in August</i> September 3 *** October 1 * November 5 December 3</p>	<p>Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Robert Curry, <i>Treasurer</i> Layla Gonzalez, <i>Secretary</i> Stephanie Booth, MD Christina R. Ghaly, MD George W. Greene, Esq. Antonia Jimenez Hilda Perez Honorable Mark Ridley-Thomas G. Michael Roybal, MD, MPH Ilan Shapiro, MD Nina Vaccaro</p> <p>Staff Contact: John Baackes <i>Chief Executive Officer, x4102</i> Linda Merkens <i>Senior Manager, Board Services, x4050</i></p>

**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

Board of Governors - Standing Committees

	MEETING DAY, TIME, & LOCATION	MEETING DATES	MEMBERS
Executive Committee	4 th Monday of the month 2:00 PM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017	January 27 February 24 March 23 April 27 May 26 June 22 <i>No meeting in July</i> August 24 September 28 October 26 November 19 <i>No meeting in December</i>	Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Robert H. Curry, <i>Treasurer</i> Layla Gonzalez, <i>Secretary</i> Stephanie Booth, MD Hilda Perez Staff Contact: Linda Merkens <i>Senior Manager, Board Services, x4050</i>
Compliance & Quality Committee	3 rd Thursday every 2 months 2:00 PM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017	January 16 March 19 May 21 August 20 September 17 November 19 <i>No meeting in December</i>	Stephanie Booth, MD, <i>Chairperson</i> Alvaro Ballesteros, MBA Christina Ghaly, MD Hilda Perez Ilan Shapiro, MD Staff Contact: Victor Rodriguez <i>Board Specialist II, Board Services x 5214</i>
Finance & Budget Committee	4 th Monday of the month 1:00 PM <i>(for approximately 1 hour)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017	January 27 February 24 March 23 April 27 May 26 June 22 <i>No meeting in July</i> August 24 September 28 October 26 November 19 <i>No meeting in December</i>	Robert H. Curry, <i>Chairperson</i> Stephanie Booth, MD Hector De La Torre Hilda Perez G. Michael Roybal, MD, MPH Staff Contact: Malou Balones <i>Board Specialist III, Board Services x4183</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
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Governance Committee	1055 W. 7th Street, 1st Floor Los Angeles, CA 90017 MEETS AS NEEDED		Hilda Perez, <i>Chairperson</i> Stephanie Booth, MD Layla Gonzalez Antonia Jimenez <u>Staff Contact:</u> Malou Balones <i>Board Specialist III, Board Services/ x 4183</i>
Service Agreement Committee	1055 W. 7th Street, 1st Floor Los Angeles, CA 90017 MEETS AS NEEDED		Layla Gonzalez, <i>Chairperson</i> Antonia Jimenez Hilda Perez <u>Staff Contact</u> Malou Balones <i>Board Specialist III, Board Services/ x 4183</i>
Audit Committee	1055 W. 7th Street, 1st Floor Los Angeles, CA 90017 MEETS AS NEEDED		Alvaro Ballesteros, MBA, <i>Chairperson</i> Stephanie Booth, MD, Layla Gonzalez <u>Staff Contact</u> Malou Balones <i>Board Specialist III, Board Services, x 4183</i>

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2019 MEETING SCHEDULE / MEMBER LISTING**

	MEETING DAY, TIME, & LOCATION	MEETING DATES	MEMBERS
<p align="center">L.A. Care Community Health</p>	<p align="center">Meets Annually or as needed 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017</p>		<p>Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Robert Curry, <i>Treasurer</i> Layla Gonzalez, <i>Secretary</i> Stephanie Booth, MD Christina R. Ghaly, MD George W. Greene, Esq. Antonia Jimenez Hilda Perez Honorable Mark Ridley-Thomas G. Michael Roybal, MD, MPH Ilan Shapiro, MD Nina Vaccaro</p> <p><u>Staff Contact:</u> John Baackes <i>Chief Executive Officer, x4102</i> Linda Merkens <i>Senior Manager, Board Services, x4050</i></p>
<p align="center">L.A. Care Joint Powers Authority</p>	<p align="center">Meets as needed 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017</p>		<p>Hector De La Torre, <i>Chairperson</i> Alvaro Ballesteros, MBA, <i>Vice Chairperson</i> Robert Curry, <i>Treasurer</i> Layla Gonzalez, <i>Secretary</i> Stephanie Booth, MD Christina R. Ghaly, MD George W. Greene, Esq. Antonia Jimenez Hilda Perez Honorable Mark Ridley-Thomas G. Michael Roybal, MD, MPH Ilan Shapiro, MD Nina Vaccaro</p> <p><u>Staff Contact:</u> John Baackes <i>Chief Executive Officer, x4102</i> Linda Merkens <i>Senior Manager, Board Services, x4050</i></p>

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please call (213) 694-1250 or send email to boardservices@lacare.org.**

**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

Public Advisory Committees

	MEETING DAY, TIME, & LOCATION	MEETING DATES	STAFF CONTACT
Children’s Health Consultant Advisory Committee General Meeting	3 rd Tuesday of every other month 8:30 AM <i>(for approximately 2 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017	January 21 March 17 May 19 August 18 September 15 November 19	Tara Ficek, MPH, Chairperson Staff Contact: Victor Rodriguez <i>Board Specialist II, Board Services/ x 5214</i>
Executive Community Advisory Committee	2 nd Wednesday of the month 10:00 AM <i>(for approximately 3 hours)</i> 1055 W. 7th Street, 1st Floor, Los Angeles, CA 90017	January 8 February 12 March 11 April 8 May 13 June 10 July 8 No meeting in August September 9 October 14 November 11 December 9	Ana Romo, Chairperson Staff Contact: Idalia Chitica, <i>Community Outreach & Education, Ext. 4420</i>
Technical Advisory Committee		<i>This Committee is under restructure.</i>	Staff Contact: Victor Rodriguez <i>Board Specialist II, Board Services/ x 5214</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

REGIONAL COMMUNITY ADVISORY COMMITTEES

REGION	MEETING DAY, TIME, & LOCATION	MEETING DATE	STAFF CONTACT
Region 1 Antelope Valley	3 rd Friday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Family Resource Center-Palmdale 2072 E. Palmdale Blvd. Palmdale, CA 93550 (213) 438-5580		Russel Mahler, <i>Chairperson</i> Staff Contact: Kristina Chung <i>Community Outreach & Education, x5139</i>
Region 2 San Fernando Valley	3 rd Monday of every other month 10:00 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Family Resource Center-Pacoima 10807 San Fernando Road Pacoima, CA 91331 (844) 858-9942		Estela Lara, <i>Chairperson</i> Staff Contact: Kristina Chung <i>Community Outreach & Education, x5139</i>
Region 3 Alhambra, Pasadena and Foothill	3 rd Tuesday of every other month 9:30 AM <i>(for approximately 2-1/2 hours)</i> Rosemead Community Center 3936 N. Muscatel Avenue, Room 3 Rosemead, CA 91770 (626) 569-2160		Cynthia Contreas-Wood, <i>Chairperson</i> Staff Contact: Frank Meza <i>Community Outreach & Education, x4239</i>
Region 4 Hollywood- Wilshire, Central L.A. and Glendale	3 rd Wednesday of every other month 9:30 AM <i>(for approximately 2-1/2 hours)</i> L.A. Care Health Plan Conference Room 100 1055 W. 7 th Street Los Angeles, CA 90017 (213) 694-1250		Sylvia Poz, <i>Chairperson</i> Staff Contact: Jose Rivas <i>Community Outreach & Education, x4090</i>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

REGION	MEETING DAY, TIME, & LOCATION	MEETING DATE	STAFF CONTACT
<p>Region 5 Culver City, Venice, Santa Monica, Malibu, Westchester</p>	<p>3rd Monday of every other month 2:00 PM <i>(for approximately 2-1/2 hours)</i> Veterans Memorial Building Garden Room 4117 Overland Avenue Culver City, CA 90230 (310) 253-6625</p>		<p>Maria Sanchez, <i>Chairperson</i></p> <p><u>Staff Contact:</u> Jose Rivas <i>Community Outreach & Education, x4090</i></p>
<p>Region 6 Compton, Inglewood, Watts, Gardena, Hawthorne</p>	<p>3rd Thursday of every other month 3:00 PM <i>(for approximately 2-1/2 hours)</i> South LA Sports Activity Center 7020 S. Figueroa Street Los Angeles, CA 90003 (323) 758-8716</p>		<p>Andria McFerson, <i>Chairperson</i></p> <p><u>Staff Contact:</u> Jose Rivas <i>Community Outreach & Education, x4090</i></p>
<p>Region 7 Huntington Park, Bellflower, Norwalk, Cudahy</p>	<p>3rd Thursday of every other month 2:00 PM <i>(for approximately 2-1/2 hours)</i> Community Empowerment Center 7515 Pacific Blvd. Walnut Park, CA 90255 (213) 516-3575</p>		<p>Fatima Vasquez, <i>Chairperson</i></p> <p><u>Staff Contact:</u> Martin Vicente <i>Community Outreach & Education, x 4423</i></p>
<p>Region 8 Carson, Torrance, San Pedro, Wilmington</p>	<p>3rd Friday of every other month 10:30 AM <i>(for approximately 2-1/2 hours)</i> Providence Community Health Wellness and Activity Center 470 N. Hawaiian Ave. Wilmington, CA 90744 (424) 212-5699</p>		<p>Ana Romo – <i>Chairperson</i></p> <p><u>Staff Contact:</u> Martin Vicente <i>Community Outreach & Education, x 4423</i></p>

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**BOARD OF GOVERNORS & PUBLIC ADVISORY COMMITTEES
2019 MEETING SCHEDULE / MEMBER LISTING**

REGION	MEETING DAY, TIME, & LOCATION	MEETING DATE	STAFF CONTACT
Region 9 Long Beach	3rd Monday of every other month 9:30 AM <i>(for approximately 2-1/2 hours)</i> First Congressional Church of Long Beach 241 Cedar Avenue Long Beach, CA 90802 (562) 436-2256		Tonya Byrd, Chairperson Staff Contact: Kristina Chung <i>Community Outreach & Education, x5139</i>
Region 10 East Los Angeles, Whittier and Highland Park	3rd Thursday of every other month 1:00 PM <i>(for approximately 2-1/2 hours)</i> L.A. Care East L.A. Family Resource Center 4801 Whittier Blvd Los Angeles, CA 90022 (213) 438-5570		Damaris de Cordero, Chairperson Staff Contact: Frank Meza <i>Community Outreach & Education, x4239</i>
Region 11 Pomona and El Monte	3rd Thursday of every other Month 10:00 AM <i>(for approximately 2-1/2 hours)</i> Pomona Family Resource Center		Maria Angel Refugio, Chairperson Staff Contact: Frank Meza <i>Community Outreach & Education, x4239</i>

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Board of Governors

Regular and Special Supplemental Meeting Minutes #283

November 7, 2019

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



Members

Hector De La Torre, <i>Chairperson</i>	Antonia Jimenez
Alvaro Ballesteros, MBA, <i>Vice Chairperson</i>	Hilda Perez
Robert H. Curry, <i>Treasurer</i> *	Honorable Mark Ridley-Thomas
Layla Gonzalez, <i>Secretary</i>	G. Michael Roybal, MD, MPH
Stephanie Booth, MD	Ilan Shapiro, MD
Christina R. Ghaly, MD *	Nina Vaccaro
George W. Greene, Esq.	<i>*Absent **Via teleconference</i>

Management/Staff

John Baackes, *Chief Executive Officer*
 Terry Brown, *Chief of Human Resources*
 Augustavia Haydel, *General Counsel*
 Thomas Mapp, *Chief Compliance Officer*
 Marie Montgomery, *Chief Financial Officer*
 Richard Seidman, MD, MPH, *Chief Medical Officer*
 Tom Schwaninger, *Senior Executive Advisor Digital*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
WELCOME	<p>Hector De La Torre, <i>Chairperson</i>, called the meeting to order under a regular and Special Supplemental Agenda at 2:05 p.m.</p> <p>He welcomed Member Nina Vaccaro to the Board.</p> <p>Chairperson De La Torre announced that members of the public may address the Board on matters listed on the agenda before or during the Board’s consideration of the item, and on any other topic in the public comment section on the agenda.</p> <p><i>(Member Roybal joined the meeting.)</i></p>	
APPROVAL OF MEETING AGENDA	<p>The agenda was approved as submitted.</p>	<p>Unanimously approved. 9 AYES (Ballesteros, Booth, DeLaTorre, Gonzalez, Perez, Ridley-Thomas, Roybal, Shapiro and Vaccaro)</p>
PUBLIC COMMENT <i>Comments are summarized, not verbatim.</i>	<p>Elizabeth Cooper, <i>RCAC 2 Member</i>, asked for a moment of silence for Californians and all people impacted by recent wildfires. She asked each Board member to please take notice of her comments. She asked the Chair why she has to speak after the Board Members speak about an item.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Chair De La Torre noted that the intent of the law is for the public to comment ahead of the Board discussion so the public comment can be taken into consideration in the Board’s discussion.</p> <p>Maggie Belton, <i>RCAC 3 Vice Chair</i>, informed the Board that the Personal Assistance Services Council, a public service agency for In-Home Support Services workers, is having an open house. L.A. Care is invited to come on Wednesday November 13 at the California Endowment Center.</p> <p><i>(Member Green joined the meeting.)</i></p>	
<p>CONSENT AGENDA ITEMS APPROVED BY A COMMITTEE</p>	<p>The items on the Consent Agenda and the Recommended Consent Agenda Items Not Approved by a Committee were considered by the Board:</p> <ul style="list-style-type: none"> • Approve September 5, 2019 meeting minutes Member Booth asked about a comment by California Health and Human Services Secretary Ghaly regarding designing programs for the most vulnerable will likely lift all populations. Richard Seidman, MD, MPH, <i>Chief Medical Officer</i>, indicated that in population health, we can focus on overall outcomes and on disparities. He believes that when we focus on the most difficult situations and programs for the most vulnerable people, we can design programs that can improve outcomes for all people. Member Booth then asked about Department of Public Social Services support for L.A. Care’s Pomona Community Resource Center. Mr. Baackes will take the question under advisement and will answer the question as soon as possible. • Toney HealthCare Consulting Contract Extension <u>Motion FIN 100.1119*</u> To authorize an amendment extending the current contract with Toney HealthCare Consulting through June 30, 2020 in an additional amount not to exceed \$2,700,000 (for a total cost not to exceed \$3,500,000). • VMware’s Virtual and Cloud Computing Software Products and Services Renewal <u>Motion FIN 101.1119*</u> To authorize staff to renew VMware software products and services to continue to support L.A. Care’s virtual computing solution for a three-year term in an amount not to exceed \$4 million. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> Regional Community Advisory Committee (RCAC) Members <u>Motion ECA 100.1119*</u> To approve the following as members to the Regional Community Advisory Committee (RCAC), as reviewed by Executive Community Advisory Committee (ECAC) at its October 9, 2019 meeting: <ul style="list-style-type: none"> Guadalupe Yepiz, Consumer, RCAC 7 Juan R. Alfaro, Consumer, RCAC 7 Elizabeth Mitchell, Consumer, RCAC 9 Ratify nomination of RCAC 11 Chair <u>Motion ECA 101.1119*</u> To ratify the nomination of Maria Angel Refugio, the current Vice Chairperson as Chairperson of Regional Community Advisory Committee (RCAC) Region 11 for the remaining term vacated by Elda Sevilla. Children’s Health Consultant Advisory Committee Members <u>Motion CHC 100.1119*</u> To approve the following nominees as members of the Children’s Health Consultant Advisory Committee (CHCAC), effective October, 2019: <ul style="list-style-type: none"> Hilda Perez representing the 3rd of the 3 Undesignated seats; and James Kyle, M.D. the Medical Director for Quality Management of L.A. Care Health Technical Advisory Committee Members <u>Motion TAC 100.1119*</u> To approve Stephanie L. Taylor, PhD, and Elan Shultz as members of the Technical Advisory Committee, as reviewed by the Committee at its October 31, 2019 meeting. 	<p>The Consent Agenda and Recommended Consent Agenda items were unanimously approved. 10 AYES (Ballesteros, Booth, DeLaTorre, Gonzalez, Greene, Perez, Ridley-Thomas, Roybal, Shapiro and Vaccaro)</p>
<p>RECOMMENDED CONSENT AGENDA ITEMS NOT APPROVED BY A COMMITTEE</p>	<ul style="list-style-type: none"> Annual Review of Investment Policy AFS 008 <u>Motion BOG 100.1119*</u> To approve Financial Services Policy AFS-008 (Annual Investment Policy) as submitted. <p>Member Booth asked when the last investment audit was conducted. Marie Montgomery, <i>Chief Financial Officer</i>, responded that the investments are audited every year by the outside auditor.</p> <p>Member Booth asked about the specific term “impairment”. Ms. Montgomery noted when</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>the amortized value is higher than the market value of an asset, the asset is written down. It typically occurs when you are not using a system and it is being “sunset” prior to expiration of the term for depreciation.</p> <p>Member Booth suggested alternate language in section 6.1 on the last page which refers vaguely to reports. She suggested eliminating the statement or making it more specific to capital assets instead of referring broadly to financial statements. She also noted that the definition of the term <i>designees</i> (page 81 and 90) could be explained more clearly as “authorized designee(s) . . . (instead of <i>qualified employees</i>). Ms. Montgomery stated that staff will review the suggested changes clarifying the policy.</p> <p><i>(Member Jimenez joined the meeting.)</i></p> <ul style="list-style-type: none"> • Annual Review of Accounting and Finance Policies AFS 002 and AFS 004 <u>Motion BOG 101.1119*</u> To approve the following Accounting & Financial Services Policies as attached: <ul style="list-style-type: none"> ○ AFS-002 (Capital Assets) ○ AFS-004 (Non-Travel and Other Expenses) • Oracle Technical Support Renewal <u>Motion BOG 102.1119*</u> To authorize staff to renew Technical Support Services for L.A. Care’s Oracle Software Products in an amount not to exceed \$2,210,000 through November 10, 2020. • Salesforce, Inc. Contract Renewal <u>Motion BOG 103.1119*</u> To authorize staff to execute a contract with Salesforce in an amount up to \$2,800,000 for subscription services through October 31, 2020. • Cognizant Contract Amendment <u>Motion BOG 104.1119*</u> To authorize staff to amend the existing contract with Cognizant for an additional \$1,800,000 (total contract not to exceed \$3,175,000) for continued Salesforce implementation activities through December 31, 2020. • iColor Printing Contract Amendment <u>Motion BOG 105.1119*</u> 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>To authorize staff to amend the contract with iColor Printing with a new scope of work in the amount not to exceed \$1,402,500 effective in November 2019.</p> <ul style="list-style-type: none"> Additional Funds for Tenant Improvement for Metro LA Community Resource Center <u>Motion BOG 106.1119*</u> To delegate to John Baackes, <i>Chief Executive Officer</i>, discretionary authority to authorize staff to enter into contractual agreements for capital improvements, furniture, equipment and contingency for one-time leasehold capital improvement construction at the Metro L.A. CRC not to exceed \$2,713,680 with any further budget details approved by the Finance & Budget committee. Health Dialog Contract Amendment for Nurse Advice Line and Health & Wellness Portal Services <u>Motion BOG 107.1119*</u> To authorize staff to execute a three-year contract with Health Dialog to provide Nurse Advice Line and Health & Wellness Portal services for a total cost not to exceed \$9,000,000. <p>Member Booth noted it was not clear when the previous contract expired, and she asked if L.A. Care will run out the prior contract before the requested new contract will begin. Dr. Seidman responded that the goal is to get a single vendor for these services to save money and simplify management of the program.</p>	
CHAIRPERSON'S REPORT	<p>Chair De La Torre asked Board members for their committee preferences for 2020. The Committee membership will be announced at the December Board Meeting.</p> <p>Board Members were also requested to send the name of a charitable organization to be nominated to receive donated Board Member stipends. A motion with two organizations randomly selected will be presented for a vote at the December meeting.</p> <p>PUBLIC COMMENT: Ms. Cooper commented that she had issues she wanted to discuss which were on the Consent Agenda earlier in the meeting. She asked for help for consumers at the Board Meetings.</p>	
CHIEF EXECUTIVE OFFICER REPORT	<p>John Baackes, <i>Chief Executive Officer</i>, referred to his written report in the meeting materials (<i>a copy of his report is available by contacting Board Services</i>).</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN																					
	<ul style="list-style-type: none"> Mr. Baackes described the opening event for the seventh community resource center (CRC) yesterday in Pomona. It is the first co-branded CRC with Blue Shield Promise Health Plan. He thanked everyone who participated. <p>He thanked Lance MacLean, <i>Director of Facilities Services</i>, for his work in opening all the resource centers.</p> <ul style="list-style-type: none"> He congratulated Dr. Seidman on achieving a 4-star rating (out of 5 stars) from the National Committee on Quality Assurance (NCQA) for the Medi-Cal program. Dr. Seidman noted that NCQA has rated L.A. Care’s Medi-Cal program as Commendable. L.A. Care is the only 4-star health plan in Los Angeles County with a Commendable rating. L.A. Care’s proportion of auto assigned members in Medi-Cal is now 76% (up from 52%) for 2020. He reported on Elevating the Safety Net program: <table border="1" data-bbox="485 691 1587 1292"> <thead> <tr> <th></th> <th>Since report on August 30, 2019</th> <th>As of November 1, 2019</th> </tr> </thead> <tbody> <tr> <td>Elevating the Safety Net Grants for primary care physicians</td> <td>—</td> <td>92 grants awarded</td> </tr> <tr> <td></td> <td>4</td> <td>62 physicians hired</td> </tr> <tr> <td>Elevating the Safety Net Grants for medical school loan repayment</td> <td>3</td> <td>23</td> </tr> <tr> <td>Elevating the Safety Net Grants for medical school scholarships</td> <td>—</td> <td>16</td> </tr> <tr> <td>Housing for Health Housing secured for homeless households</td> <td>3</td> <td>252</td> </tr> <tr> <td>IHSS+ Home Care Training IHSS worker graduates from CLTCEC program</td> <td>—</td> <td>2,130</td> </tr> </tbody> </table> <p>L.A. Care is the only health plan with a home care training program in Los Angeles County. Cynthia Carmona, <i>Senior Director of Safety Net Initiatives</i>, described the community health worker (promortoras) training. The current training underway has 25 participants and will end on November 20. A new group will begin training in January.</p>		Since report on August 30, 2019	As of November 1, 2019	Elevating the Safety Net Grants for primary care physicians	—	92 grants awarded		4	62 physicians hired	Elevating the Safety Net Grants for medical school loan repayment	3	23	Elevating the Safety Net Grants for medical school scholarships	—	16	Housing for Health Housing secured for homeless households	3	252	IHSS+ Home Care Training IHSS worker graduates from CLTCEC program	—	2,130	
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AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Mr. Baackes noted that these community health workers will begin working out of L.A. Care’s community resource centers alongside the care management staff to assist members. Tanisha Johnson, <i>Supervisor, Health Promoters Program</i>, described the program which has trained 16 health promoters.</p> <ul style="list-style-type: none"> • Mr. Baackes reported on L.A. Care’s work to support the homeless population. Los Angeles County has the largest homeless population in the nation (approaching 60,000). It is estimated that 1,000 people who are homeless will die this year. In addition to the \$20 million, multiyear commitment made by L.A. Care in 2017 to Housing for Health, more needs to be done. L.A. Care and co-sponsors Hospital Association of Southern California and the Community Clinic Association of Los Angeles County and Health Net, hosted a homelessness summit and invited providers – clinics and hospitals with homeless individuals among their clients. The summit provided information for participants about the impact of homelessness on the health of patients and clients. A list of recommendations will be distributed at a future meeting. • A change has been proposed to immigration policy which will add public health assistance to the public charge. Called the “chilling effect”, this rule change could mean that accepting public health and welfare assistance could count against some immigration applications. The rule was stayed by multiple courts by injunction. The rule cannot be applied retroactively, so those currently using public benefit programs may not have that count against them. <p>Member Jimenez noted that it is not known if the injunction will be prospective or retroactive.</p> <ul style="list-style-type: none"> • The President recently issued a proclamation that will require immigrants to prove they can obtain health care insurance before they are issued a visa. The effective date of this requirement is November 3, 2019. The types of coverage that are considered insurance include employer-based, family plans, unsubsidized individual coverage, catastrophic, or short term coverage. However, immigrants would not be able to obtain a visa if they use any government-sponsored coverage programs, such as Affordable Care Act (ACA) subsidies, Medi-Cal, or CHIP. Visa applicants will have to demonstrate that they will be covered with approved health insurance within 30 days of entry in the United States or possess the financial means to “pay for reasonably foreseeable medical costs”. Basically, this proclamation creates a health insurance mandate for immigrants. The requirement will not be implemented at this time as a federal judge issued a 28-day hold for consideration of a preliminary injunction. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • The current waiver pilot program ends December 31, 2020. Mr. Baackes presented information about a new draft waiver program under development called CalAIM (<i>a copy of the presentation is available by contacting Board Services</i>). The public comment period will last until February, 2020. <p>It is important to note that this proposal does not include information about the Governor’s previous proposal to disintegrate pharmacy benefits from health plan benefits, which would eliminate funding available to some safety net providers through the 340B program. This change could lead to a significant decrease in funding available for safety net providers.</p> <ul style="list-style-type: none"> ○ A fundamental change in Medi-Cal is a proposed annual 45-day enrollment period; Medi-Cal currently has continual enrollment. ○ The proposal requires health plans to have NCQA accreditation by 2025. ○ Population Health Management will be incorporated into health plan contracts by January 2021, which will include significant data reporting by health plans. ○ Implementation of Enhanced Care Management (ECM) and In Lieu of Services (ILOS) benefits by January 2021 for mandated populations and January 2023 for individuals transitioning from incarceration, which will also include significant data reporting by health plans. ○ Stepped integration of long term care and special needs programs into health plan benefits. ○ Implementation of regional rates for managed care plans in targeted counties by January 2021 and statewide no sooner than January 2023. ○ Transition of certain aid codes now eligible for fee for service into managed care by January 2023. ○ Implementation of a standardized mental health assessment to determine eligibility and transition to a new reimbursement methodology for behavioral health by January 2021. ○ Integrate the county mental health plan and substance use disorder plan (currently DHCS has two contracts with each county) by January 2026, and encourage counties to explore mechanisms to jointly contract with DHCS for delivery of specialty mental health and SUD services. <p>These changes will affect operations of managed care plans and payment methodologies.</p> <p>Member Booth asked if there were any corresponding reductions in current data requirements, to which Mr. Baackes replied that plans will be required to transmit significantly more data.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Member Greene asked if the proposed enhanced care management will become covered benefits. Mr. Baackes responded that this pilot program could lead to having ILOS become covered benefits.</p> <p>Chair De La Torre cautioned Board Members to consider this a wish list to be presented to the federal regulators which may generate a negative response for part or all of the requested policies.</p> <p>PUBLIC COMMENT Mary Jo Fernando, <i>Member, RCAC 2</i>, is concerned about no pharmacy benefits and she asked how will members survive without pharmacy benefits? Mr. Baackes noted that coverage will be provided separately for Medicare Part D beneficiaries before the change is implemented in 2021. Medicare Part D benefits will not be affected after the change.</p> <p>Ms. Cooper noted that at the last board meeting she had several questions and the Chair was very gracious in his response. Ms. Cooper asked Dr. Seidman about having the Deans of medical schools present to members how the new doctors are trained. She is concerned about sensitivity to diversity. She is proud to see Afro-American doctors and asked what L.A. Care is doing to ensure diversity. She is concerned when a person gets a write up for exercising their constitutional right to speak and she would like the Board to address that. She appreciates what L.A. Care is doing and noted that the Chair is gracious. She would like to see someone who is disabled on the Board.</p> <p>Mr. Baackes indicated that her request concerning diversity was noted and staff is considering it. He added that of 16 scholarships awarded, the students are a mix of Afro-American, Asian, Latino and two Lebanese student.</p> <p><i>(Ms. Cooper made additional remarks that were not picked up by the microphone.)</i></p>	
MOTIONS FOR CONSIDERATION		
Chief Financial Officer Report	<p><i>Member Ridley-Thomas left the meeting.</i></p> <p>PUBLIC COMMENT: Ms. Cooper feels she has been denied participation as a parent of a regional center consumer and she was grandfathered as a member of the advisory committees. When the Coordinated Care Initiative (CCI) Council was taken over, she was not allowed to participate as she should have. She wants the Chief Legal Officer to work with her because she feels she was not given</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>the opportunity to participate. She wants to be a good steward of L.A. Care but she was thrown out to the wolves. She asked Community Relations staff to look into that. She asked Mr. Baackes to look into that and meet with her personally. Mr. Baackes ask legal staff to review this.</p> <p>Chair De La Torre reported that the Finance & Budget Committee met on September 23 (<i>Minutes are available by contacting Board Services</i>). The Committee reviewed and approved two contracts that were approved earlier in this meeting on the Consent Agenda, Toney Health Care and VMware Software.</p> <p>Ms. Montgomery presented highlights of the August 2019 financial reports included in the meeting materials.</p> <ul style="list-style-type: none"> • Membership is 2,168,416, approximately 8,000 members unfavorable to the forecast. • Medi-Cal Membership is expected to continue to decline in fiscal year 2019-20. • Revenue declined almost \$19 million in August, which is unfavorable to forecast by close to \$30 million for the month. • Revenue year to date is favorable to forecast by \$14 million, medical expenses are unfavorable to forecast by \$62 million. • Fee for service claims are higher than forecast by almost \$32 million. • Year to date surplus is almost \$233 million, about \$29 million less than forecast, but still a strong result for the fiscal year. • Administrative expenses are favorable to forecast by \$3 million. • Non-operating expenses are favorable to forecast by \$16 million. • Overall Medial Cost Ratio is 92% versus forecast of 91.4% • Key ratios are positive except Cash to Claims is slightly behind forecast. • Tangible Net Equity is 652% but represents 46 days' cash on hand. <p><u>Motion BOG 108.1119</u> To accept the Financial Report as submitted, for the period ended August 2019, as submitted.</p> <p>Ms. Montgomery referred to the report on investment transactions included in the meeting materials for Committee member review. (<i>A copy of the report can be obtained by contacting Board Services</i>). As of August 31, 2019, the market value of L.A. Care's investments was \$ 1.7 billion.</p>	<p>Unanimously approved. 10 AYES (Ballesteros, Booth, De La Torre, Gonzalez, Greene, Jimenez, Perez, Roybal, Shapiro and Vaccaro)</p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • \$1. billion managed by Paydel & Rygel and New England Asset Management • \$61 million in Local Agency Investment Fund • \$104 million in Los Angeles County Pooled Investment Fund 	
<p>Community Health Investment Fund Priorities FY 2019-20</p>	<p>PUBLIC COMMENT</p> <p>Chair De La Torre noted that he looked up the proportions for physicians in California:</p> <p>29% White 28% Asian American/Pacific Islander 5% Latino 3% African American</p> <p>Chair De La Torre noted that we can't make up for people who aren't there for the care that Ms. Cooper is talking about. He noted it would be interesting to know L.A. Care's proportions for the diversity of physicians. The diversity challenge is statewide, not just for L.A. Care.</p> <p>Ms. Cooper noted that the challenge is that African Americans have contributed so much, including doctors, and the challenge is to keep the numbers great. Chair De La Torre stated that L.A. Care is clearly focused on diversity. Ms. Cooper is concerned that L.A. Care's investments have a broad perspective, and she encouraged the Board to reach out to underserved communities with investments.</p> <p><i>Members Ballesteros, Curry, Ghaly, Greene, Powers and Roybal may have financial interests or trade secret concerns in Plans, Plan Participating Providers or other programs and as such refrained from the discussion and vote on this motion.</i></p> <p>Member Booth noted that, as discussed in the past, she does not feel progress has been made in providing information about how the funds are used.</p> <p>Roland Palencia, <i>Director, Community Benefits Programs</i>, reviewed the priorities of the Community Health Investment fund for 2019-20. A report submitted annually to the Board includes outcomes and accomplishments about every grant.</p> <p>Member Booth indicated she has yet to see the kind of results that the Board has discussed in the past. Mr. Palencia offered to resend the annual report. A monthly report includes information about current grants. Member Booth stated that she does not think the Board has received information as previously requested. A monthly report was added last year. Member Booth would like to see information on the results of grants before approving this motion.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Member Perez asked about practices in grant making. Mr. Palencia responded that reports are submitted every six months by grantees.</p> <p>Member Gonzalez suggested adding a monthly report. It was noted that the monthly reports include information on completed grants.</p> <p>Chairperson De La Torre asked that the 2019 Report be resent to Board members and that Board members provide feedback on information to be included in the report monthly and annually.</p> <p><u>Motion BOG 109.1119</u></p> <ol style="list-style-type: none"> 1. To approve the recommended use of the Community Health Investment Fund (CHIF) FY 2019-20 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 to help them thrive in a managed care environment at \$2.5 million, (2) Expand access to high-barrier services for low-income and vulnerable populations at \$1.5 million, (3) Improve community health for underserved populations by addressing the social determinants that lead to poor health outcomes at \$2.0 million, (4) \$4.0 million is recommended 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 funds will also support the goals of the Whole Person Care initiative under the new California Medi-Cal waiver. 2. Delegate authority to implement the CHIF program to the CEO and also to approve grant investments of up to \$150,000 per applicant. 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>The motion was not approved and will be brought to the December Board Meeting for consideration.</p>
<p>Accept Grant from Los Angeles County Children and Families First Proposition 10 Commission (First 5 LA) and</p>	<p>PUBLIC COMMENT</p> <p>Ms. Fernando asked about First 5 LA and the vendors to be involved in this grant. Dr. Seidman responded that L.A. Care is proposing to accept a grant from First 5 LA. First 5 LA is funded by tobacco tax dollars. First 5 LA provides grants throughout the community to many different grantees for many different programs. This is one program that grew out of efforts to provide developmental screening for children with developmental delays. L.A. Care worked</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>Authorization to execute contracts with vendors</p>	<p>with First 5 LA on a program called, Help me Grow, and First 5 LA wanted to continue this work.</p> <p>We have worked with First 5 LA in the past toward this work. The program will help provide technical assistance for ten community clinics to help validate screening for developmental delays. It is very good timing for this project because with increased focus on screening for developmental delays throughout the state, the legislature has increased pressure on the California Department of Health Care Services to improve screening for developmental delays. This pilot will help add to what we know about successful implementation measures, will help us measure the extent to which screening is done, and help us connect children to resources once they have been identified.</p> <p>Member Booth asked if there would be any conflict of interest in accepting money from First 5 LA. Mr. Baackes responded that there has not been any conflict in the past.</p> <p>Member Booth noted that it would be great to have quality screening tools provided to primary care physicians. Mr. Baackes indicated that the state identifies the tools to be used.</p> <p>Member Gonzalez asked how the funds will be tracked to be sure it is not diverted to other needs. Ms. Montgomery indicated that staff in Finance will oversee and control the use of funding.</p> <p>Dr. Seidman indicated that Health Information Technology staff will be supported by these funds. This is another practice transformation effort to apply what we've learned from the transforming clinical practices initiative. This grant will support staff in helping providers implement and use screening tools to appropriately identify children with developmental delays and connecting patients to resources.</p> <p><i>Members Ballesteros, Shapiro, and Vaccaro may have financial interests in Plans, Plan Participating Providers or other programs and as such refrained from the discussion and vote on this motion.</i></p> <p><u>Motion BOG 110.1119:</u> To authorize L.A. Care to accept a grant from Los Angeles County Children and Families First Proposition 10 Commission (First 5 LA) in the amount of \$1,209,460 for the approximate period of November 1, 2019 to October 31, 2023.</p>	<p>Unanimously approved. 7 AYES (Booth, De La Torre, Gonzalez, Greene, Jimenez, Perez, Roybal); 3 ABSTENTIONS (Ballesteros, Shapiro and Vaccaro).</p>
<p>Collective Medical Technologies Contract Amendment</p>	<p>PUBLIC COMMENT: Ms. Fernando asked about the possible effect on skilled nursing facilities. Dr. Seidman responded that skilled nursing facilities do not currently participate in health information</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>exchange under this vendor contract. Ms. Fernando asked what types of technology are involved, and Dr. Seidman clarified that Collective Medical Technologies is the name of the vendor which coordinates the health information exchange services to communicate hospital admissions, discharges and transfers to L.A. Care.</p> <p><i>Member Jimenez left the room.</i></p> <p>Dr. Seidman summarized the motion requesting Board authorization to execute a contract amendment with Collective Medical Technologies to provide health information exchange services which includes hospital admissions, discharge and transfer (ADT) data. Prior shorter term contracts with this vendor were very successful, for 24 hospitals in L.A. Care’s network. The HIT transmissions helps L.A. Care provide timely care management for members. This amendment will extend the contract to September 29, 2020 and open the services to the Health Homes program</p> <p>Member Booth noted that the five stated use cases make it look like if you don’t have one of those conditions your data won’t be collected. Dr. Seidman noted that a host of data on all L.A. Care members is collected and available; these are the use cases on which we are focusing.</p> <p>Member Booth also asked about the percentage of hospitals in Los Angeles County using this service. Dr. Seidman indicated there are about 80 hospitals total, with 40 or more that care for 80% of L.A. Care’s members. Participation by 24 hospitals is a start. There are over 200 hospitals participating statewide, and we receive data from outside Los Angeles County for L.A. Care members.</p> <p>Member Booth also asked about the \$300,000 service credit. Dr. Seidman indicated that this is a result of a vigorous negotiation process with the vendor.</p> <p>Member Roybal asked if this will help L.A. Care with out of network (OON) services. Dr. Seidman indicated the data is available in an expanding network of hospitals, and it helps L.A. Care manage post discharge patient services.</p> <p>Member Vaccaro asked if this will affect participation in Los Angeles Network Enhanced Services (LANES). Dr. Seidman responded that data from LANES is a more comprehensive, robust universe of data but involves a smaller number of contracted hospitals. Over time it is hoped that LANES will continue to expand participation network with more hospitals. L.A. Care currently participates on three Health Information Exchanges and at this time CMT offers complementary functionality to other platforms.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Member Greene asked if there has been consideration for best practices to be shared among the entities. Tom Schwaninger, <i>Senior Executive Advisor Digital, IT</i>, responded that these services provide data to us. L.A. Care will build systems to ingest and use data internally. The industry is moving toward standards and L.A. Care will work with vendors over time to use standards being adopted nationally. L.A. Care is looking to get the most complete data set possible in an open format.</p> <p><u>Motion BOG 111.1119</u> To authorize staff to execute a contract amendment with Collective Medical Technologies to extend the term to twelve months through September 29, 2020, and increase total compensation by \$957,600 for a new total of \$1,314,300.</p>	<p>Unanimously approved. 9 AYES (Ballesteros, Booth, De La Torre, Gonzalez, Greene, Perez, Roybal, Shapiro and Vaccaro)</p>
<p>Ntootive Contract Amendment</p>	<p>Alex Gallegos, <i>Senior Director, Sales & Marketing</i>, summarized the motion included in the meeting materials. The contract includes marketing for the entire fiscal year.</p> <p>Mr. Baackes noted that art for the advertising is done internally. This motion is for the media placement of the advertising.</p> <p><u>Motion BOG 112.1119</u> To authorize staff to execute a new contract with Ntootive in an amount not to exceed \$5,261,983 for the period of October 1, 2019 through September 30, 2020.</p>	<p>Unanimously approved. 9 AYES (Ballesteros, Booth, De La Torre, Gonzalez, Greene, Perez, Roybal, Shapiro and Vaccaro)</p>
<p>COMMITTEE REPORTS</p>		
<p>Executive Community Advisory Committee (ECAC)</p>	<p><i>Ms. Jimenez rejoined the meeting.</i></p> <p>PUBLIC COMMENT</p> <p>Rachael Lucky, <i>Vice Chair, RCAC 4</i>, stated that it has come to her attention that during ECAC meetings there are members of staff who involve themselves in the deliberations of the ECAC body. They are not voting members of ECAC. They are staff. To Ms. Lucky, anything other than a point of information falls outside of Robert's Rules of Order. She asked for oversight to be sure ECAC follows Robert's Rules and Brown Act.</p> <p>Mr. Baackes noted that in his limited experience in attending ECAC, staff provides information for ECAC members. Dr. Seidman indicated that he hasn't experienced anything differently than what Mr. Baackes has expressed.</p> <p>Chairperson De La Torre noted that even in this meeting the discussion is free flowing. The most important thing in the Brown Act is that any discussion is open and in public. The Brown Act focuses on the openness of the discussion.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Ms. Lucky clarified that her comments were about Roberts Rules of Order and not necessarily the Brown Act. The instance that she has become aware of potentially indicates that interjection by staff into the deliberative body was disruptive to the proceedings. She wants to be sure there is proper oversight at ECAC meetings. Chairperson De La Torre asked legal staff to review past meetings and attend future meetings to observe.</p> <p>Member Gonzalez reported that the ECAC met on September 11 and October 9 (<i>minutes are available by contacting Board Services</i>).</p> <ul style="list-style-type: none"> • On September 11, ECAC members received a CEO update from Mr. Baackes. He shared information about changes in regulations related to public charge. He encouraged members not to disenroll from health care programs. • Michael Brodsky, MD, <i>Medical Director, Behavioral Health and Social Services</i>, presented information about L.A. Care’s Community Resource Platform, a new smartphone app and website that can help members find social services and other assistance in their community. • Francisco Oaxaca, <i>Senior Director, Communications and Community Relations</i>, provided updates in regard to Elevating the Safety Net, the CCI Restructure, and our Community Resource Center partnership with Blue Shield Promise. • On October 9, LisaMarie Golden, <i>Director, Customer Solutions Center, Appeals & Grievances</i>, provided updates on L.A. Care’s 1st Quarter 2019 Trend Analysis. She shared with members the actions that L.A. Care can take to address and resolve member grievances. • Mr. Oaxaca updated the Committee on the Pomona Community Resource Center opening on November 11. The Care Harbor LA Clinic will take place November 15-17 at The Reef in downtown LA. ECAC members voted to implement the Meeting Participation and Engagement ground rules for the November and December ECAC meetings. There were two leadership training sessions in September. <p>Member Perez thanked Ms. Gonzalez for her concern for members and her persistence in following up on member issues. She provided a summary of the fiscal year activities of the RCACs. She recognized the work of many groups - members, staff, community organizations.</p> <ul style="list-style-type: none"> • Work plans were developed to make wise use of the \$5,000 budget for each RCAC. • To reach out to more members, staff helped RCAC members focus on groups supporting social determinants of health that impact the community; specifically, food security and early childhood development. • Members have expressed concern regarding follow up on the funds provided to community groups to develop and meet objectives and goals. 	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> Member Perez asked that follow up is done on work plan funds and reports are provided on how the money was allocated and how many members were impacted. Members of the RCACs provide feedback to L.A. Care so we can build healthier communities together. <p>Ms. Perez thanked the Community Outreach & Engagement staff for their hard work, particularly in these areas:</p> <ul style="list-style-type: none"> Leadership training for chairs and vice chairs Conducting integration into RCACs that is welcoming and understanding First disability awareness training 22 members toured RCACs 4, 6 and 7 areas on a bus to see the effects of social determinants of health such as homelessness, safety and security issues in their neighborhoods, community clinic locations, and Department of Public Social Services offices “where it all starts”, in order to connect the social determinants of health that immediately impact their environment and their health. <p>RCAC members provided valuable input this fiscal year into the access and function issues with urgent care sites. The input, along with immediate action from L.A. Care, helped foster improvements, such as the minute clinics.</p> <p>Member Perez thanked Hannan Obeidi, <i>Senior Director Medi-Cal Administration</i>, for her efforts and outreach to members.</p> <p>In collaboration with health education staff, through the health promoters program, RCAC members reached out to at least 25 people each, about colorectal cancer awareness and screening. The Health Promoter program started in 2007, and has trained people to bring information to the community to improve health outcomes. L.A. Care enabled health promoters to attend the Vision y Compromiso annual conference in September.</p>	
Children’s Health Consultant Advisory Committee	<p>PUBLIC COMMENT:</p> <p>Genieve Favruel is concerned about children dying because the health hubs were not open despite funds allocated and a requirement that the health hubs are open. Ms. Favruel tried to visit health hubs and found that they were closed. She asked that something be done about this.</p> <p>Dr. Seidman reported that the members of the Children’s Health Consultant Advisory Committee met on September 17.</p> <ul style="list-style-type: none"> The September 2019 CMO report was presented. 	

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	<ul style="list-style-type: none"> Michael Brodsky, MD, presented information and engaged the Committee in a discussion of Trauma Screening. Assembly Bill 340 requires the California Department of Health Care Services with the California Department of Social Services and other partners, to convene an advisory group to update, amend, or develop appropriate tools and protocols for screening children and adults for trauma. The Committee welcomed new members Hilda Perez, Member Representative, Board of Governors, and James Kyle, MD, Medical Director of Quality Improvement. 	
Technical Advisory Committee	<p>Dr. Seidman reported on the relaunch of the Technical Advisory Committee (TAC) took place on Thursday October 31.</p> <ul style="list-style-type: none"> TAC will bring together thought leaders from multiple organizations in government, health policy, hospitals and government and will focus on transformation of health care services. TAC members will identify opportunities to collaborate and improve health care delivery throughout the county. John Baackes, CEO, gave Committee members a brief history of L.A. Care. He highlighted the Elevating the Safety Net initiatives, L.A. Care’s work in social determinants of health and Housing for Health. The Board had previously approved initial members, and at this meeting the Committee added two new members Stephanie L. Taylor, PhD, and Elan Shultz. 	
Executive Committee	<p>Chairperson De La Torre reported that there was a motion to approve advisory committee members and a legislative update at the September Executive Committee meeting. There was no October meeting.</p>	
Finance & Budget Committee	<p>Chairperson De La Torre reported that the Finance & Budget Committee met on September 23. Minutes are available through Board Services. There was no October meeting.</p> <ul style="list-style-type: none"> In September the Committee reviewed and approved contracts that were approved earlier in this meeting on the Consent Agenda. <ul style="list-style-type: none"> Toney Health Care Contract amendment Renewal of VMware Software Products and Services 	
Compliance & Quality Committee	<p>Member Booth reported that the Committee met on September 19. <i>(Minutes are available through Board Services)</i>. There was no scheduled October meeting.</p> <p>Member Booth outlined a correction to the August 15, 2019 meeting minutes.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Members Perez and Booth attended the opening of the Community Resource Center in Pomona. She feels the partnership between L.A. Care and Blue Shield Promise is wonderful.</p> <p>At the September 19 meeting:</p> <ul style="list-style-type: none"> • Dr. Seidman presented a September 2019 Chief Medical Officer report. L.A. Care retained “Commendable” status from the National Committee for Quality Assurance (NCQA) for the Medi-Cal line of business. • Thomas Mapp, <i>Chief Compliance Officer</i>, and his team presented the September 2019 Chief Compliance Officer report which included an update on L.A. Care’s Business Continuity and Disaster Recovery Planning. • Dr. James Kyle presented on L.A. Care’s 2019 Healthcare Effectiveness Data and Information Set (HEDIS) scores. He noted that L.A. Care is the highest rated Medi-Cal health plan in the county with 4.0-star rating from NCQA. • HEDIS consists of a set of measures to assess quality in health plans and provides a quality comparison among health plans. • California Department of Health Services finalized the Managed Care Accountability Set measures to be used this year. • The scores can also affect the proportion of members that are auto assigned to health plans based on the States auto-assignment algorithm. • Physicians and other health care providers can be receiving incentive rewards for their high individual quality scores. It has been difficult for some providers to collect and submit the data necessary for HEDIS. • Customers deserve high quality health care. • L.A. Care NCQA scores also reflect the Consumer Assessment of Health Plans and Services (CAHPS). 	
<p>Governance Committee</p> <ul style="list-style-type: none"> • Board Officer Election 	<p>PUBLIC COMMENT:</p> <p>Ms. Fernando asked about the process to elect board officers. Augustavia Haydel, <i>General Counsel</i>, responded that the Governance Committee members met and Member Jimenez will report on the meeting. The Board will decide if it will vote on a slate or on officer positions individually.</p> <p>Member Jimenez reported that the members of the Governance Committee met without quorum on October 16. A report was provided on the eight nominations received from Board members:</p> <p style="padding-left: 40px;">Chair: 8 nominations for Hector De La Torre</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Vice Chair: 4 nominations each for Al Ballesteros and Stephanie Booth Secretary: 6 nominations for Layla Gonzalez Treasurer: 6 nominations for Rob Curry</p> <p>Each of the nominees has accepted the nomination and nominations can still be made today. The Committee does not have a recommendation for a slate of officers, and the Board can vote individually on each of the positions.</p> <p>Chairperson De La Torre suggested voting on each office individually and he asked for additional nominations for 2020 Officers from the Board Members. There were no additional nominations. By consensus of the Board Members, the nominations were closed. Ms. Haydel presided over the election of Chairperson for 2020. She announced that a majority vote requires six affirmative votes from the Board Members present and voting today.</p> <p>Chairperson De La Torre was unanimously re-elected as Chairperson with 10 Ayes, 0 Nays, 0 Abstentions. Chairperson De La Torre conducted the remainder of the elections. Member Ballesteros was re-elected Vice Chair, by show of hands with 7 Ayes Member Curry was unanimously re-elected Treasurer with 10 Ayes Member Gonzalez unanimously reelected Secretary with 10 Ayes.</p> <p>Member Ballesteros thanked Board Members and commented that it has been a good year for L.A. Care, Chairperson De La Torre is doing a great job as Chair and everybody on the Board is doing a great job. Member Gonzalez also thanked Board Members and commented that she will do her best in her role as Secretary.</p>	<p>Results of the election:</p> <p>Chair: De La Torre was unanimously elected with 10 AYES.</p> <p>Vice Chair: Ballesteros was elected with 7 AYES,</p> <p>Treasurer: Curry was unanimously elected with 10 AYES</p> <p>Secretary: Gonzalez was unanimously elected with 10 AYES.</p>
<p>Services Agreement Committee</p>	<p>The Committee met on October 16. The Committee met in closed session to discuss Plan Partner Services Agreement and there was no report from the closed session.</p>	
<p>PUBLIC COMMENT <i>Comments are summarized, not verbatim.</i></p>	<p>Phyllis Coto, <i>Member RCAC 4</i>, and a member of the board of directors for legal aid. She feels a report is needed quarterly on community outreach for homeless people. People are asking where do homeless people shower. She sees ads for L.A. Care and feels that billboards in the community would be important to share and information line. It is important to have mobile units to assist the homeless, provide a place to shower and be assessed. L.A. Care should identify key players in every RCAC that can assist in the homelessness fight.</p>	
<p>ADJOURN TO CLOSED SESSION</p>	<p>Member Perez asked Member Ballesteros to talked about the recent gala where Mr. Baackes was honored. Member Ballesteros described the Community Leadership Award presented to Mr. Baackes not just from JWCH but from many</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>community clinics represented that evening. The award honors Mr. Baackes for his commitment and innovative programs he has implemented. It was a community recognition that was broad based acknowledgement of Mr. Baackes' work to support the health care safety net in Los Angeles County. Mr. Baackes thanked the Board Members and noted that he accepted the award on behalf of his 1900 colleagues at L.A. Care who work hard every day.</p> <p>Ms. Haydel announced the following items to be discussed in closed session. The Board adjourned to closed session at 4:57 p.m.</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>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>November 2021</i></p> <p>CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to Section 54956.8 of the Ralph M. Brown Act Property: 909 N. Avalon Bl., Wilmington, CA. 90744 Agency Negotiator: John Baackes Negotiating Parties: Fallas Borrower IV, LLC Under Negotiation: Price and Terms of Payment</p> <p>CONFERENCE WITH REAL PROPERTY NEGOTIATORS Pursuant to Section 54956.8 of the Ralph M. Brown Act Property: 2180 South Street, Long Beach, CA 90805 Agency Negotiator: John Baackes Negotiating Parties: Sterik Long Beach, LP a Delaware Limited Partnership Under Negotiation: Price and Terms of Payment</p> <p><u>From Supplemental Special Meeting Agenda</u></p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of Ralph M. Brown Act Name of Case: Verity Health System of California, Inc. v. L.A. Care Health Plan (JAMS Ref. No. 1220062480)</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d) ((2) of Ralph M. Brown Act One Potential Case</p> <p>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 of the Ralph M. Brown Act Two potential cases</p> <p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> • Plan Partner Services Agreement 	
RECONVENE IN OPEN SESSION	The Board reconvened in open session at 6:00 p.m. There was no report about the closed session.	
ADJOURNMENT	The meeting was adjourned at 6:00 p.m.	

Respectfully submitted by:
Linda Merkens, *Senior Manager, Board Services*
Malou Balones, *Senior Board Specialist*
Victor Rodriguez, *Board Specialist*

APPROVED BY:

Layla Gonzalez, *Board Secretary*
Date Signed _____



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. BOG 100.1219

Committee:

Chairperson: Hector De La Torre

Issue: Selection of two charitable organizations to receive Board members' stipend.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: L.A. Care Board members receive \$100 stipend for each meeting, up to a maximum of \$400 per month. For Board members who wish to contribute their stipend to charitable organizations, a random selection process was developed to comply with IRS guidance so Board members are not responsible for taxes on the value of the donated stipend.

In December 2017, the process for choosing the charitable organizations was updated.

1. L.A. Care staff will identify charitable organizations nominated to receive Board stipend.
2. The random selection of two charitable organizations will be conducted by staff prior to the Board meeting and a motion will be presented to the Board with the first two organizations drawn.

The two organizations listed in the motion below were randomly selected for this motion.

Following is a list of organizations selected in the past years:

- 2019: Project Angel Food and Insure the Uninsured Project
- 2018: Kurka Children's Health Fund and The American Lung Association
- 2017: Strong Food/LA Kitchen and The American Lung Association
- 2016: Kurka Children's Health Fund and The American Lung Association
- 2015: Watts Willowbrook Boys and Girls Club and Downtown Women's Center Los Angeles
- 2014: Watts Willowbrook Boys and Girls Club and Downtown Women's Center Los Angeles
- 2013: Watts Willowbrook Boys and Girls Club and National Health Foundation
- 2012: Los Angeles Regional Food Bank and Para Los Niños
- 2011: JWCH Institute and Esperanza Community Housing
- 2010: JWCH Institute and Los Angeles Regional Food Bank
- 2009: Insure the Uninsured Project and Los Angeles Regional Food Bank
- 2008: Insure the Uninsured Project and Los Angeles Regional Food Bank
- 2007: National Health Foundation and Los Angeles Regional Food Bank

Member Impact: None.

Budget Impact: None.

Motion: To designate Homeboy Industries and Housing Works for California as authorized recipients of funds from Board Member stipends according to Legal Services Policy 300 for the calendar year 2019.

Homeboy Industries

130 W. Bruno Street
Los Angeles, CA 90012

Global Impact

What began in 1988 as a way of improving the lives of former gang members in East Los Angeles has today become a blueprint for over 250 organizations and social enterprises around the world, from Alabama and Idaho, to Guatemala and Scotland. The Global Homeboy Network is a group of like-minded organizations committed to impacting the lives of those in their communities.

Mission

Homeboy Industries provides hope, training, and support to formerly gang-involved and previously incarcerated men and women allowing them to redirect their lives and become contributing members of our community.

Results

Over the past 30 years, the tide of gang activity in Los Angeles has turned, the field of re-entry services has broadened, and public safety has become more enlightened in ways that would not have been possible without the advocacy of Homeboy Industries.

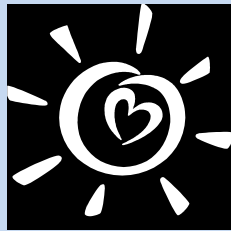
Housing Works for California

1277 Wilcox Avenue
Lo Angeles, CA 90038
(323) 466-0042

Mission

To create housing and service options that model, with respect and dignity, sustainable, environmentally sensitive, affordable communities for people of limited resources.

We are on the front lines of the homeless crisis in Los Angeles County. Housing Works is recognized by The County of Los Angeles Department of Health Services, Mayor Eric Garcetti, Supervisor Sheila Kuehl, United Way, The Corporation for Supportive Housing and many others, as one of the top providers of permanent supportive housing for the homeless in Los Angeles County. We work with the most challenging cases of chronic homelessness, in many cases housing folks who have lived on the streets for decades.



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. FIN 100.1219

Committee: Finance & Budget

Chairperson: Robert H. Curry

Issue: Accept the Investment Report for the quarter ended June 30, 2019.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: Per L.A. Care's Investment Policy, the Finance & Budget Committee is responsible for reviewing L.A. Care's investment portfolio to confirm compliance with the Policy, including its diversification and maturity guidelines.

Member Impact: N/A

Budget Impact: L.A. Care budgets a reasonable return on investment holdings.

Motion: To accept the Quarterly Investment Report for the quarter ending September 30, 2019, as submitted.



DATE: November 18, 2019
 TO: Finance & Budget Committee
 FROM: Marie Montgomery, *Chief Financial Officer*

SUBJECT: Quarterly Investment Report – September 2019

As of September 30, 2019, L.A. Care's combined investments market value was approximately \$2.5 billion. Interest income, amortization, realized gains and losses was approximately \$11.3 million for the quarter. Unrealized gain due to market price fluctuations was approximately \$1.6 million for the quarter. Based upon an independent compliance review performed as of September 30, 2019, LA Care is in compliance with its investment policy guidelines pursuant to the California Government Code and the California Insurance Code.

At quarter end \$2.0 billion (or approx. 80% of total investments) and \$0.3 billion (or approx. 13% of total investments) were under the management of Payden & Rygel and New England Asset Management, respectively. Both are external professional investment management firms. The holdings of these invested funds were as follows:

	Payden	NEAM	Combined
Cash and Money Market Mutual Fund	20%	2%	18%
U.S. Treasury Securities	62%	0%	54%
U.S. Agency & Municipal Securities	8%	0%	7%
Corporate bonds	0%	98%	13%
Asset Backed and Mortgage Backed Securities	8%	0%	7%
Other	2%	0%	1%
	100%	100%	100%
Average credit quality:	AAA	A1	
Average duration:	0.22 years	2.54 years	
Average yield to maturity:	1.85%	2.11%	

The funds managed by Payden & Rygel are managed as two separate portfolios based on investment style – 1) the short-term portfolio and 2) the extended term portfolio. The short-term portfolio had approximately \$1,899 million invested as of September 30, 2019, and returned 0.53% for the quarter. The comparative benchmark returned 0.56% for the quarter. The extended term portfolio had approximately \$89 million invested September 30, 2019, and returned 0.82% for the quarter. The comparative benchmark had a return of 0.77%.

PORTFOLIO RETURNS*Periods over one year annualized*

Periods ended 9/30/2019	3rd Quarter	2019 YTD	Trailing 1 Year	Trailing 3 Year
Performance				
LA Care - Short-Term Portfolio †	0.53	1.76	2.35	1.64
Benchmark*	0.56	1.81	2.38	1.48
LA Care - Extended-Term Portfolio	0.82	3.68	5.02	2.04
Benchmark**	0.77	3.88	5.69	1.90
LA Care - Combined Portfolio	0.54	1.88	2.54	1.66

† Performance reflects high percentages of funds kept very short to accommodate request for excess liquidity.

*MoneyNet DTaxable Money Market Avg. from inception to 10/31/2017; BofAML 91 Day Tsy thereafter.

** BofAML 1-Yr Tsy to 10/31/2017; Bloomberg Barclays US Govt 1-5 Yr thereafter.

The \$0.3 billion portfolio managed by New England Asset Management, Inc (NEAM), focused on corporate fixed income bonds returned 1.05% for the quarter. The comparative benchmark returned 1.06% for the quarter.

LA Care also invests with 2 government pooled investment funds, the Local Agency Investment Fund (LAIF) and the Los Angeles County Pooled Investment Fund (LACPIF). L.A. Care's investment balances as of September 30, 2019 were \$61 million in LAIF and \$105 million in LACPIF.

The Local Agency Investment Fund (LAIF) yielded approximately 2.34% annualized for the quarter. The fund's total portfolio market value as of August 31, 2019, was \$94.8 billion, with a weighted average maturity of 185 days. LAIF is administered and overseen by the State Treasurer's office. The fund's investment holdings as of August 31, 2019 were as follows:

U.S. Treasury Securities	50%
Agencies	19%
CD's and bank notes	18%
Commercial paper	7%
Time deposits	5%
Loans	1%
	<u>100%</u>

The Los Angeles County Pooled Investment Fund (LACPIF) yielded approximately 2.08% annualized for the quarter. The fund's market value as of August 31, 2019, was \$27.6 billion, with a weighted average maturity of 552 days. LACPIF is administered and overseen by the Los Angeles County Treasurer. The fund's most recent published investment holdings (August 31, 2019) were as follows:

U.S. Govt. and Agency Securities	67%
Commercial paper	26%
CD's	7%
	<u>100%</u>

**L.A. Care Health Plan
Quarterly Investment Compliance Report
July 1, 2019 through September 30, 2019**

OVERVIEW

The California Government Code requires the L.A. Care Treasurer to submit a quarterly report detailing its investment activity for the period. This investment report covers the three-month period from July 1, 2019 through September 30, 2019.

PORTFOLIO SUMMARY

As of September 30, 2019, the market values of the portfolios managed by Payden & Rygel and New England Asset Management are as follows:

<u>Portfolios</u>	<u>Payden & Rygel</u>
<i>Cash Portfolio #2365</i>	<i>\$1,898,981,765.87</i>
<i>Low Duration Portfolio #2367</i>	<i>\$89,354,047.42</i>
Total Combined Portfolio	<u>\$1,988,335,813.29</u>

<u>Portfolios</u>	<u>NEAM</u>
<i>Government and Corporate Debt</i>	<u>\$318,538,630.19</u>

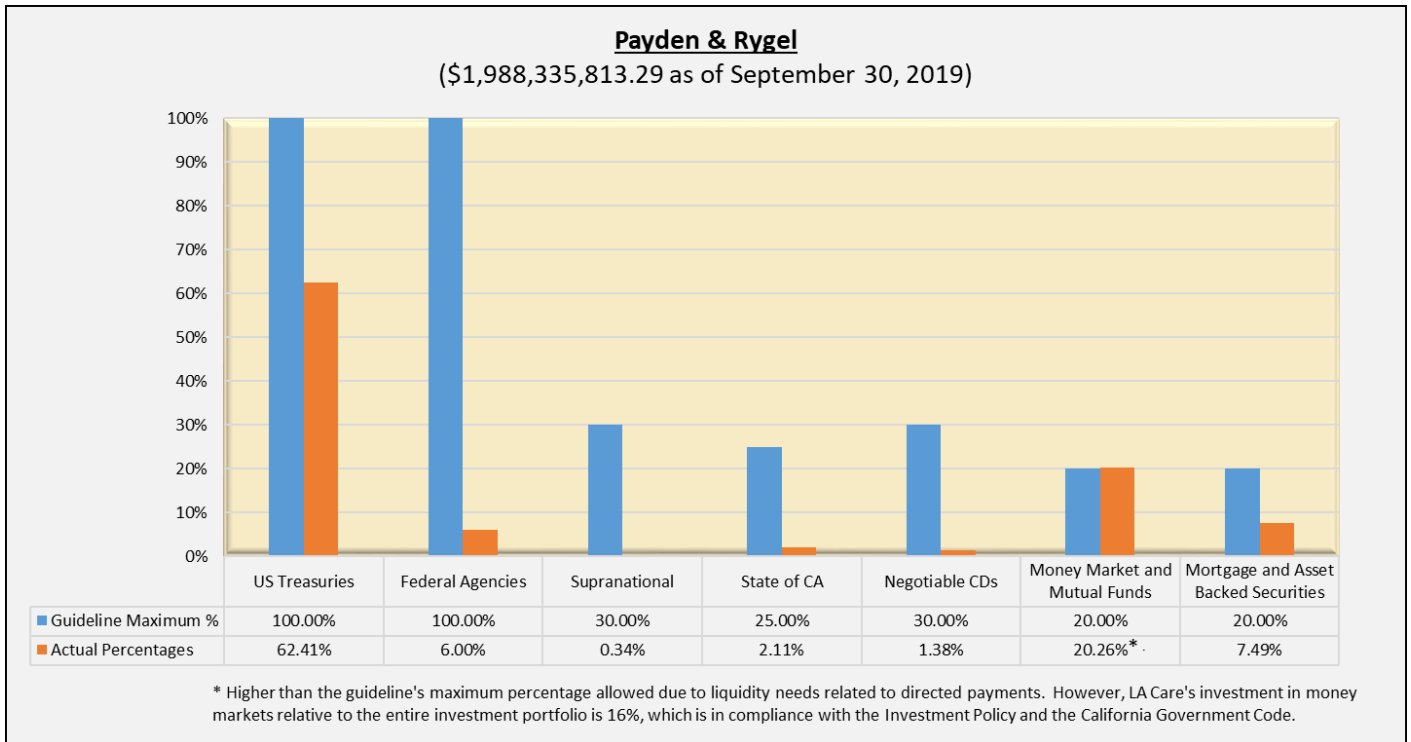
COMPLIANCE WITH ANNUAL INVESTMENT POLICY

Based on an independent compliance review of the Payden & Rygel and NEAM portfolios performed by Wilshire Associates (using 3rd party data), L.A. Care is in compliance with the investment guidelines pursuant to the California Government Code and California Insurance Code. The Payden & Rygel and NEAM investment reports for L.A. Care are available upon request.

L.A. Care has invested funds in California’s Local Agency Investment Fund (LAIF) and the Los Angeles County Treasurer’s Pooled Investment Fund (LACPIF). In a LAIF statement dated October 1, 2019, the September 30, 2019 balance is reported as \$61,028,506.99 with accrued interest of \$367,318.00. In the LACPIF statement dated September 26, 2019, the August 31, 2019 balance was \$104,221,672.76. The LACPIF account balance does not reflect accrued interest.

Payden & Rygel Compliance Verification

California Government Code Compliance Verification Detail as of September 30, 2019



	Maximum Permitted Maturity		Actual Maximum Maturity		Compliance
	#2365	#2367	#2365	#2367	
	Enhanced Cash	Low Duration	Enhanced Cash	Low Duration	
US Treasuries	5 Years	5 Years	1.09 Years	4.92 Years	YES
Federal Agencies	5 Years	5 Years	2.13 Years	4.88 Years	YES
Supranational	5 Years	5 Years	2.45 Years	1.81 Years	YES
State of CA	5 Years	5 Years	0.62 Years	4.84 Years	YES
Negotiable CDs	270 Days	270 Days	214 days	-	YES
Money Market and Mutual Funds	NA	NA	1 Day	1 Day	YES
Mortgage and Asset Backed Securities	5 Years	5 Years	4.82 Years	4.57 Years	YES

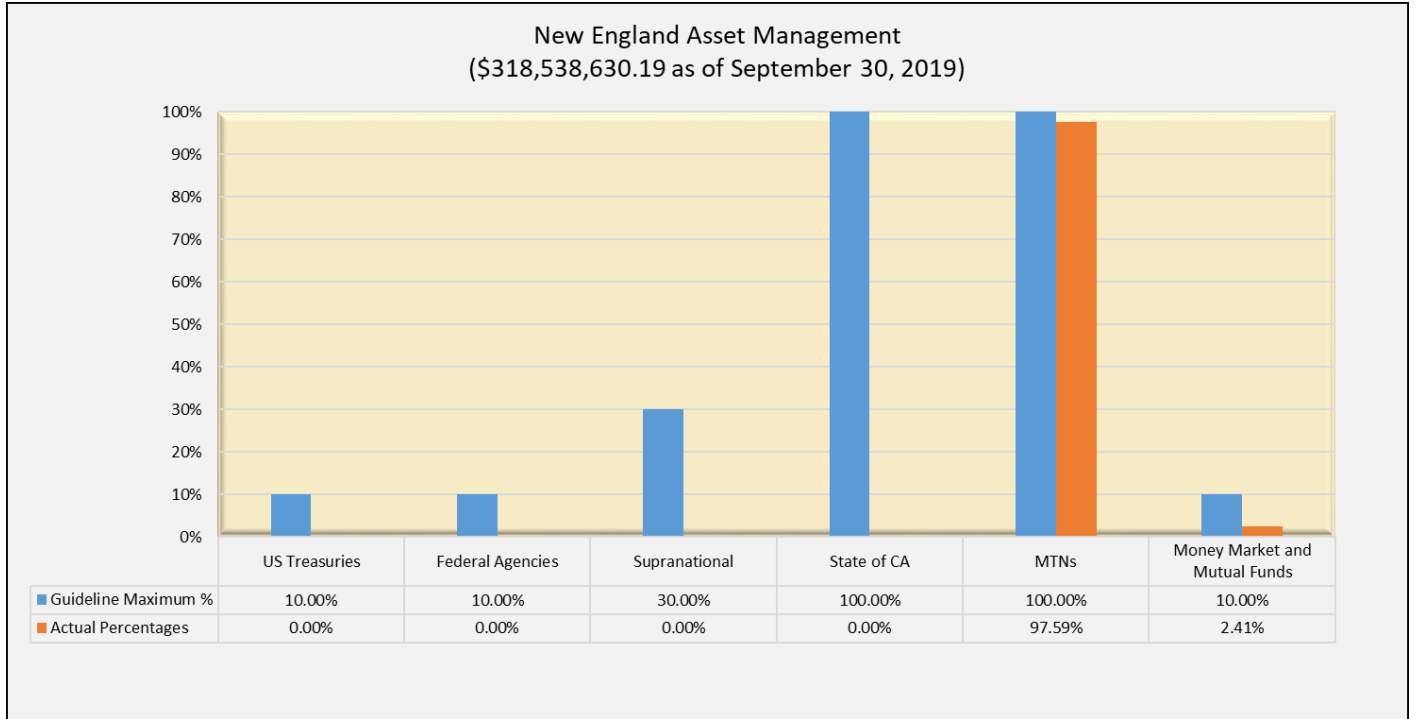
Payden & Rygel Compliance Verification

Combined #2365 and #2367 Portfolios as of September 30, 2019

	Govt. Code Section 53601	Insur. Code Sections 1170-1182 1191-1202
US Treasuries	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Federal Agencies	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Supranational	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
State of CA	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Negotiable CDs	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
MTNs	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Money Market and Mutual Funds	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Mortgage and Asset Backed Securities	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>

- (1) Approved security
- (2) Meets minimum rating (A3/A-)
- (3) Meets diversification maximums (max market value of issue: 5%)
- (4) NAIC High Grade Obligations
- (5) Authorized by Insurance Code Sections 1174 and 1194.5
- (6) Authorized by Insurance Code Section 1196.1

New England Asset Management Compliance Verification
California Government Code Compliance Verification Detail as of September 30, 2019



	Maximum Permitted Maturity	Actual Maximum Maturity	Compliance
	NEAM	NEAM	
US Treasuries	5 Years	-	YES
Federal Agencies	5 Years	-	YES
Supranational	5 Years	-	YES
State of CA	5 Years	-	YES
MTNs	5 Years	4.84 Years	YES
Money Market and Mutual Funds	NA	1 Day	YES

New England Asset Management Compliance Verification

As of September 30, 2019

	Govt. Code Section 53601	Insur. Code Sections 1170-1182 1191-1202
US Treasuries	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Federal Agencies	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Supranational	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
State of CA	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
MTNs	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>
Money Market and Mutual Funds	<i>YES (1)(2)(3)</i>	<i>YES (4)(5)</i>

- (1) Approved security
- (2) Meets minimum rating (A3/A-)
- (3) Meets diversification maximums (max market value of issue: 5%)
- (4) NAIC High Grade Obligations
- (5) Authorized by Insurance Code Sections 1174 and 1194.5
- (6) Authorized by Insurance Code Section 1196.1

Based on an independent review of Payden & Rygel’s and New England Asset Management’s month-end portfolios performed by Wilshire Associates, L.A. Care’s portfolios are compliant with its Annual Investment Guidelines, the California Government Code, and the Insurance Code sections noted above. In addition, based on the review of the latest LAIF and LACPIF reports and their respective investment guidelines, the LAIF and LACPIF investments comply with the Annual Investment Policy, the California Government Code, and the California Insurance Code.

MARKET COMMENTARY

Economic Highlights

- **GDP:** Real GDP growth slowed during the second quarter of 2019, at 2.0% annualized. The contributions to growth were meaningfully different among the components of GDP. Consumer spending was up more than it has been in 18 months with a very strong labor market that includes rising wages. Private spending, however, was down sharply as business investment contracted as did spending on home building and improvements. Many economists believe that 2% growth is what is likely for the remainder of the year.

Source: Dept. of Commerce (BEA)

- **Interest Rates:** The Treasury curve fell again across all maturities during the quarter while its inversion worsened. The curve is now inverted out to the 10-year mark by approximately 20 basis points. The 10-year Treasury was down 32 basis points during the quarter, finishing at 1.68%. The Federal Reserve cut the Fed-funds rate twice during the quarter by 0.25% each time. A divided committee forecasts no further cuts this year.

Source: US Treasury

- **Inflation:** Consumer prices have increased during the past three months but have been modest for the year. The Consumer Price Index was up 0.4% for the three months ending August and 1.8% for the one-year period. The 10-year breakeven inflation rate decreased again during the third quarter to 1.53% in September versus 1.69% at the start of the quarter.

Source: Dept. of Labor (BLS), US Treasury

- **Employment:** Jobs growth continues to be solid with total nonfarm employment increasing an average of 156,000 jobs per month during the three months ending August 2019. The unemployment rate has fallen this year to 3.7%, the lowest level in nearly 50 years.

Source: Dept. of Labor (BLS)

U.S. Fixed Income Markets

The U.S. Treasury yield curve fell across all maturities during the quarter with the biggest decreases occurring in the long end of the curve. The 10-year Treasury yield ended the quarter at 1.68%, down 32 basis points from June. The Federal Open Market Committee decreased its overnight rate by 0.25% at both the July and September meetings. While the official position after the latest meeting is for no more changes this year, individual members are almost perfectly split among another cut, no change and an increase by year-end. Credit spreads were little changed by quarter-end within both the investment grade and high yield markets.

Payden & Rygel

QUARTERLY PORTFOLIO REVIEW

3rd Quarter 2019



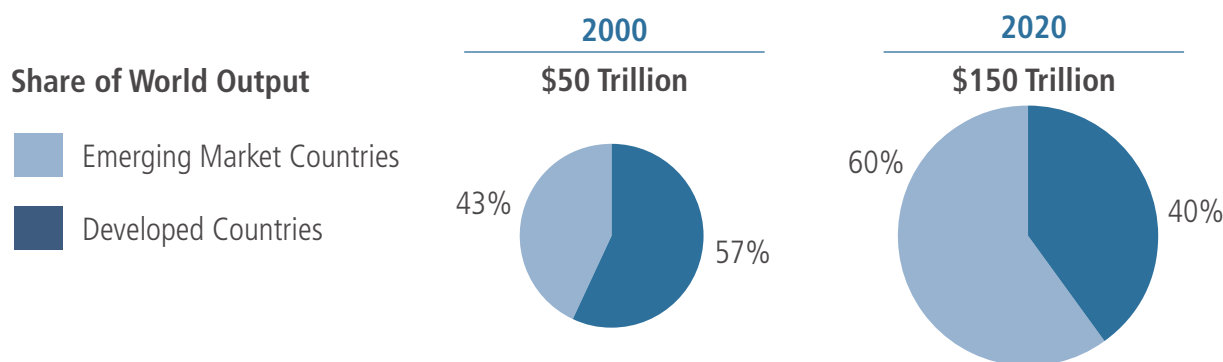
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October 2019

As we begin the fourth quarter of 2019, two trends continue to dominate the global economy.

First, as we have mentioned many times, emerging market countries' share of global GDP has overtaken that of developed countries (as shown in the pie charts below). The continued growth of emerging markets has helped offset some of the recent weakness in developed markets, and expectations for global GDP growth in 2019 remain around 3%. With many central banks now shifting to easing mode, we wouldn't be surprised to see an improvement in economic activity in the near future.



Source: International Monetary Fund, World Economic Outlook

The second major trend is a continuation of low and negative interest rates worldwide. This is a phenomenon the magnitude of which we have never seen before. In fact, there is currently more than \$15 trillion worth of negatively yielding debt.

Developed world central banks' accommodative monetary policy explains much of the trend, as they've become big buyers of "safe" assets in the last decade. Against this background, there has been a huge demand for income-producing investments, and we believe this low interest rate environment may continue for some time to come.

We are managing your portfolio while remaining conscious of the need for liquidity when the environment changes. We will certainly keep you apprised immediately of any changes we see in the future.

In the meantime, my very best wishes.

Joan A. Payden

President & CEO

L.A. CARE HEALTH PLAN COMBINED PORTFOLIO

Portfolio Review and Market Update – 3rd Quarter 2019

PORTFOLIO CHARACTERISTICS (As of 9/30/2019)

Market Value	1,988,335,813
Avg Credit Quality	AAA
Avg Duration	0.22
Avg YTM	1.85%

SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	397,980,736	20.02%
Money Market	32,505,194	1.63%
Treasury	1,240,941,775	62.41%
Agency	119,255,859	6.00%
Government Related	6,687,342	0.34%
Credit	-	0.00%
ABS/MBS	149,044,857	7.50%
Municipal	41,920,049	2.11%
Total	1,988,335,813	100.0%

MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	1,695,607,150	85.3%
90 days - 1 Year	202,994,130	10.2%
1 - 2 Years	25,948,515	1.3%
2 - 5 years	63,786,018	3.2%
Total	1,988,335,813	100%

PORTFOLIO RETURNS

Periods over one year annualized

Periods ended 9/30/2019	3rd Quarter	2019 YTD	Trailing 1 Year	Trailing 3 Year
Performance				
LA Care - Short-Term Portfolio	0.53	1.76	2.35	1.64
Benchmark*	0.56	1.81	2.38	1.48
LA Care - Extended-Term Portfolio	0.82	3.68	5.02	2.04
Benchmark**	0.77	3.88	5.69	1.90
LA Care - Combined Portfolio	0.54	1.88	2.54	1.66

*iMoneyNet DTaxable Money Market Avg. from inception to 10/31/2017; BofAML 91 Day Tsy thereafter.

** BofAML 1-Yr Tsy to 10/31/2017; Bloomberg Barclays US Govt 1-5 Yr thereafter.



L.A. CARE HEALTH PLAN SHORT TERM PORTFOLIO

Portfolio Review and Market Update – 3rd Quarter 2019

PORTFOLIO CHARACTERISTICS (As of 9/30/2019)

Market Value	1,898,981,766
Avg Credit Quality	AAA
Avg Duration	0.11
Avg YTM	1.85%

SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	399,463,311	21.04%
Money Market	32,505,194	1.71%
Treasury	1,191,575,170	62.75%
Agency	116,034,571	6.11%
Government Related	4,190,025	0.22%
Corporate Credit	-	0.00%
ABS/MBS	133,291,134	7.02%
Municipal	21,922,361	1.15%
Total	1,898,981,766	100.0%

MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	1,692,118,565	89.1%
90 days - 1 Year	196,838,122	10.4%
1 - 2 Years	10,025,079	0.5%
2 - 5 years	-	0.0%
Total	1,898,981,766	100.0%

PORTFOLIO RETURNS

Periods over one year annualized

Periods ended 9/30/2019

Performance

L.A. Care - Short-Term Portfolio

Benchmark*

	3rd Quarter	2019 YTD	Trailing 1 Year	Trailing 3 Year
L.A. Care - Short-Term Portfolio	0.53	1.76	2.35	1.64
Benchmark*	0.56	1.81	2.38	1.48

* iMoneyNet DTaxable Money Market Avg. from inception to 10/31/2017; BofAML 91 Day Tsy thereafter.



L.A. CARE HEALTH PLAN EXTENDED TERM PORTFOLIO

Portfolio Review and Market Update – 3rd Quarter 2019

PORTFOLIO CHARACTERISTICS (As of 9/30/2019)

Market Value	89,354,047
Avg Credit Quality	AA+
Avg Duration	2.66
Avg YTM	1.78%

SECTOR ALLOCATION

Sector	Market Value	% of Port
Cash	(1,482,575)	-1.66%
Money Market	-	0.00%
Treasury	49,366,605	55.25%
Agency	3,221,288	3.61%
Government Related	2,497,318	2.79%
Credit	-	0.00%
ABS/MBS	15,753,723	17.63%
Municipal	19,997,688	22.38%
Total	89,354,047	100.0%

MATURITY DISTRIBUTION

Sector	Market Value	% of Port
<90 day	3,488,585	3.9%
90 days - 1 Year	6,156,008	6.9%
1 - 2 Years	15,923,436	17.8%
2 - 5 years	63,786,018	71.4%
Total	89,354,047	100%

PORTFOLIO RETURNS

Periods over one year annualized

Periods ended 9/30/2019

Performance	3rd Quarter	2019 YTD	Trailing 1 Year	Trailing 3 Year
LA Care - Extended-Term Portfolio	0.82	3.68	5.02	2.04
Benchmark**	0.77	3.88	5.69	1.90

** BofAML 1-Yr Tsy to 10/31/2017; Bloomberg Barclays US Govt 1-5 Yr thereafter.



MARKET THEMES

It was a bumpy third quarter with geopolitical headlines driving markets. The escalating U.S.-China trade war, conflicts in the Middle East, economic slowdown in Europe, and uncertainty around an impending Brexit outcome resulted in U.S. Treasury yields continuing to fall as the curve remained partly inverted. With negative interest rates in many foreign government bonds, questions continue about whether U.S. yields will follow. The Federal Open Market Committee cut rates twice, lowering the Fed Funds target range to 1.75% to 2.00%, and is divided on the future path of rates, indicating that future rate cuts would be data dependent. The Fed also intervened in money markets, injecting cash into the system to stabilize the overnight repo market. This easier monetary policy led to tighter credit spreads and positive performance for stocks and bonds over the quarter despite increased volatility.

STRATEGY

- The portfolio continued to hold a diversified mix of non-government sectors for income generation and seeks to provide a stable overall yield given fluctuating short-term government interest rates.
- We continue to maintain a bias toward a shorter maturity profile within the non-government allocation to limit the portfolio's sensitivity to changes in credit risk premiums while maintaining a yield advantage.
- We focused on adding securitized bonds (ABS/MBS), which serve as a diversifier and source of high-quality income, at the front-end of the yield curve, where they are most attractive.
- In the Extended-Term portfolio duration was increased through the use of straightforward Treasury bonds given the dovish shift from the Fed.
- We maintained our allocation to short maturity taxable muni bonds as a high quality, low beta alternative to corporate credit and for the added spread and carry over government bonds.

INTEREST RATES

As the FOMC reduced its targeted range for the Fed Funds rate, yields continued to fall, with two-year notes trading in a 50-basis point range (1.4% - 1.9%) during the quarter before closing at 1.6%. The U.S. yield curve remains mostly inverted, and the market continues to price in a modest amount of additional easing from the Fed.

- The three-month U.S. Treasury bill yield declined from 2.09% to 1.82%, while the one-year note fell from 1.93% to 1.76%.
- One-month LIBOR fell 38 basis points to 2.02% and three-month LIBOR decreased 23 basis points to 2.09%.
- Longer duration positions benefited the portfolio through price performance over the quarter; however, total contribution was slightly negative due to volatility in August and September

SECTORS

- High-quality ABS, MBS and taxable muni allocations outperformed Treasuries but slightly underperformed corporates (where corporate credit is allowed).
- The floating-rate allocation contributed positively to performance as these securities benefited from attractive yields due to high LIBOR rates relative to the rest of the curve.

MARKET PERSPECTIVE

The Upside Down World of Negative Rates

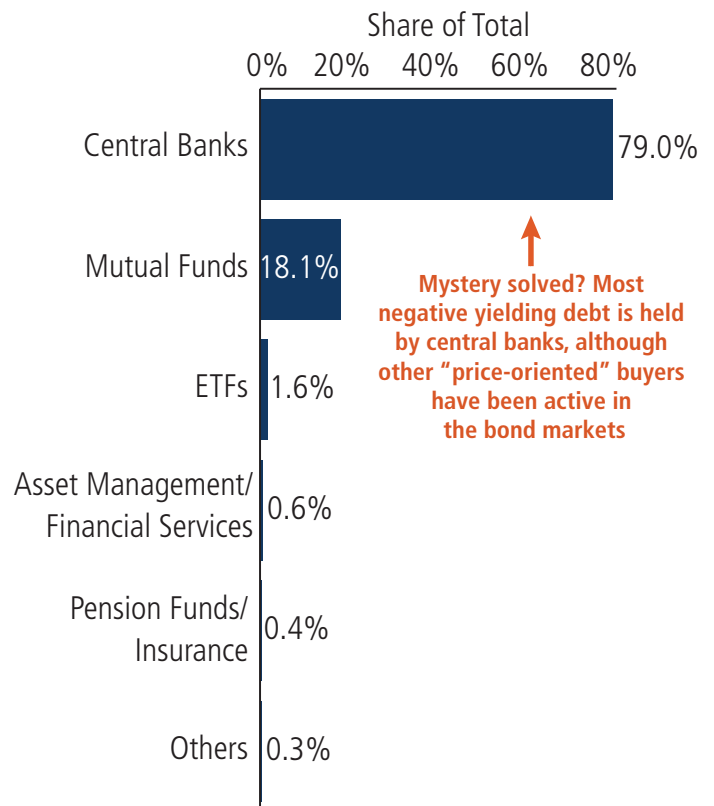
During the third quarter of 2019, the market value of negative-yielding bonds surged to \$17 trillion. What's behind the negative yield trend? Global central banks have moved to stimulate their respective economies by slashing short-term rates and purchasing longer-term bonds. The former move suggests rates will be low for longer and the latter move constrains the supply of available "safe" bonds for real investors. Both of these forces combined in Q3 to push interest rates lower.

Ever wonder who buys negative-yielding bonds? Wonder no longer. Global central banks hold almost 80% of the world's negative-yielding debt. Rather than buying purely for investment reasons, central banks seek to boost their domestic economies. Has it worked? In terms of macroeconomic outcomes, we conclude that it hasn't. Global growth remains lackluster, and inflation is below most central bank targets. Negative yields have forced investors into new investment areas like private debt, a murky, illiquid sector which has grown from \$42 billion in 2000 to \$767 billion in 2018. Negative yields have also driven investors to the U.S. bond market, where positive yields still exist across the curve. In conclusion, the global low yield backdrop looks set to persist well into 2020.

Negative Yielding Debt Outstanding



Who Owns Negative Yielding Debt?



Source: The Conference Board, Federal Reserve, NBER, Payden Calculations



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TO OUR CLIENTS' NEEDS.**

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OUR STRATEGIES

Multi-Sector

Short Maturity Bonds

U.S. Core Bond

Absolute Return Fixed Income

Strategic Income

Global Fixed Income

Liability Driven Investing

Sector-Specific

Emerging Markets Debt

Government/Sovereign

High Yield Bonds & Loans

Inflation-Linked/TIPS

Investment Grade Corporate Bonds

Municipal Bonds (U.S.)

Securitized Bonds

Income-Focused Equities

Equity Income

Available in:

Separate Accounts – Mutual Funds (U.S. and UCITS)

Collective Trusts (“CITs”) – Customized Solutions

For more information about Payden & Rygel’s strategies, contact us at a location listed below.

Payden & Rygel

LOS ANGELES

333 South Grand Avenue
Los Angeles, California 90071
213 625-1900

BOSTON

265 Franklin Street
Boston, Massachusetts 02110
617 807-1990

LONDON

1 Bartholmew Lane
London EC2N 2AX UK
+44 (0) 20-7621-3000

MILAN

Corso Matteotti, 1
20121 Milan, Italy
+39 02 76067111



L.A. Care Health Plan

NEAM's L.A. Care Board Report



Data as of September 30, 2019

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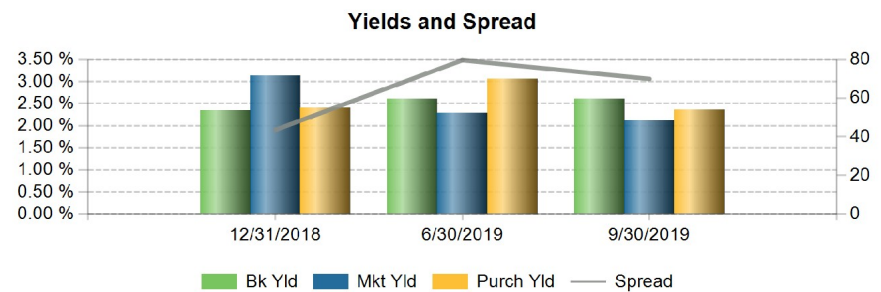
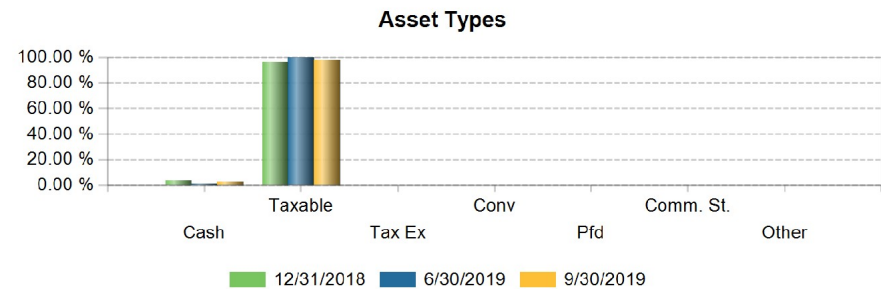
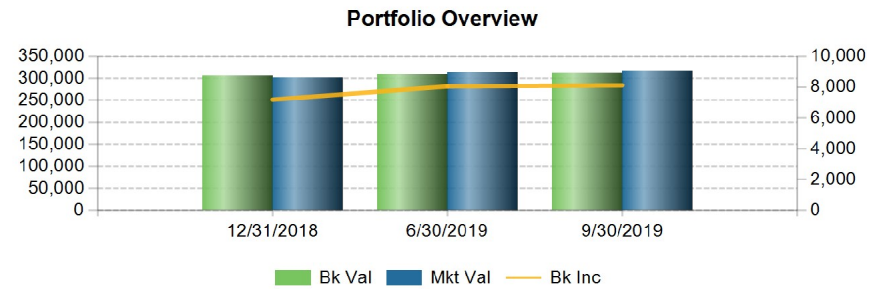
Portfolio Summary

L.A. Care Health Plan - Comparative Overview



	12/31/2018	6/30/2019	9/30/2019	Change since 6/30/2019
Portfolio Overview (000's Omitted)				
Book Value	306,480	309,454	311,555	2,101
Market Value	301,672	312,782	316,135	3,353
Total Unrealized Gain/Loss	(4,808)	3,328	4,581	1,252
Gross Gains	134	3,517	4,706	1,189
Gross Losses	(4,943)	(189)	(125)	64
Realized Gain / Loss	(122)	(224)	31	
Annualized Book Income	7,188	8,051	8,116	65
After Tax Book Income	5,678	6,360	6,411	51
Asset Types				
Cash / Cash Equivalents	3.6%	0.1%	2.4%	2.3%
Taxable Fixed Income	96.4%	99.9%	97.6%	(2.3%)
Portfolio Yields				
Book Yield (Before Tax)	2.35%	2.60%	2.60%	-
Book Yield (After Tax)	1.85%	2.06%	2.06%	-
Market Yield	3.13%	2.29%	2.11%	(0.18%)
Fixed Income Analytics				
Average OAD	2.08	2.50	2.54	0.03
Average Life	2.19	2.72	2.75	0.03
Average OAC	5.14	6.16	7.48	1.32
Average Quality	A+	A+	A+	
Average Purchase Yield	2.40%	3.06%	2.36%	(0.70%)
Average Spread Over Tsy	44	80	70	(10)
5 Year US Govt On The Run	2.51%	1.77%	1.54%	(0.23%)

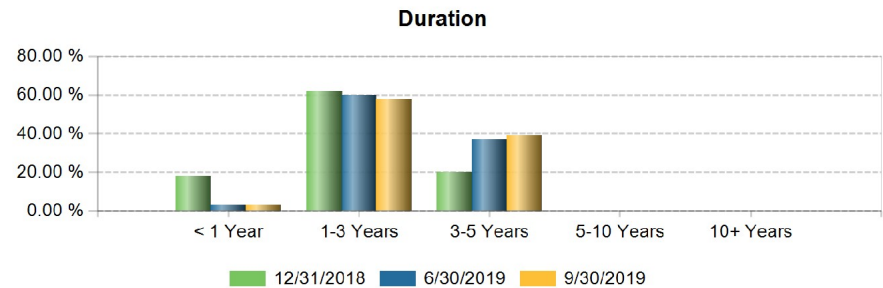
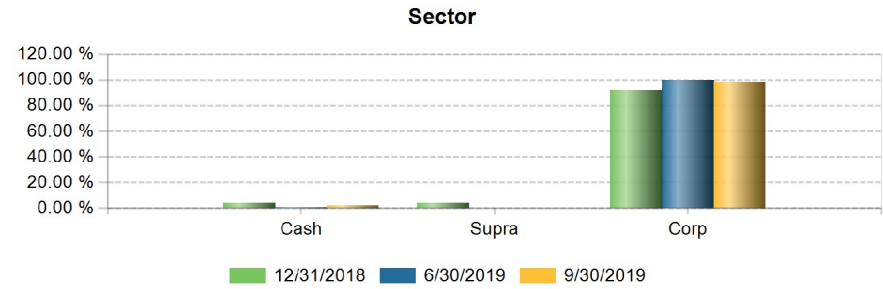
	12/31/18	03/31/19	06/30/19	09/30/19	Change since 06/30/2019
MV Excl. Acc. Int. Inc.	301,671,972	307,392,551	312,782,098	316,135,435	3,353,337
Acc. Int. Inc.	1,808,311	2,247,834	2,451,833	2,403,195	(48,638)
MV Inc. Acc. Int. Inc.	303,480,283	309,640,386	315,233,931	318,538,630	3,304,699



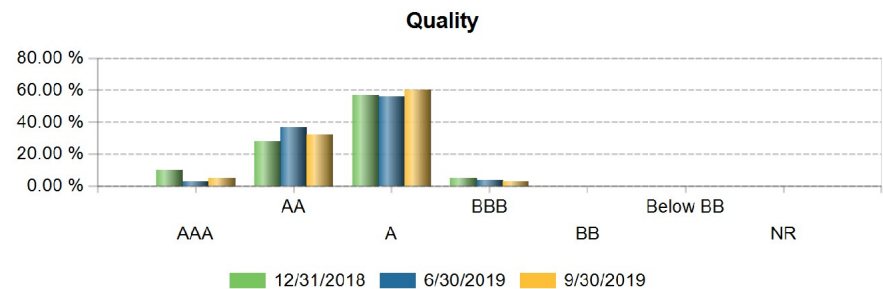
L.A. Care Health Plan - Fixed Income Summary



	12/31/2018	6/30/2019	9/30/2019	Change since 6/30/2019
Sector				
Cash & Cash Equivalents	4%	< 1%	2%	2%
Supranationals	4%	-	-	-
Corporates	92%	100%	98%	(2%)
Fixed Income	100%	100%	100%	
Duration				
< 1 Year	18%	3%	3%	-
1-3 Years	62%	60%	58%	(2%)
3-5 Years	20%	37%	39%	2%
Average Duration	2.08	2.50	2.54	0.03
Quality				
AAA	10%	3%	5%	2%
AA	28%	37%	32%	(5%)
A	57%	56%	60%	4%
BBB	5%	4%	3%	(1%)
Average Quality	A+	A+	A+	



Average Portfolio Rating at 9/30/19					
	Moody	S&P	Fitch	Lowest	Highest
Average Rating	A1	A	A+	A	A+





L.A. Care Health Plan - Transaction Summary



(000's Omitted)

Purchases	Market Value	%	Spread (Bp)	Book Yld	High	Duration
Corporates	28,984	100.0	70	2.36	A+	4.17
Total Purchases	28,984	100.0	70	2.36	A+	4.17
Sales	Market Value	%	Realized G/L	Trade / Book Yld	High	Duration
Corporates	30,856	100.0	6	2.20 / 2.18	A+	0.91
Total Sales	30,856	100.0	6	2.20 / 2.18	A+	0.91
Other Transactions	Market Value	%	Realized G/L	Book Yld	High	Duration
Tender	3,123	100.0	26	2.36	A	2.58
Total Other Transactions	3,123	100.0	26	2.36	A	2.58



L.A. Care Health Plan - Performance Report Not Tax Adjusted



	Annualized								Inc Date	
	Sep 2019	Aug 2019	Jul 2019	Q3	YTD	12 Month	3 Year	5 Year		Inception
LA Care HealthPlan	(0.04)	1.05	0.04	1.05	4.95	5.87			3.46	Jan 2018
Barclay Bloomberg U.S. Credit: 1-5 Yr A- or better (Highest)	(0.07)	1.14	(0.01)	1.06	5.26	6.45			3.71	Jan 2018
Difference	0.03	(0.09)	0.05	(0.01)	(0.31)	(0.57)			(0.25)	

Please see the accompanying Disclosure Page for important information regarding this Performance Exhibit.

L.A. Care Health Plan - Performance Report Not Tax Adjusted



Disclosures

Management start date is 10/1/17 and performance start date is 1/1/18 to allow for seasoning.

The performance results reflect LA Care Health Plan's portfolio managed by NEAM. A Daily Valuation Methodology that adjusts for cash flows is utilized to calculate portfolio performance. Portfolio returns are calculated daily and geometrically linked to create monthly gross of fee rates of return. Performance results are reported gross of management fees and of custody fees and other charges by the custodian for your account and net of commissions, mark-ups or mark-downs, spreads, discounts or commission equivalents. The performance results for your account are shown in comparison to an index that has been chosen by you. The securities comprising this index are not identical to those in your account. The index is comprised of securities that are not actively managed and does not reflect the deduction of any management or other fees or expenses. Past performance is not indicative of future performance.





Risk Reports

L.A. Care Health Plan - Profile Report



Distribution by Class

	Quantity	Book	Market	Unrealized Gain/ Loss	Book Yield	OAY	OAD	OAC	Avg Life	% of Portfolio
Cash & Cash Equivalents	7,687,408	7,687,408	7,687,408	-	1.86	1.70	0.09	0.05	0.09	2.43
Corporates	300,959,000	303,867,252	308,448,027	4,580,775	2.62	2.12	2.60	7.66	2.81	97.57
Total Portfolio	308,646,408	311,554,661	316,135,435	4,580,775	2.60	2.11	2.54	7.48	2.75	100.00

Rating Analysis - Highest

	% of Portfolio
AAA	5.28
AA	32.38
A	58.87
BBB	3.48
Below BBB	-
NR	-
Total Fixed Income	100.00
Equity	-
Total	100.00
Average Rating:	A+

Scenario Analysis - % of Market

	-300	-200	-100	-50	+50	+100	+200	+300
Cash & Cash Equivale	0.17	0.17	0.09	0.04	(0.04)	(0.09)	(0.17)	(0.26)
Corporates	4.48	4.48	2.64	1.31	(1.29)	(2.56)	(5.04)	(7.44)
Total Portfolio	4.38	4.38	2.58	1.28	(1.26)	(2.50)	(4.92)	(7.26)

Key Rate Duration

	Market Value	1 Year	2 Year	3 Year	5 Year	7 Year	10 Year	15 Year	20 Year	30 Year
Cash & Cash Equival	7,687,408	0.09	-	-	-	-	-	-	-	-
Corporates	308,448,027	0.29	0.48	1.02	0.81	< 0.01	-	-	-	-
Total Portfolio	316,135,435	0.28	0.47	1.00	0.79	< 0.01	-	-	-	-



Disclaimers

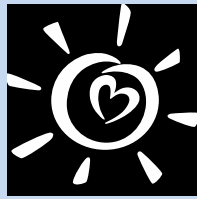


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NEAM's portfolio management tools utilize deterministic scenario analysis to provide an estimated range of total returns based on certain assumptions. These assumptions include the assignment of probabilities to each possible interest rate and spread outcome. We assume a 12 month investment horizon and incorporate historical return distributions for each asset class contained in the analysis. These projected returns do not take into consideration the effect of taxes, fees, trading costs, changing risk profiles, operating cash flows or future investment decisions. Projected returns do not represent actual accounts or actual trades and may not reflect the effect of material economic and market factors.

Clients will experience different results from any projected returns shown. There is a potential for loss, as well as gain, that is not reflected in the projected information portrayed. The projected performance results shown are for illustrative purposes only and do not represent the results of actual trading using client assets but were achieved by means of the prospective application of certain assumptions. No representations or warranties are made as to the reasonableness of the assumptions. Results shown are not a guarantee of performance returns. Please carefully review the additional information presented by NEAM.

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L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. FIN 101.1219

Committee: Finance & Budget

Chairperson: Robert H. Curry

Issue: Approve Accounting & Financial Services Policies AFS-006 (Authorization and Approval Limits), AFS-025 (Tangible Net Equity and Working Capital Reserves), AFS-027 (Travel Expenses), and AFS-029 (Annual Budgets and Board of Governors Oversight)

Background: On an annual basis, L.A. Care's Financial policies are brought to the Board for review, updates and approval. This year, we are bringing four policies to the Board for review which have minor updates to the policies. A summary of these policies is provided below:

AFS-006 (Authorization and Approval Limits)

- Policy defines the types of expenditures that require approvals by designated management personnel.
- Policy includes authorization and approval amounts by management level.

AFS-025 (Tangible Net Equity and Working Capital Reserves)

- Policy provides for the establishment, maintenance, and utilization of Tangible Net Equity.
- Policy includes allocation of Board-Designated Reserve Funds.

AFS-027 (Travel Expenses)

- Policy defines approvals and appropriate expenses related to travel.
- Establishes Board reporting and oversight of related spending.

AFS-029 (Annual Budgets and Board of Governors Oversight)

- Policy establishes the authority of spending assigned to the Board of Governors.
- Defines the related oversight for Financial Audits

Member Impact: This action will not directly affect L.A. Care members.

Budget Impact: None

Motion: To approve the following Accounting & Financial Services Policies as attached:

- **AFS-006 (Authorization and Approval Limits)**
- **AFS-025 (Tangible Net Equity and Working Capital Reserves)**
- **AFS-027 (Travel Expenses)**
- **AFS-029 (Annual Budgets and Board of Governors Oversight)**

	AUTHORIZATION AND APPROVAL LIMITS	AFS-006
	DEPARTMENT ACCOUNTING AND FINANCIAL SERVICES	
Supersedes Policy Number(s)		

DATES					
Effective Date	1/10/2002	Review Date	8/14/2018 <u>10/10/2019</u>	Next Annual Review Date	8/14/2019 <u>10/10/2020</u>
Legal Review Date		Committee Review Date	7/19/2017		

LINES OF BUSINESS				
<input type="checkbox"/> Cal MediConnect	<input type="checkbox"/> L.A. Care Covered	<input type="checkbox"/> L.A. Care Covered Direct	<input type="checkbox"/> MCLA	
<input type="checkbox"/> PASC-SEIU Plan	<input checked="" type="checkbox"/> Internal Operations			

DELEGATED ENTITIES / EXTERNAL APPLICABILITY			
<input type="checkbox"/> PP – Mandated	<input type="checkbox"/> PP – Non-Mandated	<input type="checkbox"/> PPGs/IPA	<input type="checkbox"/> Hospitals
<input type="checkbox"/> Specialty Health Plans	<input type="checkbox"/> Directly Contracted Providers	<input type="checkbox"/> Ancillaries	<input type="checkbox"/> Other External Entities

ACCOUNTABILITY MATRIX			

ATTACHMENTS
<ul style="list-style-type: none"> ➤ Authorization and Approval Limits ➤ Authorizations and Approvals When Amount Exceeded ➤ Examples

ELECTRONICALLY APPROVED BY THE FOLLOWING			
	OFFICER	DIRECTOR	COMMITTEE CHAIR
NAME	Marie Montgomery	JR Nino	Michael Rembis <u>Robert H. Curry</u>
DEPARTMENT	Financial Services	Financial Services	Finance and Budget Committee
TITLE	Chief Financial Officer	Director, Procurement	Treasurer of the Board of Governors
AUTHORITIES			
➤ N/A			

REFERENCES
<ul style="list-style-type: none"> ➤ AFS-004, “Expense Policy” ➤ AFS-007, “Procurement Policy” ➤ AFS-027, “Travel Expense Policy” ➤ LS-009, “Government Claims Presentation and Delegation of Authority to Approve, Deny and/or Settle Certain Government Claims” ➤ LS-010, “Delegation of Authority to Approve, Compromise and/or Settle Certain Pre-Litigation Claims and Pending Litigation”

HISTORY	
REVISION DATE	DESCRIPTION OF REVISIONS
01/10/02	New Policy
02/10/10	Annual Review
06/24/2015	Annual Review with revisions
06/23/2017	Annual Review with revisions
08/14/2018	Annual Review
<u>10/10/2019</u>	<u>Annual Review</u>

DEFINITIONS	
Please visit the L.A. Care intranet for a comprehensive list of definitions used in policies: http://insidelac/ourtoolsandresources/departmentpoliciesandprocedures	

1.0 **OVERVIEW:**

- 1.1 L.A. Care Health Plan (L.A. Care) expenditures shall only be made as authorized by designated management personnel. Designated management personnel have approval authority for expenditures as specified herein with oversight by supervisory levels. This policy seeks to balance the need for organizational efficiency and delegated decision making, with financial responsibility, oversight and accountability both internal to L.A. Care and consistent with L.A. Care's public entity status.

2.0 **DEFINITIONS:**

- 2.1 **Operating Expenditures:** Expenditures for goods and services required to conduct the day to day business operations of the organization. Examples are: advertising, consulting fees, IT or business hosting/cloud services, temporary labor, training, translation services, repair and maintenance, supplies, utilities, and all vendor services not related to providing medical care. For the purpose of this policy, operating expenditures excludes regulatory fees, legal fees from Section 2.2, medical services, and Capital Expenditures.
- 2.2 **Capital Expenditures:** Expenditures incurred for the purchase of tangible property, i.e. furniture, fixture, office equipment, computer equipment. Refer to Policy AFS-002-Capital Assets.

3.0 **POLICY:**

- 3.1 All purchases of Operating and Capital Expenditures must be made in accordance with AFS-007, "Procurement Policy" in order to comply with applicable legal, financial, compliance, privacy, and information security requirements prior to any contract (including without limitation amendments, new schedules or scope of work) execution.
- 3.2 This policy excludes the authorizations and approvals of all travel and expenses including all catering and meals from an L.A. Care meeting, training, recruiting, workplace meeting, provider relations, sales, or related purpose. For these expenditures please refer to Expense Policy (AFS-004) and Travel and Other Expense Policy (AFS-027). This policy also excludes employee benefits; medical claims; pharmacy claims; capitation; and claims settlements covered by Government Claims Presentation and Delegation of Authority to Approve, Deny and/or Settle Certain Government Claims Policy (LS-009) and Delegation of Authority to Approve, Compromise and/or Settle Certain Pre-Litigation Claims and Pending Litigation Policy (LS-010).
- 3.3 Authorization and Approval Limits are subject to the review and approval by the Board of Governors, and L.A. Care management authorization in accordance with the authorization limits (see "Authorization and Approval Levels" attachment).

- 3.4** The Authorizations and Approval Limits are based on the total dollar amount of a purchase or contract. If additional dollars are added to an existing purchase order or contract already authorized, then the authorization limit is based on the total aggregate amount of the original authorized dollar amount plus the additional dollars to be added.
- 3.5** In addition to the approvers found in the “Authorization and Limits” attachment, there must be at least one other approver for purchases, contracts, or check requests. These approvers are accounting/budget and/or procurement. Exceptions to this are low dollar purchases for office supplies and IT peripherals directly from L.A. Care’s electronic catalog procurement system.
- 3.6** Only authorized signers who have a current signatory card on file in Accounts Payable, as approved by their respective officer, and who have primary responsibility for managing the budget of one or more cost centers will be able to sign contracts, subject to the Authorizations and Approval Limits above.
- 3.7** Only the CEO or designee has the authority to execute contracts approved by the Finance & Budget Committee or the Board of Governors.
- 3.8** In a situation when time is of the essence and presenting a motion to Finance & Budget Committee is not possible, only the Chief Executive Officer (CEO) or designee may authorize an expenditure, not to exceed \$+2,000,000, if prior approval is received from the Chairperson of the Executive Committee and the Chairperson of the Finance & Budget Committee.
- 3.9** In a situation when time is of the essence and when a motion must be presented to the Board of Governors prior to Finance & Budget Committee, the Chairperson of the Finance & Budget Committee must approve presenting of the said motion on behalf of the Finance & Budget Committee.
- 3.10** In the event that the actual expenditure or an approved invoice exceeds the original amount authorized, it will be handled in accordance with the attached procedure (see “Authorizations and Approvals When Amount Exceeded” attachment). Beyond these limits the next management level authorization is required in accordance with Section 23.4 and 23.5.
- 3.11** All staff must adhere to these authorization limits and must not submit multiple purchase requisitions, check requests, or other payment requests that are under an authorization limit to avoid higher levels of management approvals.
- 3.12** Delegation of approvals and authorizations to a substitute approver when an approver is not available may be requested in writing via e-mail from the approver to Accounts Payable and Procurement. Delegation must be made at the same management level of the approver or higher.

- 3.13** In the event an officer needs to delegate approvals and authorizations to one formal designee to approve and sign contracts for an extended period of time other than for short-term unavailability, the following is required in writing:
- 3.13.1** Approval by officer who is requesting designee.
 - 3.13.2** Approval by CFO. If CFO is requesting officer, then approval by CEO.
 - 3.13.3** Signatory card of designee on file in Accounts Payable.
- 3.14** The requesting officer, CFO, or CEO can revoke designee’s approval and authorization at any time. The list of designees will be reviewed annually by CFO or designee.
- 3.15** ~~2.17~~In a situation when a management level individual is unable to authorize and approve expenditures, authorizations can be delegated temporarily in writing via e-mail to Accounts Payable and Procurement. ~~2.18~~
- 3.16** Examples of scenarios that apply to this policy’s authorization and approval limits can be found in the “Examples” attachment.
- 3.17** The following are special authorizations and approvals for recurring expenditures which already have a previously authorized commitment (i.e., active and fully executed contract). A board motion is required when the following amounts are exceeded:

Recurring Expenditure	Delegated Approver	Up to the following amounts
Building lease payments from an active, fully executed lease contract	CFO or designee	\$12,000,000 per year
Sales agency broker commissions from an active, fully executed contract	CFO or designee	\$4,000,000 per year
L.A. Care insurance premiums from annual renewals (e.g., workers compensation, crime, fiduciary, managed errors and omissions, etc.)	CFO or designee	\$34 ,000,000 per year
Investment fees	CFO or designee	\$400,000 per month
Regulatory fee wire transfers (exclude Legal settlements and Provider payments)	CFO or designee	\$15,000,000 per month

4.0 Monitoring:

- 4.1 List of substitute of approvers will be maintained by Accounts Payable and Procurement.
- 4.2 Accounts Payable will maintain the list of designees for special approvals and authorizations. The list of designees will be reviewed annually by CFO or designee.

5.0 Reporting:

- 5.1 Instances in which staff appears to unbundle purchases or split requirements to avoid scrutiny by higher levels of authority will be reported to senior management and could be subject to disciplinary action up to and including termination.
- 5.2 All executed vendor contracts for all expenditures will be reported to the Finance and Budget Committee on a quarterly basis.

Authorization and Approval Levels*

Management Level	Operating <u>and Capital</u> Expenditures** Up to and including the following amounts
Department Managers*	\$2,000
Directors / Senior Directors / Managing Directors /	\$75,000
Officers (CEO, COO, CFO, CHRO, <u>Chief Information and Technology Officer</u> , CMO, General Counsel, Chief Enterprise Officer, <u>Chief Product Officer</u> , Executive Directors)	\$300,000
CEO plus CFO	\$1,000,000
Finance & Budget Committee	\$2,000,000
Board of Governors	over \$2,000,000

Management Level	Capital Expenditures** Up to the following amounts
<u>CFO</u>	<u>\$250,000</u>
<u>CEO plus CFO</u>	<u>\$500,000</u>
<u>Finance & Budget Committee</u>	<u>\$1,000,000</u>
<u>Board of Governors</u>	<u>over \$1,000,000</u>

See Section 3.22.3 for exclusions.

~~If expenditures consist of a mix of Operating and Capital Expenditures, then the lower authorization limit of the expenditure will be applied to the total dollar amount of a purchase or contract.~~

*Manager level with direct reports.

~~**Please visit the L.A. Care intranet for a comprehensive list of definitions used in policies: <http://insidelac/ourtoolsandresources/departmentspoliciesandprocedures>~~

Authorizations and Approvals When Amount Exceeded

Less than or equal to \$250,000	Greater than \$250,000 and up to \$1,000,000	Greater than \$1,000,000
Directors / Senior Directors / Managing Directors can approve up to the lesser of 10% or \$15,000	Officers (CEO, COO, CFO, CHRO, CIO, CMO, General Counsel, Chief Enterprise Officer, Executive Directors) can approve up to the lesser of 5% or \$25,000	CEO & CFO can approve up to the lesser of 5% or \$75,000

For purchases less than or equal to \$250,000, if the additional amount of a final expenditure or a final approved invoice is the lesser of ten percent (10%) of the original amount authorized or \$15,000, the additional amount may be approved by at least a director level approver or designee provided the cost overage is limited to the same goods and services originally authorized.


For purchases greater than \$250,000 and up to \$1,000,000, if the additional amount of a final expenditure or a final approved invoice is the lesser of five percent (5%) of the original amount authorized or \$25,000, the additional amount may be approved by an officer level approver or designee provided the cost overage is limited to the same goods and services originally authorized.

For purchases greater than \$1,000,000 that have already been authorized by the Finance & Budget Committee or the Board of Governors, if the additional amount of a final expenditure or a final approved invoice is the lesser of five percent (5%) of the original amount authorized or \$75,000, the additional amount may be approved by the CEO and the CFO or respective designees provided the cost overage is limited to the same goods and services originally authorized; otherwise, Finance & Budget Committee and/or the Board of Governors authorization is required.

Section ~~32~~.12 applies to above.

Examples

<u>Example</u>	<u>Scenario</u>	<u>Expenditure Type</u>	<u>Authorized Approver</u>
1	\$75,000 Facility Services Contract	Operating	Director, Senior Director, Managing Director
2	\$300,000 Consulting Contract	Operating	Officers (CEO, COO, CFO, CHRO, <u>Chief Information and Technology Officer</u> , CMO, General Counsel, <u>Chief Product Officer</u> , Chief Enterprise Officer, Executive Directors)
3	\$1M Translation Services	Operating	CEO plus CFO
4	\$1,999,999 Hardware Purchase	Capital	Finance & Budget Committee
5	\$2.5M Health Risk Assessment Contract	Operating	Board of Governors
6	Using Example #2, a \$2,000 increase from a final invoice with a new total of \$302,000	Operating	Officers (CEO, COO, CFO, CHRO, <u>Chief Information and Technology Officer</u> , CMO, General Counsel, <u>Chief Product Officer</u> , Chief Enterprise Officer, Executive Directors)
7	Using Example #3, a \$40,000 increase from a final invoice with a new total of \$1,040,000	Operating	CEO plus CFO
8	\$200 Catering Request	N/A	See Expense Policy AFS-004

	TANGIBLE NET EQUITY		AFS-025
	DEPARTMENT	ACCOUNTING SERVICES	
Supersedes Policy Number(s)			

DATES					
Effective Date	6/8/2011	Review Date	10/28/2019 10/28/2019 11/18/2019	Next Annual Review Date	10/28/2020 10/28/2020 11/18/2020
Legal Review Date	<u>10/21/2019</u>	Committee Review Date	<u>11/18/2019</u>		

LINES OF BUSINESS			
<input type="checkbox"/> Cal MediConnect	<input type="checkbox"/> L.A. Care Covered	<input type="checkbox"/> L.A. Care Covered Direct	<input type="checkbox"/> MCLA
<input type="checkbox"/> PASC-SEIU Plan	<input checked="" type="checkbox"/> Internal Operations		

DELEGATED ENTITIES / EXTERNAL APPLICABILITY			
<input type="checkbox"/> PP – Mandated	<input type="checkbox"/> PP – Non-Mandated	<input type="checkbox"/> PPGs/IPA	<input type="checkbox"/> Hospitals
<input type="checkbox"/> Specialty Health Plans	<input type="checkbox"/> Directly Contracted Providers	<input type="checkbox"/> Ancillaries	<input type="checkbox"/> Other External Entities

ACCOUNTABILITY MATRIX			
Enter department here	Enter policy §§ here		

ATTACHMENTS
➤ Enter all attachments here (e.g., desktop procedures/job aids, templates, reports, letters)

ELECTRONICALLY APPROVED BY THE FOLLOWING		
	OFFICER	DIRECTOR
NAME	Marie Montgomery	Angela Bergman
DEPARTMENT	Finance Services	Accounting Services
TITLE	Chief Financial Officer	Controller

AUTHORITIES

- Title 28, California Code of Regulations, Sections 1300.76 and 1300.84.3
- Health and Safety Code Sections 1340 and 1376

REFERENCES

- Enter all references, including policies and procedures, here.

HISTORY

REVISION DATE	DESCRIPTION OF REVISIONS
6/8/2011	Accounting and Financial Services AFS-025
6/8/2012	New Policy
9/26/2018	Used latest policy template dated 2017-10-04; revised format and wordings
<u>10/28/2019</u>	<u>Annual review of Policy; revised format and wordings</u>

DEFINITIONS

Please visit the L.A. Care intranet for a comprehensive list of definitions used in policies:
<http://insidelac/ourtoolsandresources/departmentpoliciesandprocedures>

1.0 **OVERVIEW:**

- 1.1 L.A. Care Health Plan's ("L.A. Care") policy is to establish, maintain, and utilize Tangible Net Equity ("TNE") funds for the benefit of L.A. Care's long-term financial solvency.

2.0 **DEFINITIONS:**

Whenever a word or term appears capitalized in this policy and procedure, the reader should refer to the "Definitions" below.

- 2.1 **Tangible Net Equity ("TNE")** "Tangible ~~n~~Net ~~e~~Equity" means net equity reduced by the value assigned to intangible assets including, but not limited to: goodwill; going concern value; organizational expense; starting-up costs; obligations of officers, directors, owners, or affiliates which are not fully secured, except short-term obligations of affiliates for goods or services arising in the normal course of business which are payable on the same terms as equivalent transactions with non-affiliates and which are not past due; long term prepayments of deferred charges, and non-returnable deposits. An obligation is fully secured for the purposes of this subsection if it is secured by tangible collateral, other than by securities of the plan or an affiliate, with equity of at least one hundred and thirty percent (130%) of the amount owing. [Rule 1300.76(e)].
- 2.2 **Board-Designated Funds** — means reserves identified and accounted for in L.A. Care's financial records in order to meet expected future payments and other obligations designated by an official action of the L.A. Care Board of Governors ("Board").
- 2.3 **Liquid Assets** — means accounts or securities that can be easily converted to cash at little or no loss of value. Examples of Liquid Assets include: cash, money in bank accounts, money markets mutual funds and U.S. treasury bills.
- 2.4 **Solvency** — means the degree to which the current assets of an organization exceed the current liabilities of the organization.
- 2.5 **Undesignated Funds** — means total revenues in excess of total expenses which are not designated for a specific use by the L.A. Care Board, or required to meet TNE requirements, or needed to meet Working Capital Reserve levels adopted by the L.A. Care Board.
- 2.6 **Directly Contracted Providers** — means health care providers who have contracted with L.A. Care to provide medical or administrative goods and services. This definition does not include health care service plans.
- 2.6.7 Please see the L.A. Care Intranet for the CMS Glossary of Terms for other definitions and acronyms that are designed mainly for the use of Medicare beneficiaries and the general public.

3.0 POLICY:

- 3.1** Maintaining appropriate levels of reserves is a fiscal responsibility of L.A. Care and required pursuant to L.A. Care's licensure as a Licensed Health Care Service Plan pursuant to the Knox-Keene Health Care Service Plan Act of 1975, as amended [Health & Safety Code Section 1340, et-seq.] ("Act").
- 3.2** As required by the State of California Department of Managed Health Care ("DMHC"), L.A. Care shall maintain at all times the minimum TNE required by Section 1376 of the Act, calculated in accordance with Title 28 California Code of Regulations ("Rule[s]"), Section 1300.76. The TNE required by the Act and the Rules is a minimum required amount and is not considered by the DMHC as an appropriate or sufficient reserve amount.

4.0 PROCEDURES:

- 4.1 Board-Designated Reserve Funds Allocation:** Prior to the end of each month, L.A. Care's Chief Financial Officer ("CFO"), Chief Executive Officer ("CEO") or ~~d~~Designee shall instruct the Controller or ~~d~~Designee to identify on the balance sheet a specified dollar amount for Board-Designated Funds. Said funds shall be consistent with either a Board approved motion or resolution, or a Board approved budget or expenditure.
- 4.2 The Calculation and Reservation of Tangible Net Equity Allocation:** On a monthly basis, the calculation and reservation for the TNE will be reviewed by the CFO according to the Rules and, if required, adjusted as follows:

4.2.1 The calculation of TNE shall be according to Section 1300.76 of the Rules.

4.2.2 The reservation of TNE shall be according to Section 1300.84.3 of the Rules.


5.0 MONITORING:

5.1 ~~Accounting and Finance department is responsible for ensuring financial statements are completed in a timely and accurate manner that the TNE calculation is in accordance with regulatory requirements and that the presentation of TNE in the financial statements is accurate.~~

5.06.0 REPORTING:

- 5.16.1** When reporting L.A. Care's financial results, the CFO or ~~D~~esignee shall routinely update the Board as to the status of TNE, Board-Designated Reserve Funds. The status report shall be rendered on a quarterly basis, or more frequently as directed

by the Board. The accumulated reserves for each allocation, including TNE shall be shown on L.A. Care's balance sheet.

	TRAVEL EXPENSES	AFS-027
DEPARTMENT	ACCOUNTING AND FINANCIAL SERVICES	
Supersedes Policy Number(s)	1900	

DATES					
Effective Date	8/21/1997	Review Date	10/28/2019 10/28/2019	Next Annual Review Date	10/28/2020 10/28/2020
Legal Review Date	10/21/2019	Committee Review Date	11/18/2019		

LINES OF BUSINESS			
<input type="checkbox"/> Cal MediConnect	<input type="checkbox"/> L.A. Care Covered	<input type="checkbox"/> L.A. Care Covered Direct	<input type="checkbox"/> MCLA
<input type="checkbox"/> PASC-SEIU Plan	<input checked="" type="checkbox"/> Internal Operations		

DELEGATED ENTITIES / EXTERNAL APPLICABILITY			
<input type="checkbox"/> PP – Mandated	<input type="checkbox"/> PP – Non-Mandated	<input type="checkbox"/> PPGs/IPA	<input type="checkbox"/> Hospitals
<input type="checkbox"/> Specialty Health Plans	<input type="checkbox"/> Directly Contracted Providers	<input type="checkbox"/> Ancillaries	<input type="checkbox"/> Other External Entities

ACCOUNTABILITY MATRIX			
Accounting	All sections		

ATTACHMENTS
➤ Enter all attachments here (e.g., desktop procedures/job aids, templates, reports, letters)

ELECTRONICALLY APPROVED BY THE FOLLOWING		
	OFFICER	DIRECTOR
NAME	Marie Montgomery	Angela Bergman
DEPARTMENT	Finance Services	Accounting Services
TITLE	Chief Financial Officer	Controller

AUTHORITIES

- California Welfare & Institutions Code §14087.96 et seq.

REFERENCES

- AFS- 006, “Authorization and Approval Limits”
- HR-122 “Transportation Incentive Allowance”
- <http://www.gsa.gov/travel>
- <https://www.gsa.gov/travel/plan-book/per-diem-rates>
- “LS-006, “Gifts and Donations”
- AFS-004, “Non-Travel Expenses”
- [HR-101 “Auto Allowance, Mileage Reimbursement, and Vehicle Damage Reimbursement”](#)

HISTORY

REVISION DATE	DESCRIPTION OF REVISIONS
05/11/2009	New policy; supersedes 1900
05/07/2015	Revised to include language from AFS-004 (split into two policies)
09/26/2018	Used latest policy template dated 2017-10-04; revised format and wordings
<u>10/28/2019</u>	<u>Annual update of Policy; revised format and wordings</u>

DEFINITIONS

Please visit the L.A. Care intranet for a comprehensive list of definitions used in policies:
<http://insidelac/ourtoolsandresources/departmentpoliciesandprocedures>

1.0 **OVERVIEW:**

1.0 This policy establishes L.A. Care Health Plan's (L.A. Care) policy for reimbursement of actual and necessary business-related travel expenses incurred by employees, members of the Board of Governors, Stakeholder Committees, and members of the Community Advisory Committees (CACs) on behalf of L.A. Care. Please refer to AFS-004 for information on reimbursable non-travel-related expenses.

2.0 **DEFINITIONS:**

Whenever a word or term appears capitalized in this policy and procedure, the reader should refer to the "Definitions" below.

2.1 **Designee(s):** A "Designee" is someone who is designated by the authorized approver to approve on their behalf when the authorized approver is not available or wishes to delegate this authority. A list of all ~~qualified employees~~authorized designees will be kept in Accounts Payable department as an internal document maintained on a regular basis.

[2.2 Please see the L.A. Care Intranet for the CMS Glossary of Terms for other definitions and acronyms that are designed mainly for the use of Medicare beneficiaries and the general public.-](#)

3.0 **POLICY:**

3.0 L.A. Care, as a public entity, has a fiduciary responsibility to utilize funds in a responsible and prudent manner. All employees, Board members, and Community Advisory Committees (CAC) members have a fiduciary role when requesting reimbursement for business-related expenditures, to provide adequate supporting documentation, rationale, and explanation for all reimbursable expenses.

3.1 L.A. Care will reimburse certain travel expenses, for employees, Board members, CAC members, and Stakeholder Committee members, when such expenses are covered under this policy and approved through the procedures in Section 3.0.

3.2 **Reimbursable and Non-Reimbursable Travel Expenses**

3.2.1 **Travel and Training Budget**

3.2.1.1 Travel expenses are reimbursable when incurred in connection with activities that are related to official L.A. Care business. All reasonable expenses, including the cost of transportation, lodging, and miscellaneous expenses for gratuities, transportation to and from airports, etc., incurred during an authorized trip are reimbursable as outlined herein and in Section 3.0.

~~3.2.1.2~~—Expenses of a personal nature, such as entertainment, movies, sightseeing, health club fees, etc., are not reimbursable.

~~3.2.1.3~~—

~~3.2.1.4~~3.2.1.2

3.2.2 Airlines

3.2.2.1 L.A. Care will reimburse acceptable air travel which is properly booked through L.A. Care’s authorized travel application in accordance with procedures listed in Section 3.0.

3.2.2.2 L.A. Care will not reimburse for the following charges, and the employee, Board member, CAC member, or Stakeholder Committee member will be held responsible for the charges:

3.2.2.2.1 Membership fees for private clubs, air travel clubs, airline-sponsored lounges, and frequent flier clubs.

~~3.2.2.2.2~~ **3.2.2.2.2** The cost of any in-flight movies or other similar pay-per-view entertainment, or for any in-flight alcoholic drinks.

~~3.2.2.2.3~~3.2.2.2.3 Upgrades considered to be solely for the convenience or comfort of the traveler without a valid business justification.

~~3.2.2.2.4~~3.2.2.2.4 Any expenses due to the loss of your personal baggage.

~~3.2.2.2.5~~3.2.2.2.5 Flying personal aircraft while on L.A. Care business is strictly prohibited.

~~3.2.2.2.6~~3.2.2.2.6 Cost of kennel fees and/or house-sitters.

3.2.3 Out-of-Town Lodging

3.2.3.1 L.A. Care will reimburse for out-of-town lodging with appropriate approval in accordance with this policy and procedures listed in Section 3.0.

3.2.3.2 L.A. Care will not reimburse for:

- 3.2.3.2.1** Charges for guaranteed reservations that the employee, Board member, CAC member, or Stakeholder Committee member fails to timely cancel, unless caused by L.A. Care conflicts. (Obtain a confirmation number from the hotel verifying the cancellation of the guaranteed reservation).
- 3.2.3.2.2** Charges in-lieu of hotel accommodation when staying at the private residence of a friend, family member, etc.
- 3.2.3.2.3** The cost of alcoholic beverages, television movies, mini-bar charges, personal toiletry needs, newspapers, or other incidentals.
- 3.2.3.2.4** Costs incurred by a spouse, family member, or significant other who accompanies the employee, Board member, CAC member, or Stakeholder Committee member on the business trip.

3.2.4 Parking

- 3.2.4.1** Airport parking expenses incurred at the home airport are reimbursable. If parking is in excess of two days, reimbursement will be for long-term parking rates only. Employees, Board members, CAC members, and Stakeholder Committee members shall endeavor to obtain validated parking “stickers” from hosting locations whenever possible.
- 3.2.4.2** Parking fees incurred in attendance of business meetings at locations other than L.A. Care’s office are reimbursable.

3.2.5 Mileage

- 3.2.5.1** Mileage incurred in the use of a personal automobile while on L.A. Care business is reimbursable at the then-prevailing amounts allowed by the Internal Revenue Service (IRS). These rates are updated annually each January 1st, and will be utilized by L.A. Care as L.A. Care’s mileage reimbursement rate. Please refer to Section 3.0 for more information.
- 3.2.5.2** Examples of reimbursable mileage include:
 - 3.2.5.2.1** Miles from home or office to airport and return (less base mileage).
 - 3.2.5.2.2** Miles from office to assigned worksite(s) (and return), as in the case of field workers (auditors; UM nurses; case workers).

3.2.5.2.3 Miles from office to offsite business meeting location(s) (and return).

3.2.5.2.4 Mileage in-lieu of airfare, if driving instead of flying to a meeting.

3.2.5.2.5 Business mileage incurred on non-scheduled work days, and holidays.

~~**3.2.5.2.5** Mileage in lieu of Transportation Network Companies (TNC's) such as Uber or Lyft in-town travel.~~

3.2.6 Rental Cars

~~**3.2.6.1**~~—The cost of rental cars on out-of-town travel assignments will be reimbursed only with advance approval by the responsible officer in accordance with this policy. Please refer to Section 3.0 for more information.

~~**3.2.6.2**~~**3.2.6.1**

3.2.7 Traffic/Parking Tickets

3.2.7.1 Automobile traffic and/or parking tickets are not reimbursable.

3.2.8 Taxis, Transportation Network Companies (TNCs) and Other Public Transportation

3.2.8.1 Out-of-Town Travel

Business-related taxis, TNCs (such as Uber or Lyft), train, and other public transportation costs while on out-of-town assignments or business are reimbursable, provided that a rental car has not been approved. However, employees, Board members, CAC members, and Stakeholder Committee members are discouraged from using taxis or TNCs unless necessary. Examples of trips where taxis and TNCs are appropriate are trips to/from terminals and hotels when guest transportation services are not conveniently available, or when transporting heavy work papers.

3.2.8.2 In-town Travel

While mileage is the preferred method of reimbursement for in-town travel, the costs of using taxis, TNC's (such as Uber or Lyft), train and other public transportation for in-town travel may be reimbursed if the travel is separate from normal commuting or the requester does not have access to a car. A valid business justification must be provided.

The costs of using Taxis, TNCs, trains or other public transportation for in-town travel are not reimbursable for individuals receiving Auto Allowance per Policy HR-101.

3.2.8.2.1

3.2.8.2.2 The costs of using Taxis, TNCs and Public transportation ~~costs incurred~~ for normal commuting to and from L.A. Care's offices are not reimbursable.

3.2.9 Meals Related to Business Travel

3.2.9.1 L.A. Care reimburses employees, Board members, CAC members, and Stakeholder Committee members for actual reasonable costs incurred for out-of-town meals while traveling on L.A. Care business. Please refer to Section 3.0 for more information.

3.2.9.1.1 Out-of-town is defined as over 50 miles from home or L.A. Care's office.

3.2.9.1.2 Expenses incurred when meals are provided by the conference are not reimbursable.

3.2.9.2 The purchase of alcoholic beverages with L.A. Care funds is prohibited.

3.2.9.3 Please refer to AFS-004, "Non-Travel Expenses" for more information on non-travel meals.

4.0 **PROCEDURES:**

4.1 **Approval and Reimbursement Process**

Prior to traveling, L.A. Care employees, Board members, CAC members, and Stakeholder Committee members must complete a travel authorization request and receive a Request ID Number. Employees wishing to be reimbursed for travel expenses can apply for applicable reimbursements by submitting Expense Reports through the Travel Reimbursement System (Concur).

4.1.1 –PowerPoint instructions for using the Concur System are available on the L.A. Care intranet.

http://insidelac/sites/default/files/resources/ConcurTraining_022515.pdf

4.1.2 **Travel Authorization Requests**

4.1.2.1 Requests for reimbursement of airfare, hotel, and other expenses incurred beyond 50 miles from L.A. Care or home require a travel authorization request and shall be submitted on Concur and must be approved. No booking should be made until final approval is received from Finance Department. All employees must receive approval in advance for travel.

4.1.2.2 Travel authorizations grant approval to travel and are required for all business travel. Payment does not occur upon approval of travel authorizations. Reimbursements for expenses are processed after the travel upon approval of the Expense Report, unless the employee is approved for a Travel Advance.

4.1.2.3 The traveler will use their own resources for travel, including personal credit cards. Travelers who have a personal credit card, but are unable to pay for the entire cost of approved travel up front may request a Travel Advance. Employees who are required to travel but are unable to use personal resources may apply for use of L.A. Care Procurement card for hotel and rental cars only through the Procurement Department. (See section 4.3.4 for details).

4.1.2.4 Approval. The request is to be completed in full and approved by the employee's director, or senior director. Following this intermediate approval, each request is then forwarded to the responsible officer and Chief Financial officer ("CFO") or Designee for final approval. The travel authorization requests will be assigned a travel authorization number (Request ID Number) for tracking purposes. The Request ID Number is then matched to invoices for direct payment, and/or used as supporting documentation for Expense Report reimbursement.

- 4.1.2.5** If travel expenses are incurred without pre-approval due to extenuating circumstances, the requestor must provide an explanation of the circumstances and submit the request and appropriate documentation for retroactive approval in Concur. CFO approval will be required to process all reimbursements with retroactive approvals.
- 4.1.2.6** All international Travel Requests must be approved and authorized by Chief Executive officer (“CEO”).
- 4.1.2.7** Officers and Executive Directors are exempt from attaining a Travel Authorization while traveling within California.
- 4.1.2.8** In-Town travels are travels less than 50 miles from the L.A. Care or home.

4.1.3 Expense Reports

- 4.1.3.1** Requests for reimbursement of expenses shall be submitted through Expense Reports in Concur.
- 4.1.3.2** Only Expense Reports with direct manager’s or director’s electronic approval will be processed and approved in accordance with Authorizations and Approvals policy (AFS-006).
- 4.1.3.3** Expense Report approvals for employees must be executed by direct managers and above.
- 4.1.3.4** No employee may approve his or her own Expense Report.
- 4.1.3.5** Expense Reports of the CEO shall be reviewed and approved by the CFO, or Designee, and Chair of the Board.
- 4.1.3.6** Expense report approvals for members of the Board of Governors and Community Advisory Committees (CAC) shall be reviewed and approved by the CFO and CEO or their respective Designees.
- 4.1.3.7** Expense report approvals for members of Stakeholder Committees shall be reviewed and approved by the CFO and CEO or their respective Designees.
- 4.1.3.8** The Expense Report information must be filled out completely, including business purpose and location of expense/meeting and participant names and affiliations.
- 4.1.3.9** Expense Reports are required to be submitted monthly, although there is an additional 30 day grace period for late submissions.

4.1.3.10 Expense Reports submitted after 60 calendar days will not be honored unless approved by the CFO or Designee.

4.1.3.11 Documentation Requirements:

4.1.3.11.1 -Images of all required receipts should be uploaded into the electronic expense report for reimbursable expenses in excess of \$25.

4.1.3.11.2 Receipts must demonstrate proof of payment.

4.1.3.11.3 See section 4.2.6.1.5 and 4.2.6.1.6 for information on when travelers will be reimbursed at Per Diem rates and receipts will not be required.

4.1.3.11.4 All reimbursable expenditures must be fully documented and supported on the Expense Report in conformity with IRS Guidelines and L.A. Care policy.

4.1.3.11.5 If receipts cannot be obtained or have been lost, a statement to that effect shall be made on the Expense Report, along with an appropriate explanation. In the absence of a satisfactory explanation, the amount involved shall not be allowed.

4.1.3.11.6 The business purpose of the expenditure, including applicable names, titles, etc., must be provided in all cases.

4.1.3.11.6.1 Providing initials instead of the name is insufficient.

4.1.3.11.6.2 If required receipts and/or required documentation of the business purpose are not provided, the expense will not be reimbursed.

4.1.3.11.6.3 All requests for reimbursement are subject to reasonability. The CFO or Designee shall make the final determination on disputed expenses.

4.1.3.11.7 An itemized statement for hotel, meal and rental car charges must be attached.

4.2 Specialized Travel Expenses

4.2.1 Airlines

4.2.1.1 All L.A. Care employees, Board members, CAC members, and Stakeholder Committee members must use Concur to book air travel for L.A. Care business.

4.2.1.1.1 Exception for extenuating circumstances. Airfare may be purchased outside of Concur only if prior approval is obtained from the CFO or Designee. In such cases, the purchaser will only be reimbursed for economy class accommodations.

4.2.1.1.2 Airfare purchased through the Cal-Travel Store without an approved Travel Authorization in Concur will require Business Justification and CFO approval for extenuating circumstances.

4.2.1.1.3 If the airfare is not purchased through Concur, then the purchaser must include an image of the receipt portion of the boarding pass for reimbursement. If using E-tickets, the employee, Board member, CAC member, or Stakeholder Committee member must request a passenger receipt when checking in at the ticket counter.

4.2.1.2 Frequent Flyer Benefits. Employees, Board members, CAC members, and Stakeholder Committee members may earn personal frequent flyer credit for flights taken on L.A. Care business. However, employees, Board members and CAC members may not incur abnormal travel time or incur any additional expenses for the purpose of acquiring frequent flyer mileage. Employees, Board members, CAC members, and Stakeholder Committee members may not specify that an airline reservation must be made with a specific airline to gain frequent flyer credits.

4.2.2 Out-Of-Town Lodging

4.2.2.1 Out-of-town lodging is defined as lodging located over 50 miles from L.A. Care's office or home. Lodging within 50 miles from L.A. Care's office or home is considered as In-Town travels and is only reimbursable for multi-day conferences.

4.2.2.2 All hotel stays require an approved travel authorization request.

- 4.2.2.3** Hotels are to be booked by the traveler through Concur, and the reservation will be held by the L.A. Care Purchasing Card. Employees will then use their personal credit card to pay for the hotel upon arrival, and request reimbursement through Concur. If a personal credit card is not available, refer to section 4.3 for Travel Advances,
- 4.2.2.4** With advance approval by the CFO or Designee, L.A. Care will reimburse employees, Board members, CAC members, or Stakeholder Committee members for hotel and meal charges if early check-ins or staying over an extra day to save on airfare. (e.g., L.A. Care will reimburse for reasonable hotel, parking, meal expenses if arriving early at the work location to receive a discount “Saturday stay-over” airline rate.) This policy is designed to be a net benefit to both the individual and L.A. Care. If the cost of the hotel, parking, and meal expenses exceeds the savings on the Saturday stay-over, then the excess becomes a personal cost and is not subject to reimbursement.
- 4.2.2.5** The hotel folio must be attached to the Expense Report and the bill must be itemized on the Expense Report (e.g., business-related telephone calls, meals, and parking separated from the room charges).
 - 4.2.2.5.1** Credit card receipts are not acceptable documentation for hotel expenses.
 - 4.2.2.5.2** Personal items must be identified (movies, mini-bar, personal phone calls, etc.) and excluded from the reimbursement request.
 - 4.2.2.5.3** Meal expenses reflected on the hotel bill must be claimed separately as part of meal expense and not part of the hotel expense. (See section 3.2.6 for details).
 - 4.2.2.5.4** The hotel bill must show the name of the hotel, location of the hotel, date(s) registered at the hotel, room charges, and applicable taxes, laundry (reimbursable only if the stay exceeds four nights), telephone charges, and other charges (such as parking).
- 4.2.2.6** Hotel rates must be a reasonable amount based on the standards identified by Concur for the travel destination. Travelers should seek lodging rates at or below the federal government’s Per Diem rate, found on the U.S. General Services Administration Website, www.gsa.gov. If these rates are not available, a hotel’s discounted government rate will be acceptable.

4.2.2.7 If neither GSA nor government rates are available, additional justification should be provided. Exceptions to these maximum standards must be authorized by the CFO or Designee.

4.2.3 In-Town Lodging

4.2.3.1 Lodging within 50 miles from L.A. Care's office or home is considered as In-Town travels. In-Town Lodging is only reimbursable for multi-day conferences with prior approved Travel Authorization. Refer to section 3.2.2 for document requirements.

4.2.3.2 L.A. Care employees, Board members, CAC members, and Stakeholder Committee members attending a conference are allowed to stay at the host hotel, even if it exceeds the average hotel cost.

4.2.3.3 L.A. Care employees, Board members, CAC members, and Stakeholder Committee members may be reimbursed for their Local Business Travel (In-Town) expenses [when attending a conference](#).

4.2.4 Mileage

4.2.4.1 When departing from or returning to home directly from a business meeting, the amount of reimbursement will be computed by indicating the number of business miles driven less base mileage (home to office, round trip), times the allowable IRS mileage rate. Documentation of the mileage traveled and base mileage must be electronically completed and submitted by the employee.

4.2.4.2 In order to obtain reimbursement for mileage, the business purpose for the trip must be stated on the Expense Report. In case of multiple employees, Board members or CAC members sharing a personal automobile, only the employee, Board member, CAC member, or Stakeholder Committee member incurring the usage cost, is allowed reimbursement.

4.2.4.3 Mileage reimbursement applies only to the use of an employee's, Board member's, CAC member's or Stakeholder Committee member's personal vehicle and not for any form of public transportation.

4.2.4.4 If the employee normally uses public transportation to commute to work, L.A. Care will not reimburse unused commuter fares if his/her personal auto is used for business.

4.2.4.5 All mileage reimbursements will deduct the mileage between the home and office of an employee's normal commute if they were to

have driven, regardless of if the employee actually drives to the office on a regular basis.

- 4.2.4.6** Mileage incurred while receiving a Transportation Allowance is not reimbursable.
- 4.2.4.7** Mileage to attend volunteer activities is not reimbursable.
- 4.2.4.8** Travelers who use their personal vehicle on L.A. Care business are required to have adequate insurance coverage as required by state law.
- 4.2.4.9** L.A. Care shall compensate property damages to an individual's personal vehicle that occur during business travel when the individual is not at fault. L.A. Care will compensate up to \$250 or the amount of the deductible on the individual's insurance policy, whichever is the lesser amount, for each accident.
- 4.2.4.10** L.A. Care shall not reimburse mileage for an employee's standard commute to work. A transportation incentive will be provided to eligible employees. Please refer to policy HR-122 "Transportation Allowance" for more information.

4.2.5 Rental Cars

- 4.2.5.1** If the rental car is used for business purposes, the employee, Board member, CAC member, or Stakeholder Committee member must purchase and will be reimbursed for the optional collision coverage and/or optional personal liability coverage offered by the rental car company.
- 4.2.5.2** If available, rental car companies should be selected from those listed in the Travel Reimbursement System to achieve the best rates possible.
- 4.2.5.3** When renting a car for business purposes, luxury and specialty car models are not authorized.
- 4.2.5.4** Economy Class vehicles should be selected whenever four or fewer individuals, including the driver, will be traveling in the rental automobile at any one time.
- 4.2.5.5** Mid-size Class vehicles may be selected in the event that more than four individuals will be riding in the rental automobile at any one time, or in the event that an economy class vehicle is not available and immediate departure is necessary.

- 4.2.5.6** If the rental car is used for business purposes, the employee, Board member, CAC member, or Stakeholder Committee member will be reimbursed for the additional expense of a Global Positioning System (GPS).
- 4.2.5.7** Whenever possible, an effort should be made to return the rental car with a full tank of gas and refueling options are to be declined from the rental agency.
- 4.2.5.8** Mileage will not be reimbursed for employees who opt to use a rental car rather than their personal vehicle. Receipts may be submitted for gas expense reimbursement through Concur.

4.2.6 Meals Related to Business Travel

- 4.2.6.1** For single day travel or In-Town travels, where the work day will extend beyond normal business hours, Meal reimbursement amount will be based on receipts of the actual costs of meals related to business travel with a maximum reimbursement not to exceed the Federal Daily (M& IE) GSA Per Diem limits.
 - 4.2.6.1.1** Itemized receipts and appropriate explanations are required for all meals on single day travel, regardless of the amount.
 - 4.2.6.1.2** Gratuities should be reasonable and not exceed 20% of the total bill, unless restaurant minimum charges/ restrictions are in place, in which case these circumstances must be documented.
 - 4.2.6.1.3** The Expense Report should include employee names if the meal was for more than one individual. The employees in attendance should all have approved travel authorizations.
 - 4.2.6.1.4** For meals not pertaining to travel, please follow the processes set forth in the Non-Travel Expense Policy AFS-004.
 - 4.2.6.1.5** For multi-day travel, L.A. Care employees, Board members, CAC members, and Stakeholder Committee members will be reimbursed at the Federal Daily Per Diem (www.gsa.gov/perdiem) maximum allowable amount for meals expenses. Receipts will not be required in the Expense Reports for these meals to be reimbursed at Per Diem rate. In accordance with the GSA guidelines, the meal expenses for first and last day of the travel is allowed at a rate of 75 % of the Federal Daily Per Diem.

4.2.6.1.6 In lieu of Per Diem, receipts may be submitted for reimbursement less than Per Diem limits.

4.2.6.1.7 Receipts for meals which exceed GSA Per Diem limits will be reimbursed only at Per Diem limits.

4.3 Advances for Travel

4.3.1 L.A. Care employees should utilize their own financial resources (e.g., credit card) for authorized travel, meetings, conferences, etc., and obtain reimbursement after the event in accordance with this policy.

4.3.2 In cases where funding the entire cost of the travel from personal means is not feasible, employees may request a Travel Advance up to the amount requested in the Approved Travel Authorization.

4.3.3 Travel Advances may be used to cover the cost of reasonable travel expenses including lodging, meals and other expenses.

4.3.4 In cases where no personal credit card is available, arrangements can be made to have L.A. Care pay hotel costs in advance through the company Procurement Card. A check request should be submitted to the accounting department with the request.

4.3.5 The cost of airfare and a rental Car should be excluded from Travel Advance requests as the preferred method is to select the Enterprise Rental Car option for corporate account billing. Airfare booked through Concur upon authority of Approved Travel Authorization will be charged to the corporate Procurement card.

4.3.6 To receive an advance for travel, the employee should fill out an Advance Request in Concur and receive approval from the Controller or Designee.

4.3.7 Prior to travel, when requesting a Travel Advance, employees must complete the following steps:

4.3.7.1 Request and receive an approved Travel Authorization from Concur one month before the Travel date.

4.3.7.2 Travel Advance is not available for requests without 30 days advance notice.

4.3.7.3 Complete the Travel Advance Request through Concur.

4.3.7.4 Receive approval for the Travel Advance from the Controller or Designee.

4.3.8 The receipts and unused cash from the Travel Advance must be returned to L.A. Care as an Expense Reimbursement Request within 30 days of the conclusion of the travel. Reconciliation Expense Forms and cash not returned within 60 days will be taxed as wages per IRS Guidelines.

4.4 Special Considerations

4.4.1 The purchase of any capitalized assets, small equipment, furniture, etc., by employees will not be reimbursed by L.A. Care.

4.4.2 Conferences, seminars, training for development and continuing education travel, which is travel to and from continuing education courses, is reimbursable for employees only if pre-approved by the responsible manager and officer.

4.4.3 The cost of the seminar or conference should be included in the travel authorization, but the payment can be processed through standard Procurement processes outside of Concur.

4.5 Pre-Employment Travel

4.5.1 The Talent Acquisition department may request approval to reimburse travel expenses associated with recruiting (e.g. airfare for a candidate) by initiating a travel authorization in Concur.

4.5.2 The Human Resources Department must approve all receipts, which will be subject to the requirements set forth in this policy.

4.5.3 Once all approvals have been obtained, the Talent Acquisition department will submit a Check Request form, approved by the Human Resources Department, to Finance so that a reimbursement can be made to the candidate.

4.5.4 This policy provides guidelines on expense reimbursements for recruiting travel and pre-employment travel. Refer to policy HR-119, "Relocation Expenses" for guidelines on mileage and other expense reimbursements associated with relocation.

4.5.5 Employees who work remotely will be reimbursed according to their signed agreement with Human Resources Department.

4.6 Travel Paid for by Third Parties

4.6.1 All L.A. Care employees, Board and CAC members who have been offered and/or considering accepting a payment or reimbursement for travel, lodging/hotel, meals or conferences from a third party must consult with General Legal Services Unit of Legal Services Department prior to accepting such payments. General Legal Services Department can provide guidance on

whether acceptance of such payments is permissible under applicable laws and policies relating to gifts. Please also refer to LS-006.

4.6.2 If traveling under a contract with third party, the contract should be affixed to all reimbursement requests and provided to L.A. Care.

5.0 MONITORING:

5.1 The Business Unit Manager or Designee is responsible for ensuring that all expenses are processed timely and coded correctly.

6.0 REPORTING:

6.1 Variance reports between actual versus budgeted costs will be provided to Business Unit Managers on a monthly basis. Expenditures for expenses covered under this policy will be reported to the Board of Governors on a quarterly basis.



ANNUAL BUDGETS AND BOARD OF GOVERNORS' FINANCIAL OVERSIGHT

AFS-029

DEPARTMENT	FINANCE SERVICES
Supersedes Policy Number(s)	2100

DATES					
Effective Date	1/31/1997	Review Date	11/18/2019	Next Annual Review Date	11/18/2019
Legal Review Date	10/21/2019	Committee Review Date	11/18/2019		

LINES OF BUSINESS			
<input type="checkbox"/> Cal MediConnect	<input type="checkbox"/> L.A. Care Covered	<input type="checkbox"/> L.A. Care Covered Direct	<input type="checkbox"/> MCLA
<input type="checkbox"/> PASC-SEIU Plan	<input checked="" type="checkbox"/> Internal Operations		

DELEGATED ENTITIES / EXTERNAL APPLICABILITY			
<input type="checkbox"/> PP – Mandated	<input type="checkbox"/> PP – Non-Mandated	<input type="checkbox"/> PPGs/IPA	<input type="checkbox"/> Hospitals
<input type="checkbox"/> Specialty Health Plans	<input type="checkbox"/> Directly Contracted Providers	<input type="checkbox"/> Ancillaries	<input type="checkbox"/> Other External Entities

ACCOUNTABILITY MATRIX			
Enter department here	Enter policy §§ here		

ATTACHMENTS
➤ Enter all attachments here (e.g., desktop procedures/job aids, templates, reports, letters)

ELECTRONICALLY APPROVED BY THE FOLLOWING		
	OFFICER	DIRECTOR
NAME	Marie Montgomery	Angela Bergman
DEPARTMENT	Finance Services	Accounting Services
TITLE	Chief Financial Officer	Controller

AUTHORITIES

- -Government Accounting Standards Board (GASB) Codification Section P80 “Proprietary Fund Accounting and Financial Reporting”
- Government Accounting Standards Board (GASB) Codification Section 1800.141 “Reporting Restrictions in Proprietary Funds”
- Government Accounting Standards Board (GASB) Codification Section 150 “Accounting and Financial Reporting for Certain Investments and for External Investment Pools”
- Financial Accounting Standards Board (FASB) “Accounting Standards Codification (ASC)
- Generally Accepted Accounting Principles (GAAP)

REFERENCES

- Enter all references, including policies and procedures, here.

HISTORY

REVISION DATE	DESCRIPTION OF REVISIONS
10-25-18	Supersedes Policy PO-2100
10/28/2019	Annual Review of Policy; revised format and wordings

DEFINITIONS

Please visit the L.A. Care intranet for a comprehensive list of definitions used in policies:
<http://insidelac/ourtoolsandresources/departmentspoliciesandprocedures>

1.0 OVERVIEW:

1.1 To insure the financial viability of L.A. Care Health Plan (L.A. Care), to charge the Board of Governors with the responsibility for the oversight of funds expended, and to provide the L.A. Care staff authorization to expend monies for budgeted and planned operational activities. To establish a process for the L.A. Care Chief Executive Officer (CEO), Chief Financial Officer (CFO) and finance staff to prepare the annual budget for review and approval by the Board of Governors. The approved budget will authorize the L.A. Care staff to expend funds included and planned in the budget in accordance with established L.A. Care policies and procedures.

2.0 DEFINITIONS:

1.12.1 [Please see the L.A. Care Intranet for the CMS Glossary of Terms for other definitions and acronyms that are designed mainly for the use of Medicare beneficiaries and the general public.](#)

2.03.0 POLICY:

2.13.1 To insure the financial viability of the L.A. Care, the Board of Governors is charged with the responsibility for the oversight of funds expended, and provides the L.A. Care staff the authorization to expend monies for budgeted and planned operational activities.

3.04.0 PROCEDURES:

IMPLEMENTATION GUIDELINES:

4.1 Budget Preparation:

4.1.1 Planning: At the direction of the ~~Chief Executive Officer~~CEO and the ~~Chief Financial Officer~~CFO, the L.A. Care finance staff will prepare an annual budget. Appropriate planning and forecasting will be incorporated into the budget process. The budget and planning process will incorporate:

4.1.1.1 Regulatory required activities,

3.1.1.14.1.1.2 Board of Governors organizational financial goals and objectives,

3.1.1.24.1.1.3 Expenditure forecasting and inflation consideration,

3.1.1.34.1.1.4 Enrollment forecasts and growth projections by segments,

- 3.1.1.44.1.1.5 Capital resource requirements,
- 3.1.1.54.1.1.6 Outsourcing efficiency opportunities,
- 3.1.1.64.1.1.7 Plan Partner oversight responsibilities,
- 3.1.1.74.1.1.8 Quality improvement and oversight responsibilities,
- 3.1.1.84.1.1.9 Departmental functions and ~~operations~~operational needs,
- 3.1.1.94.1.1.10 State, federal, local and internal reporting requirements,
- 3.1.1.104.1.1.11 Public Communication and member outreach,
- 3.1.1.114.1.1.12 Contingencies and reserve issues.

3.1.24.1.2 **Budget Detail and Schedules:** The budget will be prepared by the L.A. Care Finance Department in sufficient detail so that planned expenditures will reflect projected operational activities, expected transactions, and specific departmental functions. The preliminary budget assumptions will be delivered to the Finance & Budget Committee in August for comments and suggestions and to the Board for approval at the September meeting. The budget will at a minimum include the following schedules:

- 3.1.2.14.1.2.1 Projected balance sheet
- 3.1.2.24.1.2.2 Forecast cash flow statement
- 3.1.2.34.1.2.3 Financial statement of revenues and expenses
- 3.1.2.44.1.2.4 Enrollment projections by segments
- 3.1.2.54.1.2.5 Expenses by natural classification
- 3.1.2.64.1.2.6 Capital expenditures and proposed projects
- 3.1.2.74.1.2.7 Staffing and total cost of labor
- 3.1.2.84.1.2.8 Discussion of budget assumptions

3.24.2 Budget Review and Approval Process

3.2.14.2.1 **Board Committee and Advisory Committee Input:** Appropriate sections of the budget will be reviewed with relevant Board Committees

and Advisory Committees as communicated through Board member representatives for their input and council. Recommendations will be incorporated into the budget as appropriate.

3.2.24.2.2 **Finance & Budget Committee Review:** The preliminary budget assumptions and budget will be presented to the Finance & Budget Committee for its review and approval in August.

3.2.34.2.3 **Board of Governors Review and Approval:** Upon approval by the Finance & Budget Committee, the Committee Chairperson will present the budget to the Board of Governors for their review and approval. Upon Board approval, L.A. Care's finance staff will incorporate Board recommendations into the final budget.

3.2.4 **Staff Authority to Expend Funds:** Board of Governors' approval of the budget will authorize the CEO, CFO and L.A. Care staff to expend monies budgeted and planned on behalf of the L.A. Care. All expenditures will be made in accordance with established L.A. Care financial and operational policies and procedures.

4.2.4

3.2.54.2.5 **Policy, Procedure and Financial Safeguards**

3.2.5.14.2.5.1 L.A. Care staff will develop and present to the Board of Governors policies and procedures which will include safeguards to insure that L.A. Care funds are expended effectively, efficiently and with Board approval. Policies and procedures will include appropriate internal control procedures and the Board's involvement in material cash transactions, significant non-budgeted expenditures, and capital purchases in excess of established amounts. Policies will be adopted in the following areas:

3.2.5.1.14.2.5.1.1 Accounts Payable, disbursements and related areas

3.2.5.1.24.2.5.1.2 Procurement and purchase authorization limits

3.2.5.1.34.2.5.1.3 Banking, cash, and check signing limits

3.2.5.1.44.2.5.1.4 Payroll and human resources

3.2.5.1.54.2.5.1.5 Financial Statement preparation and supporting documentation

3.2.5.1.6 4.2.5.1.6 Investments and cash management

3.2.5.1.7 4.2.5.1.7 Revenue recognition and recording

3.2.5.1.8 4.2.5.1.8 Fixed asset acquisition and control

3.2.5.1.8.1

4.05.0 MONITORING:

4.15.1 Annual Audit

4.1.15.1.1 Annually, the books and records supporting the Financial Statements of the L.A. Care will be examined and analyzed by a public accounting firm whose selection will have been previously approved by the Audit Committee and the Board. Prior to commencement of the audit, the Audit Committee will meet with the appointed auditors to discuss scope of work to be performed. The results of the annual audit and accompanying reports of the auditors will be presented by the auditors to the Audit Committee, a committee of the Board of Governors, for review and acceptance.

4.1.25.1.2 L.A. Care's finance staff will prepare a response and action plan to implement the operational findings and recommendations of the auditors. Prior to submitting the action plan to the Board, the audit findings will be reviewed with the Audit and Finance & / Budget Committee.

4.1.35.1.3 Subsequent to the Audit Committee review, the audited Financial Statements and accompanying reports of the auditors will be presented to the full Board of Governors for their review and action as required.

4.1.45.1.4 The action plan will be presented to the Board of Governors for their review, input, revision and approval.

5.06.0 REPORTING:

5.16.1 Board of Governors and Finance & / Budget Committee Oversight

5.1.16.1.1 L.A. Care financial transactions and operational activities will be subject to the Board of Governors oversight on a regular basis as follows:

5.1.1.16.1.1.1 Monthly Financial Statements – Finance & / Budget Committee and Board Review.

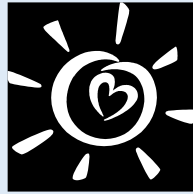
5.1.1.1.16.1.1.1 The Finance & Budget Committee, a committee of the Board of Governors, will review detailed monthly Financial Statements prepared by the L.A. Care finance staff.

5.1.1.1.26.1.1.2 Financial Statements should properly reflect the operational activities, financial status and transactions of the organization.

5.1.1.1.36.1.1.3 Financial statements will be prepared according to Generally Accepted Accounting Principles (GAAP), Government Accounting Standards Board (GASB) where applicable and Financial Accounting Standards Board (FASB) “Accounting Standards Codification (ASC).

5.1.26.1.2 Monthly and year-to-date expenditure variances as compared to budget will be adequately explained by L.A. Care staff.

5.1.2.16.1.2.1 Monthly, L.A. Care’s finance staff will present Financial Statements to the Board of Governors for their review.



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No: COM 100.1219

Committee: Compliance & Quality

Chairperson: Stephanie Booth, MD

Issue: Approval of the 2020 Compliance Work Plan

Background: L.A. Care's Compliance Plan establishes a foundation for responding to multiple state and federal regulatory initiatives. Not only does the implementation of our Compliance Plan help identify and prevent deficiencies, but it also may reduce the potential for liability should violations occur. The 2020 Compliance Work Plan identifies key strategic initiatives designed to improve compliance operations and support business operations.

Member Impact: No direct member impact. This is internal planning for Compliance.

Budget Impact: Approval of the 2020 Compliance Work plan is budget neutral.

Motion: To approve the 2020 Compliance Work Plan, as submitted.



2020 Compliance Work Plan



L.A. Care
HEALTH PLAN®

For All of L.A.

The 2020 Compliance Work Plan, as well as the 2020 Risk Assessment and 2020 Internal Audit Plan, identify the key initiatives that we believe will drive continued operational performance and audit success within L.A. Care Health Plan. Our mission is to be an exceptional health plan that ensures that we support our members, providers and stakeholders. In particular, we have initiated and continue efforts to enhance use of technology and systems to manage compliance functions, such as investigations, privacy management, policy and procedure and document retention. We will strive for improved monitoring of and support for our vendors and participating provider groups. Work Plan details are set forth in the attached spreadsheet.

The Compliance Department, the Special Investigations Unit/Payment Integrity (Fraud Waste and Abuse-FWA) and the newly created Delegation Oversight Department participated in significant achievements and milestones in 2019. These achievements form the basis for our continued efforts as reflected in the 2020 Compliance Work Plan. In collaboration with our business unit partners throughout 2019, we developed and implemented strategies for improving compliance operations and performance monitoring activities within various business unit partners.

Audit management and preparedness. During 2019, the Regulatory Affairs and Governance Unit managed and provided support for 16 regulatory audits, including the 2019 Center for Medicare and Medicaid Services program audit for the Cal MediConnect line of business, the annual Department of Healthcare Services medical audit and others. For the first time, L.A. Care received 100% in two data validation audits, confirming the accuracy of care management, health risk assessment, grievance, appeal, pharmacy, and Utilization Management data.

In response to the 2018 CMS Program Audit, we partnered with business units to develop a monitoring framework. This project resulted in the implementation of ongoing monitoring activities (internal business units and delegates) for the Cal MediConnect line of business. This framework will be utilized to expand to all lines of business and other health plan functions. In an effort to streamline all communications with our regulatory agency contract managers, we developed a



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SINCE 1997

2020 Compliance Work Plan



centralized tracking log to monitor all regulatory inquiries. On a monthly basis, we trend all inquiries to inform our compliance priorities and risk areas. For example, we found an increase in escalated member inquiries related to quality of care and access to care. We have begun to develop a process to inform and involve the Care Management department of such issues.

Disaster recovery/business continuity. In October 2019, Compliance and Information Technology successfully planned and executed our annual disaster recovery exercise with significant support from our leadership team who participated in our off-site test activity. The test had an expanded scope which included 13 business units and focused on systems and applications critical to business resumption. The 2019 test resulted in improved recovery timeframes and was completed in under 4.5 hours, down from 6 hours in 2018.

In 2019, the Compliance Department disseminated an enterprise wide Business Continuity Management Program training and education video for all staff to provide information on L.A. Care's emergency and disaster response protocol. Compliance assisted business units in developing function specific business resumption plans to address continuity processes. In addition, a business impact analysis (BIA) was conducted with 14 critical business functions to assess system and application criticality. The BIA will enable us to prioritize and restore mission critical systems and applications and to resume normal business operations timely and effectively.

Regulatory Change Management/Implementation. The Regulatory Analysis and Communications team instituted the newly formed Regulatory Implementation Oversight (RIO) Committee to monitor and oversight regulatory change and policy management across all lines of business. The committee monitors new and proposed legislation and tracks implementation of new regulatory requirements. As part of the improved oversight process, the unit also initiated the development of a comprehensive inventory of regulatory requirements for all contracts and regulatory requirements.

2020 Compliance Work Plan



L.A. Care
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Privacy/Security management. Through concerted efforts of the Privacy Officer (Compliance Department) and Security Officer (Information Technology Department), we continued to drive reductions in privacy/security findings as demonstrated in our 2019 HIPAA Privacy and Security Risk Analysis. This annual risk analysis is conducted by an external vendor and resulted in a privacy score of 100 (compared to a score 87 in 2018) and a security score of 93 (compared to a score of 70 in 2018). The highest possible score for each domain is 100. In addition, as a result of ongoing protected health information (PHI) walkthrough audits, there has been an overall decrease in findings such as unsecured mobile devices, paper PHI left unattended, or visible login credentials.

The privacy and security departments continue to evolve to address the size and complexity of L.A. Care Health Plan. To address the internal and external changes related to risk, technology, and processes, our privacy and security departments will incorporate new best practice information security standards (such as ISO-27001 and the NIST Privacy framework scheduled to be published in 2020).

Launch of Delegation Oversight department. We supported the research and launch of our centralized delegation oversight department. Under the leadership of Sabrina Coleman, former Compliance Senior Director of Audit Services – Internal Audit and Delegation Oversight Audit, the delegation oversight department will establish centralized account management, performance monitoring and audit management units.

Fraud, Waste and Abuse. In 2018/2019, we have significantly enhanced the Special Investigations Unit (SIU) by implementing a robust FWA plan with additional staff and focus on investigations and remediation activities. During the 2018-2019 fiscal year, the SIU conducted 323 healthcare fraud investigations that involved pharmacy fraud, false billings, provider fraud and duplicate billing. Many of these cases have been conducted in collaboration with State and Federal Law Enforcement and



2020 Compliance Work Plan



L.A. Care
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For All of L.A.

have resulted in arrests and convictions. In addition, during the 2018-2019 fiscal year, the SIU's efforts have resulted in \$9.2 million in savings and recoveries.

Regulatory Reporting. We created a central inventory of all routine reports to regulatory agencies and developed a Report Submission Timeliness dashboard to monitor submission timeliness by both internal L.A. Care Business Units as well as Plan Partners (Kaiser, Anthem and Blue Shield Promise). We also introduced a dashboard to monitor reporting trends, including quality review.



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CY2020 Compliance Work Plan

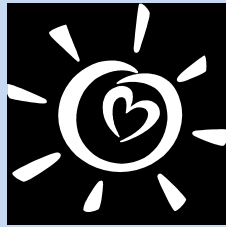
	Planned Activity	Start Date	Completion Date	Description	Purpose/Value Add	Responsible Compliance Unit(s)	Delegates Involved	Regulatory Agency	LOB(s)	Report to (if needed):
1	Expand the Compliance Performance Monitoring Program to include additional plan functions and LOBs based on risk/priority.	October (2019)	October (2020)	Monitoring activities, modeled after the regulator audit processes, are in place to detect, correct, and prevent noncompliance for select high priority plan functions. Expansion of the monitoring program as determined by risk/priority will include program design and implementation crossfunctionally. At minimum, existing monitoring programs will be expanded to the Medi-Cal LOB and a Claims monitoring program will be developed and implemented.	Allows for clear, regular non-compliance detection, correction, and prevention opportunities. Visibility of risks and potential to reduce risk of audit findings. Improved member experience.	Regulatory Affairs	N/A	DMHC, DHCS, CMS	All	ICC C&Q
2	Prepare, Collect and Post updated Desktop Procedures(DTP) for each Regulatory Report	October (2019)	October (2020)	Update DTPs for reports generated by Regulatory Reporting unit. Similarly Request Business Units and Plan Partners to provide updated DTPs for reports they are responsible for.	Allows for documentation of how regulatory reports are generated and validated; Allows to minimize the impact of staff turnover on regulatory report generation.	Regulatory Reporting	Plan Partners	DMHC, DHCS, CMS	All	ICC C&Q
3	Develop a risk-based audit, and monitoring plan, and develop an audit team to implement it.	October (2019)	October (2020)	Review prior year regulatory reports, the annual risk assessment and prior internal audits to develop a list of audits and projects to be completed during the year. Staff and train a new group of auditors and select projects and audits based upon management's input and resources available.	Provide independent assessment of L.A. Care monitoring activities that truly contributes to the improvement of those activities. Provide advice and hand-on guidance to business units on how to improve the development and implementation of corrective action plans	Internal Audit		DMHC, DHCS, CMS	All	ICC C&Q
4	Conduct an annual Compliance Program audit.	October (2019)	October (2020)		Allows Compliance to identify any gaps in processes or potential risks that could result in audit findings. Assesses					
5	Data Mapping Project to identify threats and vulnerabilities to data security.	November (2019)	December (2020)	PHI Data Mapping consists of identifying where PHI resides, how it may change during its lifecycle, and how it flows internally/externally to individuals and third parties. Also, PHI Data Mapping identifies critical elements of developing and implementing an effective compliance strategy to manage risk associated with PHI and data leakage.	Inventory data privacy/security gaps that may compromise the confidentiality, integrity, and availability of PHI.	Privacy Unit	N/A	All	All	ICC SPOC
6	New Privacy and Security Frameworks	December (2019)	December (2020)	The size and complexity of L.A. Care continue to evolve. To address the internal and external changes related to risk, technology, and processes, our Privacy and Security Programs will incorporate new frameworks. The Security team developed ISO-27001-aligned policies and procedures to improve our security posture. The Privacy team is following the new NIST Privacy framework scheduled to be published in 2020.	Mature current Privacy and Security Programs to align to industry standards.	Privacy Unit	N/A	All	All	ICC SPOC
7	System Integrity Audits	November (2019)	December (2020)	As part of the 2018 DMHC CAP, Privacy will work with DO and other health plans to develop a system integrity audit framework to increase the oversight of our delegates.	The goal is to detect, prevent, and correct any system integrity issues that may lead to fraud, waste, or abuse.	Privacy Unit	N/A	All	All	ICC SPOC

CY2020 Compliance Work Plan

8	Detect, investigate and resolve instances of fraud, waste and abuse (FWA) concerning L.A. Care.	October (2019)	October (2020)	L.A. Care prohibits fraud, waste, or abuse of its organizational or governmental assets. This prohibition includes attempts to conduct such activity, as well as aiding, abetting, or concealing it. Providers, members, employees, vendors and subcontractors suspected of such activity are investigated by the Special Investigation Unit (SIU). The SIU team detects, investigates and resolves instances of fraud, waste or abusive behavior concerning L.A. Care. The SIU team investigates and analyzes the evidence to develop corrective action plans. We ensure suspicious schemes, claims and activities are fully investigated.	Effectively detect, investigate, and prevent health care fraud, waste and abuse, ensure the safety of L.A. Care members. The goal of SIU is to recover money obtained by deceit or misrepresentation; comply with federal and state regulations concerning fraud investigation and reporting; and satisfy L.A. Care's fiduciary responsibilities to its members. SIU strives to be an industry leader in combating health care fraud.	Special Investigations Unit	Plan Partners	DMHC, DHCS, CMS	All	
9	Begin development of enterprise-wide inventory of regulatory requirements and identify technological application(s) to house requirements by 9/30/2020.	October (2019)	October (2020)	In order to ensure that L.A. Care has an integrated and centralized Compliance Monitoring Program, it is essential to have a comprehensive inventory inclusive of all regulations and contractual requirements. This will also be essential to monitoring contractual performance requirements. To support development of this inventory, the following activities will be completed: <ul style="list-style-type: none"> • Complete transcription of contractual requirements using available resources and technologies by 12/31/2019 • Complete mapping of 4 subsections for each line of business contract by 12/31/2019 • Begin compilation of a crosswalk of regulations to responsible parties/stakeholders, P&Ps, and key reporting metrics for subsections and identify any potential gaps by 9/30/2020 • Identify technological solution for inventory of regulations and potential capabilities to connect with monitoring dashboard by 9/30/2020 	This inventory of regulations will support effective regulatory change and policy management. It can be used to identify applicable policies and procedures (P&Ps) throughout the organization and help identify potential gaps. The inventory will also help in the development of Compliance metrics by creating a crosswalk of regulatory reports and eventually a monitoring dashboard to maintain line of sight of key benchmarks and performance standards.	Regulatory Analysis and Communication	N/A	DMHC, DHCS, CMS	All	RIO RRT
10	Complete an assessment of 100% of existing policies and procedures P&Ps in Compliance 360 by 9/30/2020 to enhance policy oversight and monitoring and ensure effective policy management.	October (2019)	October (2020)	In order to ensure that L.A. Care has an integrated and centralized Compliance Monitoring Program, it is essential to ensure that policies and procedures (P&Ps) are created and updated to accurately reflect regulatory requirements and functional area processes. To support these efforts: Regulatory Analysis and Communications will improve the policy oversight and monitoring structure to clean up existing P&Ps. Enhancements include: <ul style="list-style-type: none"> • Quarterly retroactive reviews of P&Ps with the goal that all applicable departments in C360 are reviewed at least once by 9/30/2020. • Implementation of Corrective Action Plans (CAPs) based on monthly monitoring efforts by 9/30/2020. • Completion of assessment of all existing P&Ps in C360 to identify any P&Ps that can be retired or combined by 9/30/2020. 	Effective policy management processes and accurate, streamlined policies will ensure adherence to regulatory requirements, help maintain standards, set expectations, and minimize potential risks and liabilities.	Regulatory Analysis and Communication	Plan Partners	DMHC, DHCS, CMS	All	ICC

CY2020 Compliance Work Plan

11	Expand regulatory change management through the development and implementation of at least two process improvements to the oversight and monitoring of regulatory implementation by 9/20/2020.	October (2019)	October (2020)	In order to ensure that L.A. Care has an integrated and centralized Compliance Monitoring Program, it is essential to support effective regulatory change management processes. Process improvements to be completed by 9/30/2020 include: <ul style="list-style-type: none"> • Develop and operationalize new Regulation Implementation Form • Update tracking and reporting mechanism(s) for new regulatory requirements 	To oversee implementation efforts for all new or revised laws, requirements and guidance, it is important to improve the documentation and tracking of implementation efforts. This will help contribute to L.A. Care's audit preparedness and assist in the early identification of compliance risks.	Regulatory Analysis and Communication	Plan Partners	DMHC, DHCS, CMS	All	RIO ICC
12	Implement the centralized repository of member and provider communications. Provide training and access to key stakeholders to ensure all materials and templates in use are compliant and approved by regulatory agencies.	October (2019)	October (2020)	The repository will house all approved (by regulators) marketing and member materials in a central location. This resource will be made available to Business Units that utilize materials to ensure only approved versions are used. <ul style="list-style-type: none"> - Continue the 2019 review of the letter inventory submitted to the Unit and request necessary revisions to outdated letters - All materials requiring revisions will be submitted via Podio - The CM&F Unit will submit revised materials to regulatory agencies - The CM&F Unit will establish expiration dates or annual review dates for materials uploaded to the repository - Conduct training sessions to socialize impacted Business Units to new centralize repository - Write desktop procedures for uploading and monitoring materials 	Ensure member facing materials and provider communications are compliant with marketing guidelines, regulatory and/or contract requirements. This will help reduce audit findings in the future.	Marketing and Fulfillment	NA	CMS DHCS DHMC	CMC Medi-Cal LACC LACC-D	NA
13	Develop an oversight and monitoring plan for communication channels (ie., member/provider websites, provider portals, secured member portals, etc.) to validate content accuracy, relevancy and timeliness of available information.	May (2019)	October (2020)	Implement a process to monitor the accuracy and timeliness of member websites. <ul style="list-style-type: none"> - Continue gap analysis on existing communications channels - Restructure the Provider Website Workgroup meetings to include content owners and decision makers to identify gaps in processes and implement steps to mitigate risks - Develop workplan to include staff accountability, timelines, deliverables, etc. 	Ensure member and provider websites contain relevant, up to date and compliant content to ensure intended audience has accurate information.	Marketing and Fulfillment	NA	CMS DHCS DHMC	CMC Medi-Cal LACC LACC-D	NA
14	Develop a risk governance advisory workgroup comprised of cross functional leaders that provide guidance and inclusivity to the assessment, management and communication of risks.	October (2019)	April (2020)	<ul style="list-style-type: none"> * Define risk governance committee structure, charter and cross functional leadership participation. * Define role of Governance body in the Risk Management program. * Identify key stakeholders to be part of the Governance body. 	Allow leaders throughout the organization to play a part in the assessment of risk impacts to the organization.	Risk Management/ Business Continuity	N/A	CMS DHCS DHMC	* CMC * Medi-Cal * LACC * LACC-D * PASC- SEIU	N/A
15	Develop and implement Business Resumption Plans/Contingency Plans for Disasters across major functions based on criticality.	October (2019)	September (2020)	<ul style="list-style-type: none"> * Take inventory, to ensure that every business unit has a resumption plan, including FRCs. * Review all current business resumption plans, and assess gaps. * Work with business units, including FRCs, to better define their resumption plans for different levels of disasters, including consideration of vendor plans/processes when applicable. 	Ensure that all business units are prepared for disasters of any level, including but not only limited to major disasters.	Risk Management/ Business Continuity	N/A	CMS DHCS DHMC	* CMC * Medi-Cal * LACC * LACC-D * PASC- SEIU	N/A
16	Develop a complete set of business requirements and RFP for a new Governance Risk and Compliance GRC platform inclusive of a cross functional needs assessment.	October (2019)	September (2020)	Conduct an enterprise wide needs assessment in collaboration with IT Business Liaison team to capture critical functions that require GRC technical support. Develop a comprehensive business requirements document in preparation for RFP process. Initiate RFP through procurement to pursue a new GRC system.	Ensure that critical functions that support governance risk and compliance have the appropriate technical solution to maintain effective programs/processes (ie. Privacy, Security, Risk Management, Delegation Oversight, Vendor Management).	Risk Management and Operations Oversight	N/A	CMS DHCS DHMC	* CMC * Medi-Cal * LACC * LACC-D * PASC- SEIU	N/A



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Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. COM 101.1219

Committee: Compliance and Quality

Chairperson: Stephanie Booth, MD

Issue: Approve 2020 Risk Assessment

Background: The Enterprise Risk Management (ERM) program in Compliance utilizes processes and tools to effectively align strategy, people, technology and knowledge to evaluate and manage risk across the organization so that goals and objectives can be achieved. The ERM requires development of an annual risk assessment and strategies to remediate or mitigate identified risks.

Member Impact: No direct member impact. This is internal planning for Compliance.

Budget Impact: No financial impact.

Motion: To approve the 2020 Risk Assessment Plan, as submitted.

2020 Risk Assessment



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Introduction

L.A. Care Health Plan leadership recognizes the importance of a structured, consistent process to facilitate risk informed decision making throughout the organization. The Enterprise Risk Management (ERM) program in Compliance utilizes processes and tools to effectively align strategy, people, technology and knowledge to evaluate and manage risk across the organization so that goals and objectives can be achieved. The 2020 Risk Assessment Report aims to outline the current process and intends to capture and prioritize the strategic, operational, financial, and regulatory risks that L.A. Care will focus on addressing in calendar year 2020. The attached risk report does not indicate any immediate violation of law or policy, rather it identifies potential issues and opportunities for improvement. The risk assessment process described herein is an ongoing effort involving leadership across all functional areas and lines of business, and will continue to evolve to identify, assess, prioritize and manage the internal and external risks impacting the organization.

Authority and Responsibility

The L.A. Care Board of Governors (The Board) is responsible for the overall performance of the organization, including the management and mitigation of risk. This responsibility is fulfilled through the Compliance and Quality Committee (C&Q), a subcommittee of the Board. The C&Q Committee reviews performance/effectiveness of the ERM program at least annually, and provides direction for action based on risk management findings and recommendations. The governing body's responsibilities are supported through regular verbal and written risk management reports to the C&Q Committee.



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Methodology

The approach to compile potential risks identified across the enterprise, specifically as it related to an organizational or strategic objective, included but was not limited to; interviews with business owners, coordination with various departments (e.g., Internal Audit, Delegation Oversight, Information Technology, etc.), and review of 2018 and 2019 external audit reports, findings, and corrective action plans. As a result, an initial comprehensive list of potential risks was created as a baseline and preliminarily assigned to business units for further review and evaluation. Based on the level of impact weighting, risks that impact member care, member enrollment, or provider/practitioner satisfaction are weighted most heavily. However, business leaders will consider competing internal/external factors within each element in the process of assigning risk scores. Risks are evaluated and scored based on 3 factors; "Impact", "Likelihood," and "Control," to determine a "Risk Score".

$$\text{Risk Score} = \text{Impact} \times \text{Likelihood} \times \text{Control}$$

Definitions

• Impact: The assessment of how significant the effect of a particular risk would be if it occurred.

1 - Very Low (No impact on stakeholder value or reputation; no actionable regulatory criticism.)

2 - Low (Negligible effect on stakeholder value and reputation; effects can be observed without major budgetary impact.)

3 - Medium (Moderate effect on stakeholder value and reputation; effect on reputation can be mitigated in the near-term.)

4 - High (Effect on reputation is substantial, causing long-term deterioration in stakeholder value.)

5 - Very High (Sustained, serious loss in stakeholder value.)



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- **Likelihood: The assessment of how likely it is that the risk could occur**

- 1 - Negligible: <10% (May occur only in exception circumstances.)
- 2 - Unlikely: 10-25% (Might occur at some time.)
- 3 - Probable: 25-50% (Most likely will occur at some time.)
- 4 - Likely: 50-75% (Probably occurs in most circumstances.)
- 5 - Very Likely: >75% (Expected to occur in most circumstances.)

- **Control: Expresses whether controls are in place and how well they presently mitigate that risk**

- No Controls: 0%
- Not Effectively Controlled: 1-29% (Appropriate controls are not present and resulting risk is substantially outside of tolerance range.)
- Rarely Effectively Controlled: 30 – 49% (Ineffective design causing failures that result in risk tolerance range expectations.)
- Somewhat Effectively Controlled: 50 – 69% (Partially effective but design flaws may be present causing numerous expectations. Risk may not be mitigated within tolerance range.)
- Mostly Effectively Controlled: 70 – 89% (Substantially effective, well designed and mitigates risk within tolerance range.)
- Almost always effectively controlled: 90 – 100% (Fully effective, well designed, documented and tested.)

Timeframe

The 2020 risk assessment and risk scoring process was completed in November 2019. The initial list of prioritized risks (see Appendix A) was presented to the appropriate committees and by design will drive the 2020 Compliance Internal Audit activities. The 2020 risk assessment cycle will be evaluated in Q2 2020 for program effectiveness and is an ongoing effort which will continue to evolve to identify, assess, prioritize and manage the internal and external risks impacting the organization.

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Mitigation Steps

The risks identified through this process will be tracked and monitored by the Compliance Risk Management team and will ultimately be mitigated through a combination of audit and monitoring activities, both within Compliance and through various strategic initiatives throughout the company. Internal and external audits and the resulting issuance of corrective action plans will serve as a primary means of mitigating and reporting risk information to key business leaders, delegates and vendors. Risks and corrective action plans will be periodically re-assessed for effectiveness.



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2020 Table of Risks

Risk Name	Risk Doman	Description	Status	Mitigation/Remediation
Provider Data	Operations	Lack of accurate provider data impacts regulatory reports, network associations, network adequacy, provider directory, provider communications, timely access and enrollment and disenrollment processes.	Mitigation in Progress	Implementation of the Third Party Management (TPM) program, allowing L.A. Care's provider data to be processed and housed in a centralized location. TPM will be phased in, eventually taking the place of existing systems, MPD, PNOR and CACTUS. TPM is expected to go live in January 2020, starting with PPG data, but all of the existing systems/processes will still be running concurrently, until TPM is proven to work. The implementation phases will span throughout 2020, testing processes and system connections (i.e., connection and data transfers to and from QNXT).
Member Data	Operations/ Health Services	Lack of process to ensure that member data files are complete and accurate. Inaccurate member data results in inconsistencies in enrollment/disenrollment processes such as inappropriate coverage cancellations for LACC members, errors in member assignments to PCPs,	Mitigation in Progress	Newly identified risk. Compliance is coordinating discussions with Customer Solutions Center- Enrollment Services, to determine the root cause of this risk, and outline remediation efforts.



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		and enrollment/disenrollment process issues.		
Care Management	Health Services	Components of Care Management (including the Disease Management and chronic health services) have been put on hold, causing for regulatory and clinical risks.	Mitigation in Progress	The Disease Management Program was recently merged into Care Management, and there is currently a prioritization on remediation efforts for audit findings. Staffing efforts are currently underway in the Care Management Department. Regular meetings are scheduled between Compliance and Care Management, to track resumption of all components.
Care Management	Health Services	Low Individualized Care Plan (ICP) completions and high unable to contact (UTC) numbers caused by possession of incorrect member contact information, difficulty reaching our member population, and members declining to complete the ICP.	Mitigation in Progress	Meetings are being held between Compliance, Medicare Product and Case Management to develop remediation plans for the identified root causes, including utilization of the CCA phone book to track and update changes to member contact information in a centralized location, and reaching out to other plans to inquire about their processes for ensuring completion of ICPs within the required 90 days' timeframe. Compliance will be tracking progress of remediation, as a performance improvement plan (PIP) was requested by CMS.



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Prior Authorizations	Health Services	L.A. Care is not currently meeting Utilization Management prior authorization timeliness.	Mitigation in Progress	Compliance is discussions with the Utilization Management Department, to identify the root cause of the prior authorization backlog, and steps for remediation.
Delegation Oversight	Operations	Lack of consistent and effective strategy for audit, monitoring and oversight of delegated entities, resulting in delegated entities being out of compliance with their delegated functions, not immediately remediating identified deficiencies, and impacting L.A. Care's members, operations and compliance with regulatory requirements.	Mitigation in Progress	Development is underway of a robust delegation oversight program that consistently monitors and audits for all delegated functions, ensuring monitoring of CAPs and escalation of continued non-compliance.
Misclassification of Grievances	Operations	Misclassification of coverage determination/redetermination requests as grievances and/or customer service inquiries.	Mitigation in Progress	Customer Solution Center- Call Center desk level procedures have been revised to emphasize correctly identifying inquiries, appeals, grievances, coverage determinations/redeterminations, or any combination thereof. The existing monitoring programs have been revised to include new elements targeting misclassification and documentation of member needs, and daily targeted call log audits (random sampling). This risk will be monitored by Compliance, to ensure the corrective actions that



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				have been put in place remediate the issue.
System Access	Operations	Lack of consistent process for oversight and monitoring of access to internal and external systems (i.e., internal staff transfers to units where current access is not required; external entities being granted unrestricted access to internal systems, allowing them the ability to access information that is outside of their purview; internal staff access to external systems, allowing them the ability to access L.A. Care member information when they transfer to other departments or are no longer employees of L.A. Care).	Mitigation in Progress	Initiatives are being led by Information Technology and Information Security, to identify and implement solutions for these gaps. One possible solution will be working with Human Resources to potentially utilize employee profiles to issue and remove access to systems.
Business Continuity/ Disaster Recovery	Compliance	L.A. Care does not conduct a detailed, onsite evaluation of vendor/delegate disaster DR recovery timeframe and business continuity BC protocol. The lack of alignment between L.A. Care's BC/DR program requirements and recovery timeframes in vendor and provider processes impacts business resumption recovery of systems and applications for L.A. Care.	Mitigation in Progress	Compliance and Information Technology are reviewing vendor contracts, and ensuring that the outlined requirement align with internal processes. Compliance and Information Technology have begun meeting with impacted business units and vendors, to access the gaps between L.A. Care's processes and the vendors' business continuity and disaster recovery protocols. Meetings will continue throughout 2020, in preparation for the 2020 Disaster Recovery Test.



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<p>Vendor Oversight</p>	<p>Finance/ Operations</p>	<p>Lack of consistent process to oversight and monitor performance of vendors contracted through the Procurement Department and the Provider Network Management Department, resulting in no assurance that vendors are adhering to the requirements of the contracts, and/or identifying and remediating issues in a timely manner.</p>	<p>Mitigation in Progress</p>	<p>The Procurement Department, in collaboration with other stakeholders, is leading an effort to identify top tier vendors (determined by criticality to the organization, with highest potential for impact to member services or operations) and develop a framework for oversight and monitoring, to be followed by the impacted business units.</p>
<p>Vendor Contracting</p>	<p>Finance/ Operations</p>	<p>Lack of consistent vendor contracting processes through the Procurement Department and the Provider Network Management Department, resulting in breaks in processes and missed review steps (i.e., ensuring use of appropriate Business Associate Agreements; pre-delegation assessments; privacy and security checks; alignment of business continuity and disaster recovery protocols; etc.)</p>	<p>Mitigation in Progress</p>	<p>Compliance is in discussion with the Procurement Department and the Provider Network Management Department, to ensure alignment in processes between both areas, and to ensure that the final, aligned process includes all necessary review and approval steps. Procurement is currently a little further along, as they already have processes in place through SciQuest. Provider Network Management was working through the ACCIO project, to better align with the existing SciQuest process. However, ACCIO has been put on hold. Through 2020, Compliance will track updates to the SciQuest process and progress with the</p>



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				ACCIO project, to ensure alignment in processes.
Call Center-Recorded Credit Card Payments for LACC/LACC-D	Operations	Lack of process for ensuring the member credit card information is not accessed or inappropriately utilized after receipt of premium payments, for Covered California lines of business. Call Center representatives' calls are recorded, including member credit card information.	Mitigation in Progress	Information Security and Privacy are assessing the issue and options for remediation, including potentially transferring calls to a designated, unrecorded line for the collection of credit card information or finding a way to systematically trigger the recording to stop when the credit card information is collected by the representatives.
Provider Terminations	Operations	Provider terminations are not being communicated appropriately or timely by delegates, causing L.A. Care to be out of compliance with meeting regulatory requirements for timeliness of provider termination communications to regulators and members.	Mitigation in Progress	Discussions have been had between Compliance and Provider Network Management. A corrective action plan was submitted to DHCS, related to 1 specific incident, but will be applied to the whole provider termination process. Remediation includes re-education of the delegates, through Joint Operations Meetings or trainings, and becoming more stringent with disciplinary action toward delegates that do not comply.
Medi-Cal Provider Enrollment	Operations	L.A. Care and its Plan Partners' non-compliance with Department of Health Care Services (DHCS) All Plan Letter (APL) 19-004 (previously APL 17-019). In January 2018, L.A. Care was required to	Mitigation in Progress	Non-compliance with APL 19-004 (17-019) was based on a business decision made in 2017, to protect L.A. Care members from the impact of implementing the APL.



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		begin a process for terminating providers that were not enrolled in the Medi-Cal Program. To date, L.A. Care has not begun terminating such providers, exposing the organization to regulatory audit findings and, potentially, other disciplinary action by DHCS.		Quarterly internal meetings have been held through 2018 and 2019, with Compliance, L.A. Care’s Chief Medical Officer, Executive Director of Medi-Cal Product Administration, Provider Network Management, Pharmacy and Plan Partner Operations, to assess progress toward compliance. The meetings have been made more frequent, now being held monthly. A plan has been put in place to begin enforcing the APL around the end of Q1 2020.
Return Mail	Operations	Lack of effective process for returned mail, resulting in undelivered or delayed member materials and notices, causing for non-compliance with fulfillment and notification regulatory requirements, and access to care issues.	Mitigation in Progress	<p>Root cause was recently identified. Distribution of member communications is not centralized, and there is no process or system for tracking returned mail, not allowing for L.A. Care to determine when members may have relocated inside or outside of L.A. County.</p> <p>Compliance is coordinating discussions with Customer Solutions Center- Enrollment Services, to develop organization-wide processes for ensuring that returned mail is tracked and monitored.</p>



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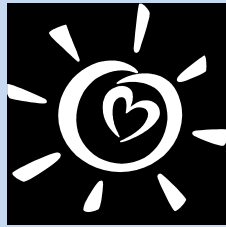
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<p>Information Security- Lack of a Test and Development Network</p>	<p>Operations</p>	<p>L.A. Care has implemented a network with multiple layers of security to include firewalls, IPS, SIEM, etc. Network VLANs are implemented to segment networks and systems; however, a separate test and development segment is not currently in place, causing for the potential of disruption to protected information.</p>	<p>Mitigation in Progress</p>	<p>IT and Information Security are in the process of implementing a network security zone dedicated to systems builds, application testing, etc., with estimated project completion in December 2019.</p>
<p>HIPAA- Live PHI Data Used for Testing</p>	<p>Compliance</p>	<p>L.A. Care uses live ePHI data for testing purposes. Lack of security controls in the testing environment do not meet HIPAA requirements for minimal use or access tracking. System logs can be overwritten, so security and access are difficult or impossible to audit and monitor.</p>	<p>Mitigation in Progress</p>	<p>IT is currently evaluating their use of ePHI data for testing, to see if test (fake) data can be utilized, moving forward. The data masking initiative will also help to remediate this issue.</p>



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Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. COM 102.1219

Committee: Compliance and Quality

Chairperson: Stephanie Booth, MD

Issue: Approve 2020 Internal Audit Services Work Plan

Background: In 2020, the Internal Audit Department will focus its efforts on mitigating any operational and regulatory deficiencies and proactively identifying gaps in internal controls and process. All audits will be based on regulatory protocols and, as appropriate, industry standards.

Member Impact: No direct member impact. This is internal planning for the Internal Audit Department within Compliance.

Budget Impact: No financial impact.

Motion: To approve the 2020 Internal Audit Services Work Plan, as submitted.

2020 Internal Audit Plan



Introduction

This document is the Internal Audit Services Plan of L.A. Care Health Plan for Calendar Year 2020. The plan outlines the audit projects to be conducted during the year by the Internal Audit group of the Compliance Department, including the factors considered in its development and the resources available to perform the stated projects.

Mission and Authority

The Internal Audit Charter states that the mission of Internal Audit Services is to provide independent, objective assurance and support designed to add value and improve the operations and systems of internal controls of L.A. Care Health Plan. In furtherance of that mission, the Charter authorizes Audit Services to have unrestricted access to all L.A. Care functions, activities, systems, records, property and personnel relevant to the performance of an audit, investigation or other special project.

The Charter have been approved by the Internal Compliance Committee and the Compliance and Quality Committee of the Board of Governors of L.A. Care Health Plan. In furtherance of the stated mission, Audit Services may conduct training of staff across the organization about internal controls and affiliated subjects.

Development of the Audit Plan

The audit plan includes two types of activities: Audits are independent assessments of the effectiveness of specific business activities that could result in findings requiring corrective action plans from management. Projects are carried out in support of process improvement activities undertaken by business units; they could involve the review of operations in partnership with businesses units with the objective of improving



2020 Internal Audit Plan



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self-assessment or oversight capabilities. Projects could also provide a way to assess organizational readiness prior to regulatory audits.

Information considered in the development of the audit plan include known risks, regulatory findings, deficiencies identified in prior internal audits, new regulations that need implementation and referrals from Business Units. A target universe of potential audit and project topics was compiled from that information and narrowed down taking into account the resources available to the Internal Audit Department. The resulting list comprises the audit plan for 2020. As in prior years, the audit plan allows for the possibility of ad hoc engagements that could stem from new risks identified, in response to new or revised state or federal regulations, newly identified business needs or new regulatory audit findings communicated during the year.

Although the audit plan contemplates a wide-ranging scope of review, it does not provide coverage for all components or systems. The audit plan will provide reasonable reviews of the business activities and areas that require the most attention. Questions or comments relating to this audit plan may be directed to:

Thomas Mapp
Chief Compliance Officer
(213)694-1250, ext. 5729
tmapp@lacare.org

Juan Jimenez
Director, Internal Audit
(213) 694-1250, ext. 6618
jjimenez1@lacare.org



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2020 Internal Audit Plan



Projected Activities

Topic	Business Area	Source	Preliminary Topic	Target Qtr.
Information Technology (IT) Controls over Application Support	Operations Information Technology	Request from Business Area	Assist information technology in developing a monitoring tool for the department to use in determining if projects under development have gone through the proper controls and checks	1st Quarter
Clinical Care Advance Application Configuration	Health Services	Identified Risk(s)	Determine whether Individual Care Plan data is pulled accurately from the system	1st Quarter
Provider Change Requests	Operations Various Areas	Previous Regulatory Audit Finding	Determine whether provider changes are completed timely according to regulatory standards	1st Quarter
Care Management-Care Plan Checklist	Health Services	Identified Risk(s)	Evaluate the effectiveness of the care plan checklist in assisting members with their coordination of care	1st Quarter
Business Associate Agreements	Operations Contracting	Identified Risk(s)	Determine whether business associate agreement contracts executed outside of the SciQuest system have appropriate provisions for privacy regulations	1st Quarter

2020 Internal Audit Plan



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Application Access for Employee Transfers	Operations Information Technology	Previous Internal Audit Finding	Evaluate whether application access is appropriately adjusted when an employee transfers roles	1st Quarter
All Plan Letter/Dual Plan Letter Implementation	Various Areas	Implementation Assurance	Determine whether recent All Plan and Dual Plan Letters have been implemented	1st Quarter 3rd Quarter
Pending Regulatory Corrective Action Plans	Various Areas	Implementation Assurance	Evaluate whether regulatory Corrective Action Plans coming due were implemented appropriately	1st Quarter 3rd Quarter
Reimbursement Request	Operations Payment Integrity	Previous Regulatory Action	Perform quarterly audits required to confirm whether request for claims overpayments are sent out within the regulatory timeframe (less than 365 days)	1st Quarter 2nd Quarter 3rd Quarter
Claims Processing and Denials Current State Assessment	Operations Claims	Identified Risk(s)	Review current state of gaps identified in prior year external (non-regulatory) audit of the claims department	2nd Quarter

2020 Internal Audit Plan



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<u>Topic</u>	<u>Business Area</u>	<u>Source</u>	<u>Preliminary Topic</u>	<u>Target Qtr.</u>
Early and Periodic Screening Diagnostic and Treatment	Health Services	Previous Regulatory Audit Finding	Review of processes put in place after the Department of Health Care Services audit to confirm whether they meet external regulatory requirements	2nd Quarter
Payroll Deductions Including 457(b)	Operations Finance	Identified Risk(s)	Determine whether payroll deductions are calculated accurately according to regulatory standards	2nd Quarter
Provider Directory Secret Shopper	Operations Various Areas	Previous Regulatory Audit Finding	Determine whether the provider directory (online and print) is accurate	2nd Quarter
Sales & Marketing	Sales	Identified Risk(s)	Review of the sales call monitoring process	2nd Quarter
Identified Information Technology Security Risks	Operations Information Technology	Identified Risk(s)	Determine whether previously identified areas of security risk have been appropriately remediated	2nd Quarter
Accounts Payable	Operations Finance	Identified Risk(s)	Review the accuracy of the Accounts Payable process	3rd Quarter
Department of Managed Health Care Claims Monitoring Assurance	Operations Claims	Previous Regulatory Audit Finding	Review monitoring done by business units to determine whether the gaps identified in the Department of Managed Health Care audit have been remediated	3rd Quarter



2020 Internal Audit Plan



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Controls Over Software Release Management	Operations Information Technology	Request from Business Area	Determine whether controls over software releases are in line with internal and external regulatory requirements as well as industry best practices	3rd Quarter
SAP (application) Implementation	Operations Information Technology	Request from Business Area	Determine whether implementation of new SAP application was completed using appropriate controls	3rd Quarter
Quality of Care/Quality of Service Classification and Resolution	Operations Appeals and Grievances	Identified Risk(s)	Determine whether process for identifying, escalating, and resolving these types of grievances is appropriate based on regulatory requirements	3rd Quarter
Contingent Workers	Human Resources	Previous Internal Audit Finding	Determine whether contingent workers are being tracked accurately in the Success Factors application post implementation	4th Quarter



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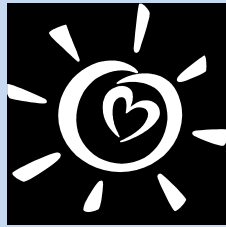
2020 Internal Audit Plan



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<u>Topic</u>	<u>Business Area</u>	<u>Source</u>	<u>Preliminary Topic</u>	<u>Target Qtr.</u>
IT Asset Management	Operations Information Technology	Previous Internal Audit Finding	Determine whether assets under the control of Information Technology (phones, laptops, docking stations etc.) are properly tagged, tracked, and returned upon separation	4th Quarter
Provider Changes Process	Operations Various Areas	Identified Risk(s)	Evaluate the effectiveness of the provider change process to determine any gaps that exist that could hinder the ability to meet regulatory requirements	4th Quarter
Provider Directory Process	Operations Various Areas	Previous Internal Audit Finding	Conduct gap analysis/root analysis to determine department(s) that need to implement internal controls to ensure the accuracy of the directory	4th Quarter
Total Provider Management Implementation	Operations Various Areas	Request from Business Area	Determine whether implementation of the "Total Provider Management" initiative was completed accurately	4th Quarter
Advance Directives	Health Services	Identified Risk(s)	Evaluate whether process is consistently applied according to regulatory requirements	4th Quarter
Ad Hoc Projects	Various Areas	Varies	Special review or advisory services relating to non-recurring or time specific issues	As Needed
Ad Hoc Audits	Various Areas	Varies	Limited scope examination or assessment conducted pursuant to management request	As Needed



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Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. COM 103.1219

Committee: Compliance and Quality

Chairperson: Stephanie Booth, MD

Issue: Approve 2020 Delegation Oversight Audit Services Plan

Background: In 2020, Delegation Oversight Department will focus its efforts on consolidating audit activities and utilizing performance monitoring data to inform risk based substantive audits.

Member Impact: No direct member impact. This is internal planning for Delegation Oversight Department.

Budget Impact: No financial impact.

Motion: To approve the 2020 Delegation Oversight Audit Services Plan, as submitted.

2020 Delegation Oversight Audit Plan



I. Overview

This document is the Delegation Oversight Audit Plan of L.A. Care Health Plan for Calendar Year 2020. The plan outlines the audit projects to be conducted during the year by the Delegation Oversight Department, including the factors considered in its development and the resources available to perform the stated projects. The Delegation Oversight Audit group is comprised of the following audit teams, Clinical and Administrative Audits.

II. Development of the Audit Plan

Information considered in the development of the audit plan include previously identified or known risks, regulatory findings, deficiencies identified in prior audits, and referrals from Business Units. The audit plan may be updated as new risks materialize or additional areas for review are identified.

Although the audit plan contemplates a wide-ranging scope of review, it does not provide coverage for all components or systems. Audit Services will provide reasonable reviews of the business activities and areas that require the most attention.

Questions or comments relating to this audit plan may be directed to:

Sabrina M. Coleman
Senior Director, Delegation Oversight
(213) 694-1250, ext. 5954

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A. Auditable Areas

The following areas are subject to annual review and will be conducted pursuant to applicable requirements, including those of Centers for Medicaid & Medicare Services (CMS), Department Health Care Services (DHCS), California Department of Managed Health Care (DMHC) and National Commission on Quality Assurance (NCQA). Delegate types fall are categorized as Plan Partners (PP), Participating Provider Groups (PPG), and Specialty Health Plans (SHP).

Auditable Area	Lead Reviewer	Type	Scope	Delegate Type
Compliance Program Effectiveness (CPE)	Compliance	Audit	<p>The review of each delegates compliance program effectiveness with the 7 core elements/requirements and Governance. This will include a tracer presentation of L.A. Care specific compliance issues that have been identified and escalated to L.A. Care (as applicable):</p> <ul style="list-style-type: none"> • Written policies, procedures and Standards of Conduct • Compliance Officer, Compliance Committee and High level Oversight • Effective Training and Education • Effective Lines of Communication • Well-Publicized Disciplinary Standards • Effective System for Routine Monitoring, Auditing and Identification of Compliance Risks • Procedures and System for Prompt Response to Compliance Issues 	PP/PPG/SHP

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Auditable Area	Lead Reviewer	Type	Scope	Delegate Type
			<ul style="list-style-type: none"> Governance and organizational chart demonstrating ownership and controls of the organization and its leadership. 	
Credentialing (CR)	Provider Network Management - Credentialing	Audit	Review and oversight of delegates' credentialing activities, and review of delegates' credentialing and re-credentialing policy and procedures.	PP/PPG/SHP
Critical Incidents (CI)	Clinical Assurance	Audit	Quarterly reviews and sample selection of logs, policy and procedures and evidence of mechanisms in place for ensuring provider/staff are adequately trained to identify and report incidents.	PPG/SHP
Cultural & Linguistic Services (C&L)	Health Education and Cultural and Linguistic Services	Audit	Review of Cultural and Linguistic services to include language assistance services (interpreting, translation, auxiliary aids, and alternative format), member/staff/provider education and training, program evaluation, oversight of subcontractors, and referrals.	PP/PPG/SHP
Financial Solvency & Claims Processing Compliance (FC)	Financial Compliance	Audit	Review of claims timeliness, processing, payment appropriateness financial risk and solvency per Titles 22, 28 and CMS regulations.	PP/PPG/SHP



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Auditable Area	Lead Reviewer	Type	Scope	Delegate Type
Health Education (HE)	Health Education and Cultural and Linguistic Services	Audit	The scope of the health education audit includes health education materials and services, tobacco prevention and cessation, diabetes prevention program, Staying Healthy Assessment tool, health education staffing, provider education, non-monetary member incentives, Nurse Advice Line (beginning in 2020), and NCQA requirements for health appraisals and self-management tools.	PP
Information Security (IS)	IT Executive Administration	Audit	Review of policies and procedures related to Information Security technology and the prevention and detection of security violations. This audit will include a systems demonstration and walkthrough to evidence adherence to regulatory standards and internal policies.	PP/PPG
Managed Care Services (MCS)	Compliance	Audit	This audit will include a review of a universe from the past twelve months and a sample file pull. The scope is limited to a review of compliance with the following: <ul style="list-style-type: none"> • Approval for Member Communications • Use of Corporate Log • Affiliation Statement and/or Trade Name 	PP

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Auditable Area	Lead Reviewer	Type	Scope	Delegate Type
			<ul style="list-style-type: none"> Marketing Staff training Marketing Staff Monitoring Marketing Events and Member Outreach Activities; and Marketing Plan 	
Member Rights (MR)	Compliance	Audit	<p>This audit will include a review of a universe from the past twelve months and a sample file pull. The scope is limited to a review of compliance with the following:</p> <ul style="list-style-type: none"> New Member Mailings Annual Mailings Member Grievances Member Grievance Log Policies and Procedures for Complaints and Appeals 	PP
Member Services (MS)	Customer Solutions Center	Audit	Request of semi-annual reporting for NCQA MEM 5	PP
Pharmacy (Rx)	Pharmacy	Audit	Review of all delegated activities for the management of the Pharmaceutical Benefit in accordance with NCQA, DHCS and DMHC regulations	PP
Privacy (PR)	Compliance	Audit	This audit will include a review of policies and procedures that protect the privacy	PP/PPG

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Auditable Area	Lead Reviewer	Type	Scope	Delegate Type
			and PHI of members and walkthroughs to evidence adherence to HIPAA privacy standards.	
Provider Network (PNO)	Compliance	Audit	This audit will include a review of policies and procedures, organizational charts, work plans, program materials, evidence of processes, contractual agreements, committee meeting minutes, case files, reports, access to care, provider training requirements, agendas and sign-in sheets. Further, there will be a sample selection of case files and reports which will be demonstrated via live webinars.	PPG/SHP/PP
Quality Improvement (QI)	Health Services	Audit	This audit includes a review of Annual Timely Access to Care for provider Appointment Availability and After-Hours Accessibility based on the following: <ul style="list-style-type: none"> • Health Service Contracting • Member Experience • Disease Management • Clinical Practice Guidelines • Continuity and Coordination of Medical Care • Continuity and Coordination between Medical and Behavioral Healthcare 	SHP/ PP



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Auditable Area	Lead Reviewer	Type	Scope	Delegate Type
			<ul style="list-style-type: none"> NET1-3: Availability and Accessibility of service and Assessment of Network Adequacy MEM6-Member Support; Potential Quality of Care Review 	
Utilization Management (UM)	Clinical Audit	Audit	Responsible for auditing and monitoring delegated UM activities in alignment with regulatory contractual requirements and accreditation standards. File reviews including but not limited to denial/appeal files, specialty sterilization, IHA, MLTSS and HRA. A sample selection of files will be demonstrated via live webinars.	PP/PPG/SHP



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B. Projected Start Dates

The following are target start dates to commence audits of the areas outlined above. The dates below represent the month in which the indicated audit is expected to commence.

Projected Start Date	Type	Delegates to be Audited	Auditable Area(s)
January (2020 Q1)			
February (2020 Q1)	Annual Audit	<u>SHP</u> Call the Car C3	<u>SHP</u> C&L CPE CR
March (2020 Q1)	Annual Audit & CAP Validation	<u>PPG</u> St. Vincent IPA Citrus Valley" AltaMed Health Services Corp. Allied Physicians IPA HealthSmart Angeles IPA	<u>PPG</u> C&L, CI, CR, CPE, PNO UM, PR, IS
April (2020 Q2)	Annual Audit & CAP Validation	<u>PPG</u> Axminster Medical Group <u>SHP</u> VSP	<u>PPG</u> PNO, UM, CR, C&L, PR, IS <u>SHP</u>

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Projected Start Date	Type	Delegates to be Audited	Auditable Area(s)
		Beacon Solera Health Inc.	CI, CPE, CR, C&L, FC, PNO, PIS, QI, UM
May (2020 Q2)	Annual Audit & CAP Validation	<u>PPG</u> Universal Care Medical Group (non-CMC) <u>PP</u> Blue Shield Promise	<u>PPG</u> CR, PN, UM, C&L <u>PP</u> C&L, CI CPE, CR, FC PNO, UM, QI, IS, PR, Rx, HE, MR, MS, MCS
June (2020 Q2)	Annual Audit & CAP Validation	<u>PPG</u> DHS ACN/Hospitals HealthCare Partners Community Family Care Exceptional Care Medical Group Omnicare Medical Group <u>PP</u> Anthem Blue Cross	<u>PPG</u> C&L, CI, CPE CR, FC, PNO IS, UM <u>PP</u> C&L, CI CPE, CR, FC PNO, UM, QI, IS, PR, Rx, HE MR, MS, MCS
July (2020 Q3)	Annual Audit & CAP Validation	<u>PPG</u> HealthCare Partners Crown City Medical Group	<u>PPG</u> C&L, CI

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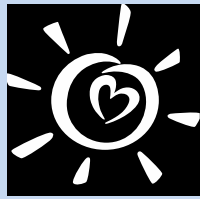


Projected Start Date	Type	Delegates to be Audited	Auditable Area(s)
		Family Care Specialist <u>PP</u> Kaiser	CPE, CR FC, PNO IS, UM <u>PP</u> C&L, CI CPE, CR, FC PNO, UM, QI, IS, PR, Rx, HE MR, MS, MCS
August (2020 Q3)	Annual Audit & CAP Validation	<u>PPG</u> Pioneer Provider Network Seaside Health Plan Apple Medical Group Apple Care Medical Group - St. Francis	<u>PPG</u> C&L, CI, CR, CPE, PNO, IS, UM
September (2020 Q3)	Annual Audit & CAP Validation	<u>PPG</u> South Atlantic Medical Group Prospect Medical Group Pomona Valley Medical Group <u>SHP</u> Liberty Dental (non-CMC)	<u>PPG</u> C&L, CI CPE, CR FC, PNO IS, UM <u>SHP</u> CR, C&L, PNO, UM, FC

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Projected Start Date	Type	Delegates to be Audited	Auditable Area(s)
October (2020 Q4)	Annual Audit & CAP Validation	<u>PPG</u> Preferred IPA Bella Vista IPA El Proyecto del Barrio Global Care IPA Health Care LA IPA Prospect Medical Group (Medi-Cal Only)	<u>PPG</u> C&L, CI CPE, CR FC, PNO IS, UM
November (2020 Q4)	Annual Audit & CAP Validation	<u>PPG</u> Superior Choice Medical Group (non-CMC) Children’s Hospital of L.A. Med. Group <u>SHP</u> Health Dialog Navitus	<u>PPG</u> CR, PNO, UM, C&L <u>SHP</u> CPE, QI, C&L
December (2020 Q4)	Annual Audit & CAP Validation	<u>PPG</u> LAC-DHS (non-CMC) UCLA Medical Group <u>SHP</u> ASH	<u>PPG</u> CR, PNO, UM, C&L <u>SHP</u> CR, C&L, CI, UM, PNO, CPE, FC



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Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. ECA 100.1219

Committee: Executive Community Advisory Committee
Chairperson: Ana Romo

Issue: Approval of members to the Regional Community Advisory Committees (RCACs).

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: Senate Bill 2092 requires that L.A. Care Health Plan ensure community involvement through a Community Advisory Committee.

Member Impact: Not applicable

Budget Impact: Not applicable

Motion: To approve the following as members to the Regional Community Advisory Committee (RCAC), as reviewed by Executive Community Advisory Committee (ECAC) at its November 13, 2019 meeting:

- Ana Patricia Urizar, Consumer, RCAC 2
- Lynnea R. Johnson, Consumer, RCAC 5
- Maria de Lourdes Ascencio, Consumer, RCAC 10



November 27, 2019

TO: Board of Governors

FROM: John Baackes, *Chief Executive Officer*

SUBJECT: CEO Report – December 2019

As we approach the end of the year, I would like to thank you for your contributions towards the growth and success of our organization. I appreciate your commitment and dedication, which have been integral to L.A. Care’s progress.

2019 has been a year of development and expansion. We have launched a number of new initiatives, streamlined operations, increased our brand profile and, most importantly, we continue to improve the quality of health care for our members. There is still plenty to be achieved in L.A. Care’s evolution – and I anticipate next year will bring many successes and great achievements.

I wish you a festive holiday season and a happy new year filled with joy and good health.

Following is a snapshot of the progress we are making on some of our community- and provider-focused work.

	Since last CEO report on 11/1/19	As of 11/27/19
Elevating the Safety Net Grants for primary care physicians	—	92 grants awarded
	2	64 physicians hired
Elevating the Safety Net Grants for medical school loan repayment	—	23
Elevating the Safety Net Grants for medical school scholarships	—	16
Housing for Health Housing secured for homeless households	—	252
IHSS+ Home Care Training IHSS worker graduates from CLTCEC program	—	2,130

Below please find an update on organizational activities for the month of November.

November 2019

1. Federal Claims Court Awards L.A. Care \$17.8 Million in Obamacare Pay

I am very pleased to report that, on November 18, the U.S. Court of Federal Claims awarded L.A. Care nearly \$17.8 million owed under the Affordable Care Act’s cost-sharing reduction (CSR)

payments for 2017 and 2018. As you know, the Trump administration suspended the CSR payments in October 2017. We also asked the court to award us \$35 million for the advance CSR payments we were supposed to receive in 2019, but the court refused to do so at this time because the 2019 amounts have not been reconciled and are not yet final. The government has 60 days to appeal this ruling – and we anticipate the government will appeal just before the 60-day deadline. We also expect the government will ask to stay the ruling, which means that L.A. Care will not be paid until all appeals have been exhausted. Further, now that L.A. Care has a judgment against the government, we will be entitled to receive interest on these amounts. I would like to acknowledge our outstanding Legal team (Augie Haydel, Oren Rosenthal and Ellin Davtyan) and outside counsel for their dedicated efforts to achieve this favorable outcome.

2. L.A. Care and Blue Shield Promise Open First Jointly Operated Community Resource Center

As you know, L.A. Care and Blue Shield of California Promise Health Plan hosted community leaders on November 6 for the ribbon cutting ceremony of our first jointly-operated Community Resource Center in Pomona. The following Saturday around 300 community members were welcomed at a public grand opening. Guests enjoyed dancing and other entertainment, health screenings and giveaways, as well as tours of the brand new facility.

The new center, which will officially open to the public in early December, is part of the \$146 million commitment announced in September 2019 to jointly operate 14 such locations across Los Angeles County. The center in Pomona will offer a wide variety of exercise, nutrition and health management classes in a safe, fun and inclusive space for local residents at no cost. This is the first of seven new centers that will open in the coming years.

3. L.A. Care Continues its Longstanding Commitment to Care Harbor/LA

From November 15–17, L.A. Care was proud to be a part of the Care Harbor/LA clinic for a ninth straight year – and even more delighted to partner this year with Blue Shield of California Promise Health Plan as our new Community Resource Centers were a presenting sponsor of this year’s clinic. Each year, the Care Harbor/LA clinic connects thousands of uninsured, underinsured, and at-risk Angelenos to medical, dental, and vision care, handling the high patient volume in a compassionate and welcoming environment. And for the first time, day 1 of the clinic was dedicated exclusively to serving people who are experiencing homelessness. I would like to thank the Community Resource Center staff who were onsite all three days of the clinic to provide health education and information about the centers.

4. Speaking Engagements

In November, I participated in the following speaking engagement:

- November 20 – Kaiser Permanente's Annual Medi-Cal Programs Meeting | Topic: The Future of Medi-Cal: Strengths, Weaknesses, Opportunities & Threats

Attachments:

- L.A. Homeless Health Summit
- Physician Recruitment Program snapshot
- Cal MediConnect Enrollee Advisory Committee Meeting Summary
- San Gabriel Valley Tribune article
- HealthLeaders article

L.A. Homeless Health Summit

On October 25, 2019, L.A. Care, Health Net, Hospital Association of Southern California (HASC), and Community Clinic Association of L.A. County (CCALAC) co-hosted the L.A. Homeless Health Summit. This Summit convened safety net health leaders to discuss their most pressing homeless health challenges, and identify policy priorities. Safety net health leaders at the Summit included: community health centers, public and private hospitals, and Medi-Cal health plans, along with invited partners from county health departments, Los Angeles Homeless Services Authority (LAHSA), United Way and selected key stakeholders.

At the Summit, safety net health leaders discussed challenges to effective health care to people experiencing homelessness. For example, safety net health organizations have challenges with care coordination because there are barriers to sharing data. In addition, hospitals are unable to discharge patients because of the lack of board and care placements and mental health beds. Overall, the Medi-Cal reimbursement structure creates barriers for safety net health organizations to serve people experiencing homelessness.

Safety net health leaders proposed solutions to address the comprehensive physical health, behavioral health, and social needs of a diverse, complex and growing population of people experiencing homelessness in L.A. County. There was also a recognition of the need to address systemic racism and economic inequality issues that cause homelessness. In addition, safety net health leaders agreed that there need to be strategies to address the health and wellbeing of seniors, families, and youth who experience homelessness.

Policy Priorities

Safety net health leaders identified local, state, and federal policy priorities to pursue in seven domains that would address the physical health, behavioral health, housing status, and social needs of people experiencing and at-risk of homelessness.

Seven Policy Domains:

- Prevention of Homelessness
 - Transitions of Care
 - Delivering Patient-Centered Health Care
 - Behavioral healthcare access
 - Strengthen Housing Navigation and Supportive Services
 - Expand the Supply of and Access to Housing Resources
 - Integrated Data Sharing/Care Coordination Platforms
- **Prevention of homelessness**
 - a. Assist/train safety net providers to screen patients for at-risk characteristics (e.g., unstable or temporary housing; loss of income; domestic violence).
 - b. Assist/train safety net providers to provide interventions to divert patients from becoming homeless (e.g., identifying alternative living arrangements, applying for public assistance)
 - c. Strengthen organizational ties between health and legal / homeless services organizations that can provide specialized assistance to patients at risk of homelessness.

- d. Increase access points for homelessness prevention resources, such as co-location with safety net providers
- **Transitions of Care**—e.g., moving from inpatient care to sub-acute services – are a key juncture at which to intervene:
 - a. Expand access to recuperative care and skilled nursing facilities so that they are consistently available.
 - b. Expand housing resources available post-discharge, such as shelter, bridge housing, and permanent housing.
 - c. Explore adding recuperative care and/or short-term post-discharge housing as Medi-Cal benefits.
 - d. Explore creating a pool funded by multiple local stakeholders for post-discharge placements not covered by Medi-Cal.
 - b. Provide intensive care coordination for patients transitioning from inpatient care to improve placements and connections to community-based services.
 - c. Identify alternate strategies and additional settings to meet the basic needs of patients who are presenting in EDs primarily for showers, food and clothing—not medical care.
 - d. Secure funding to support hospital discharge process requirements of SB 1152 (Hernandez, 2018).
- **Delivering patient-centered health care** that meets the specialized needs of people experiencing homelessness:
 - a. Ensure adequate reimbursement to support mobile, street-based delivery of health services, including both primary and psychiatric care.
 - b. Facilitate delivery of on-site health services for patients in interim housing or other short-term settings.
 - c. Identify and implement quality metrics and pay-for-performance incentives directly linked to appropriate outcomes for homeless patients.
 - d. Explore solutions to address Medi-Cal administrative barriers (e.g., PCP assignment, restrictions on same-day primary care and mental health services at health centers) to expand access for members without fixed address.
 - e. Allow Medi-Cal reimbursement for community health workers to increase access, improve cultural competency, and maximize clinician time.
 - f. Extend hours of operations of health organizations serving people experiencing homelessness to include evenings, nights, and weekends.
- **Behavioral healthcare access**
 - a. Expand access to behavioral health services in street medicine settings.
 - b. Expand access to behavioral health services on site at selected facilities in the housing continuum, especially for clients with higher acuity mental health and substance use disorder needs.
 - c. Expand availability of substance use disorder treatment services so that “treatment on demand” is a reality, especially for detox services.
 - d. Expand availability of inpatient mental health treatment beds.
- **Strengthen Housing Navigation and Supportive Services** to facilitate coordination across delivery systems, ensure continuity and supported transitions of care.

- a. Secure ongoing financial support for existing Intensive Case Management Services (ICMS) and Health Homes Program (HHP) housing navigation and tenancy support
 - b. Expand ICMS-like services to other subpopulations of people experiencing homelessness
 - c. Systematically strengthen connections between ICMS providers and healthcare providers.
 - d. Incorporate considerations of acute and chronic, disabling healthcare needs when assessing individuals for priority placement in housing (i.e., as part of or in addition to VI-SPDAT)
 - e. Extend hours of operations of homeless services organizations to include evenings, nights, and weekends.
- **Expand the Supply of and Access to Housing Resources** across a continuum of housing types and locations.
 - a. Develop housing sites with co-located health and mental health services.
 - b. Develop congregate living sites and other innovative interim and permanent settings for individuals who need permanent daily support for Activities of Daily Living and for safety.
 - c. Ensure adequate funding to support the continued operation and expansion of licensed Adult Residential Facilities (ARF) and Residential Care Facilities for the Elderly (RCFE).
 - d. Expand supply of subsidized units both for individuals needing supportive housing and for individuals who need subsidies-only.
 - e. Support local, state, and federal policies that would increase affordable housing supply and rental assistance.
 - f. Leverage existing local and state funding streams, such as Mental Health Services Act, to expand supply of housing resources.
 - **Integrated Data Sharing/Care Coordination Platforms**
 - a. Improve administrative simplification in reporting requirements of state programs (i.e., Health Homes Program, MHSA, Whole Person Care, etc.) and increase utility of reports
 - b. Identify the most effective ways to share and exchange key data points between health care and homeless services providers (e.g., shared access to records, HIE, other methods)
 - c. Integrate safety net health plans and health care providers into the Homeless Management Information System (HMIS) and AB 210 data systems.

Advancement and Partnership Opportunities

Preventing and combatting homelessness is a priority for safety net health leaders. Despite the inflow of new resources, there is still a large gap in affordable housing and resources for needed health, housing, and social services for people experiencing homelessness in L.A. County. There is a growing awareness that the health care and homeless systems must work together to advocate for policies that will expand and explore innovative strategies.

Safety net health leaders will engage in upcoming policy opportunities. CalAIM is a proposal to build on innovative Medi-Cal strategies to reach vulnerable populations such as homeless, justice-involved, and dual-eligible populations. The Governor's Council of Regional Homeless Advisors is focused on alleviating street homelessness, building more housing, and connecting more people to

treatment. Locally, the Measure H Planning process for FY 2021 – 2023 provides a forum for ongoing dialogue on homeless supportive services and how best to prioritize funding.

In addition, safety net health organizations are exploring ways to streamline and improve healthcare delivery for patients experiencing homelessness. They are interested in partnering with housing and homelessness stakeholders to expand resources for patients.

Conclusion

The jointly hosted L.A. Homeless Health Summit was a catalyst to align safety net health leaders' perspectives on the challenging and multi-faceted problem of homelessness. Our goal is to identify the specific health solutions that safety net health leaders can bring to improve the lives and health outcomes of our members and patients, as well as ideas for private and public partnerships. The hard work of policy change and implementation is yet to come as dialogue continues to tackle the challenging ideas raised. Work continues to eliminate inefficiencies, bridge transitions of care, improve communication and reduce data-sharing barriers to deliver a more seamless experience of care for homeless patients.

Together, we plan to advocate, mobilize resources and bring actionable solutions forward to policy-makers to alleviate the vexing problem of homelessness that leaves so many Angelenos without a safe place to call home.

**Provider Recruitment Program (PRP)
Grant Awards/Hired Providers by Category
FY 2018-19 (to date)**

Provider Type	TOTAL Awards	TOTAL PCPs Hired
Family Medicine	38	25
Internal Medicine	10	13
OB-Gyn	30	6
Pediatrician	14	20
TOTAL	92	64
Organization Type	TOTAL Awards	TOTAL PCPs Hired
FQHC/Look-Alike	77	56
501c3 Licensed Clinic	3	1
Independent Private Provider	12	7
TOTAL	92	64
RCAC	TOTAL Awards	TOTAL PCPs Hired
RCAC 1 - Antelope Valley	4	4
RCAC 2 - San Fernando Valley/Santa Clarita Valley	14	11
RCAC 3 - West San Gabriel Valley	5	3
RCAC 4 - Metro Los Angeles/Glendale	18	12
RCAC 5 - West Los Angeles	4	4
RCAC 6 - South Los Angeles	17	15
RCAC 7 - Southeast Los Angeles	4	2
RCAC 8 - South Bay	8	3
RCAC 9 - Long Beach	4	2
RCAC 10 - East Los Angeles/Northeast Los Angeles	7	3
RCAC 11 - East San Gabriel Valley	7	5
TOTAL	92	64



CEO Report to the Board of Governors
Cal MediConnect Enrollee Advisory Committee (CMC EAC) Meeting Summary

CMC EAC Meeting Date: September 17, 2019

CMC EAC Meeting Attendees: 5

Meeting Summary

I. CMC Enrollment Kit

- a. L.A. Care staff thanked members for their feedback on the CMC Enrollment Kit. Staff will share the Enrollment Kit with committee members at the December CMC EAC meeting if the kit is ready.

II. CMC Product Line Updates

- a. L.A. Care staff presented committee members with an overview of 2020 changes to the Over the Counter (OTC) Pharmacy benefit:
 - i. Staff announced that members will get a \$50 monthly allowance that can be used to purchase approved OTC items such as cold & flu medication and eye drops at leading pharmacy and grocery chains
 - ii. Staff explained to members how to get the list of eligible medication through mail, phone or online
- b. Members provided positive feedback regarding the 2020 OTC pharmacy benefit.

III. L.A. Care Updates

- a. Members were informed that L.A. Care partnered with Blue Shield of California Promise Health Plan to jointly operate 14 Community Resource Centers (CRCs) throughout Los Angeles County.
- b. Members were also informed that the Pomona CRC Community Grand Opening will be on Saturday, November 2, 2019.

IV. Preventive Health Guidelines

- a. L.A. Care staff presented our Preventive Health Guidelines. The presentation provided tips on how to stay healthy by getting the right tests and screenings based on the person's age group.

V. CMC Member Communications Review

- a. L.A. Care staff presented members with two proposed CMC billboards and received feedback on their design.

VI. CCI Ombudsman Report

- a. Review of the CCI Ombudsman Report:
 - i. Role of the CCI Ombudsman in L.A. County
 - ii. Purpose of the report
 - iii. Call volume and prevalent issues
 - iv. Ombudsman Office contact information

VII. Digital Communication

L.A. Care staff learned about members' mobile phone usage and web experience; members participated and provided feedback.

VIII. Close-Out

- a. Members were informed that a Member Advocate was available after the meeting to privately address any personal member issues they needed help with.
- b. The next scheduled CMC EAC meeting will be on Tuesday, December 10, 2019, from 2:00pm-4:00pm at L.A. Care.

SAN GABRIEL VALLEY TRIBUNE



L.A. Care and Blue Shield Promise open new health center in Pomona *The Community Resource Center on Holt Avenue will offer health screenings, classes and more*

By Liset Marquez
November 7, 2019

L.A. Care Health Plan CEO John Baackes knows that for his agency to be more than a plastic card in someone's wallet it has to go where people live.

In September, L.A. Care and Blue Shield of California Promise Health Plan announced a \$146 million commitment to jointly operate 14 resource centers across Los Angeles County.

The Community Resource Center in Pomona will be the first under this new partnership. When it opens Dec. 2 at 696 W. Holt Ave., the 12,000-square-foot facility will offer a spectrum of exercise, nutrition and health management classes at no cost to the public.

"We know that health plans in the Medi-Cal space are more than just paying people's claims," Baackes said. "Everyone who is in either of our plans is living and working in poverty and we have to address the social safety net issues that they are encumbered with."

L.A. Care Health Plan already operates six resource centers. The closest to Pomona is in East Los Angeles, and that facility only opened last year, Baackes said. Pomona is a good fit for the resource center program, he said, because the community is home to a high number of Medi-Cal patients.

The CEOs of both agencies were at the center in Pomona Wednesday, Nov. 6, for a ribbon-cutting ceremony. Greg Buchert, president and CEO of Blue Shield of California Promise Health Plan, emphasized the center would provide services for the entire community.

“It’s important that we become culturally competent in the community — each community, each neighborhood has its own flavor,” he said. “It’s important to be trusted and in the community where they live instead of being in some ivory tower.”

The center in Pomona was a former Big 5 Sporting Goods store, said Councilman Rubio Gonzalez. The building had been vacant for at least a year.

“This is a high-needs area and having this right here is directly benefiting the entire community,” he added.

The entrance of the lobby includes a walk-up counter and a childcare area. Just beyond that are two conference rooms, a pantry area, and a large room at the center of the facility where Zumba and circuit training classes will be held. In that same room is the kitchen where cooking demonstrations will be held.

The existing resource centers operated by L.A. Care also provide health education programs and are open to the community, Baackes said. With the expanded footprint and additional resources in the newer centers, they will also offer onsite member services, care managers, and preventative screenings.

“You hope by having it open to the community they can sign up for health education classes regardless if they are members of either plans,” he said. “The idea is we’re investing and elevating the health of the whole community.”

Buchert said existing centers in Boyle Heights, East L.A., Inglewood, Lynwood, Pacoima and Palmdale will move to larger locations and be rebranded as Community Resource Centers as part of the five-year commitment between the two agencies.

Among those getting a tour Wednesday was Los Angeles County Board Supervisor Hilda Solis, whose district includes Pomona. Solis was impressed with the Community Partner Office, which will be available to community-based organizations at no cost. The space includes a private waiting area and consultation office.

She commended both agencies for building a center which she thought was culturally aware, noting the images on the walls of the center reflected that of the community. Solis said she was encouraged to learn the center was coming to Pomona.

“There’s not a lot between here and East L.A. and this is a high-need area,” she said. “The need is so great out here. I consider this a whole region out here that simply has to be better served and their needs have to be addressed.”

A community event is planned from 9 a.m. to noon Saturday, Nov. 9. There will be live entertainment, face painting, arts and crafts, popcorn, health screenings and haircuts for kids.

L.A. Care CEO Dings Medicare for All, Defends Public Option

John Baackes prefers an approach to healthcare reform that builds on the Affordable Care Act

By Jack O'Brien
November 12, 2019

Medicare for All-style proposals to implement a federal single-payer health system and eliminate the private insurance market have generated widespread debate among lawmakers and a polarized response from the American public.

However, executives at both health insurance companies and hospitals seem united in opposing such measures and seeking alternative healthcare reforms that build on the Affordable Care Act (ACA).

Last week, Jefferson Health CEO Dr. Stephen Klasko told HealthLeaders that he disagrees with Medicare for All-style proposals put forward by Democratic presidential candidates, arguing that more substantive changes need to be made to improve the industry.

This week, L.A. Care CEO John Baackes told HealthLeaders that he is also concerned about the potential effects of a Medicare for All system and prefers healthcare reforms that aim for incremental improvements to the existing system.

Baackes said the federal government's first foray with healthcare programs were Medicare and Medicaid, and estimated that around 80% of Medicaid beneficiaries are also members of private plans since state programs were unable to contain unit costs. However, he said, a single-payer system would not allow for private plans to assist state-run programs, a development for which Baackes said there is "no precedent."

"To me, that seems to be the big problem with single-payer, our track record in this country with two smaller experiments focused on distinct populations have turned into being run by private businesses, some of whom compete with each other," Baackes said.

Baackes' preferred solution to issues facing America's healthcare system is the introduction of a public option, a proposed aspect of the ACA that was never implemented at the federal level. A public option would allow consumers on the individual market to opt-in to Medicare rather than being automatically enrolled in the program through a single-payer system.

Such a move would spur competition with commercial insurers and serve as the "more prudent approach" to healthcare reform, Baackes said.

In California, 16 insurers are public entity health plans, but Baackes said L.A. Care was the only one to join Covered California, the state's individual insurance marketplace created under the ACA.

Operating in the Los Angeles market, Baackes said L.A. Care achieved the lowest price point of health plans and saw its enrollment rise to 80,000. While L.A. Care has been undercut on price by four other health plans heading into 2020, Baackes argued that this result is what the public option is supposed to deliver.

"Isn't that exactly what the point of offering a public option was: to stimulate competition, drive down prices, and encourage innovation?" Baackes asked. "That's what concerns me about Medicare for All or a single-payer system, is [that] without competition there is going to be less innovation. I'm afraid it will be a stagnant entity and costs will again begin to bloom."

Baackes said that if Medicare for All is enacted, there is the potential for the healthcare system to be negatively impacted in terms of cost, coverage, and access goals.

He predicted that under Medicare for All, doctors will "game the system" to maintain a certain level of reimbursement, the improvements made under managed care will be lost, and costs will "skyrocket" as more people are admitted to the emergency room (ER) for treatment.

These concerns are also shared by provider executives, which Baackes said should be considered as health policy debates continue in the coming months.

"I don't think this is providers cheering saying 'Let's maintain the private insurance industry,' but they understand the chaos of what preceded the ACA when there were many more uninsured people," Baackes said. "In a single-payer system, everyone's covered but then it becomes a question of access. The concern for providers is that people will return to the ER. I think it is a real [concern] and should be given very careful consideration as we talk about these plans."

Baackes also said that Medicare for All could be detrimental to the shift towards value-based care.

Since a single-payer system would provide patients the ability to go anywhere to receive treatment, going to different physicians or provider organizations, Baackes said measuring value will be much more difficult for health systems and government agencies.

"'How are you going to measure what the value is?' seems to bump up against value-based pricing and this sort of open, 'you can go anywhere you want' approach that Medicare for All has taken," he said. "If you're going to use value-based purchasing as a way to contain costs, that sort of like a laissez-faire approach that 'you can go anywhere, anytime,' doesn't fit in to getting those kinds of values."



Chief Medical Officer Report

November 2019

Vaping

The Los Angeles County Department of Public Health (Public Health) continues to warn residents about the use of vaping and e-cigarette devices as potentially harmful to proper lung function and urges residents to STOP VAPING NOW. Nationally, there continue to be reports of people showing up in emergency departments with similar symptoms such as coughing, difficulty breathing, fever, and may have vomiting and diarrhea. Locally and nationally, the cause for this threat remains unknown.

Los Angeles County Cases

- As of November 7, 2019, there is one new reported case bringing the total to 30 cases of serious vaping- associated pulmonary injury and one death associated with e-cigarettes in Los Angeles County.
- Approximately 2 out of 3 cases reported are in individuals age 25 and younger.
- All but one reported using both an e-cigarette and a cannabis-type product, not necessarily at the same time. **No specific vendor, product or substance has been identified as the cause.**

Public Health continues to urge healthcare providers to be on the alert for signs of severe respiratory illness among patients who recently used vaping products including e-cigarettes and report cases by phone to Los Angeles County Department of Public Health at 626-299- 3504.

What is L.A. Care doing?

Due to recent deaths of healthy teens and young adults as a result of vaping, L.A. Care convened a taskforce comprised of representatives from Health Education, Customer Solutions Center, and the Communications department to develop and implement an action plan for community, member and provider communications. The action plan includes:

- Prominent health aware notice on the website with a banner directing visitors to the California Department of Public Health alert notice on the L.A. Care website
- Member and provider articles in the member and provider newsletter including the Pulse
- Provider blast fax with facts and screening recommendations
- Member Health Education materials to be distributed at the Community Resource Centers and available on the online order form

Chief Medical Officer Report November 2019

Flu

Flu season in Los Angeles typically runs from the first week of October through the end of March. The Los Angeles County Department of Public Health (LACDPH) has not yet posted flu activity for this season, but now is the time for everyone to get their flu shots at their doctor's office, or at many of our contracted retail pharmacies throughout the County. L.A. Care has already hosted its annual employee flu campaign and is offering flu shots at our Community Resource Centers in partnership with LACDPH and Walgreens.

Health Homes

Our Health Homes team is now reporting over 2,500 enrolled members including approximately 900 enrolled with our Plan Partners. These numbers far exceed our estimates to date and demonstrate the need for and interest in offering enhanced case management services for our highest risk members. We have added seven additional Community Based Care Management Entities (CB-CMEs) to our network and hosted a successful learning collaborative meeting on 10/24/19. We have also assembled the first cohort of the Community Health Worker (CHW) Training Program. A total of 23 CHWs representing 11 CB-CMEs began their participation in the rigorous 9-week training series which includes foundational CHW training, behavioral health, and clinic-based modules to better prepare them to join the CB-CME care teams to assist our members. Following a successful no cost proof of value agreement using the Collective Medical Technology (CMT) Emergency Department Information Exchange (EDIE-PreManage) platform, we have executed an agreement with CMT to provide admission, discharge and transfer (ADT) data to our contracted CB-CMEs so they can receive timely notifications when their Health Homes enrolled members are seen in the Emergency Department or admitted or discharged from the hospital. These timely notifications are required by the State for the Health Homes program and enable Care Teams to reach out to members to support them through their transitions in care by assisting them to follow their discharge plan including being seen by their PCP, getting all of their prescribed medications, any necessary DME, and follow up appointments.

Member Experience

Member experience is one of the most challenging performance measures to improve due to the many touch points with members as they navigate the health care delivery system. L.A. Care is working on improving member experience in many different ways including improved performance in our Customer Solutions Center, and by launching a pilot program to test a member experience tool developed collaboratively with some of our network providers to elicit more actionable feedback than the annual Consumer Assessment Healthcare Providers and Systems (CAHPS) survey.

In addition, on 10/21 L.A. Care hosted a Customer Service training meeting with several clinics (T.H.E., Venice Family, Watts, East Valley, Via Care, Achievable Foundation). Trainings will be held for all staff levels, including Providers, Managers, and Frontline staff. Four clinics have been selected and will be invited to participate in the initial training series pilot with a goal of improving member experience at the clinic level and improving Clinician and Group CAHPS (CG CAHPS) scores.

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The meeting will introduce the program, requirements, and commitment by the groups and help our vendor partner establish a relationship with the provider organizations. Baseline assessments will start after the kick off with sessions tentatively scheduled for January.

QI is also hosting meetings with our contracted Provider Groups to improve member experience to discuss their most recent results, challenges, and to help develop their improvement strategy.

NCQA Update

Staff are hard at work preparing for our upcoming triennial NCQA site survey at which time we will be assessed for our compliance with the Health Plan standards worth up to a maximum of 50 points towards our total accreditation score. I have previously reported that we had maintained Commendable status for Medi-Cal and Accredited status for Covered CA. At this time, I am pleased to report that we have also maintained Accredited status for CalMediConnect (CMC) with a total score of 75.99 points compared to our prior year score of 68.83. This improvement includes a 4.17 point increase in our HEDIS score and 2.99 point improvement in our CAHPS score for our CMC product. Our current score is a significant improvement over last year, and brings us within 4.01 points of achieving Commendable status

Healthcare Effectiveness Data and Information Set (HEDIS) Interventions

L.A. Care is evaluating existing interventions and working on plans to improve the proportion of children being seen for their annual Well Child visits. One intervention recently evaluated was the automated telephone reminders for Well Child visits for children 3-6 years of age. The evaluation demonstrated that 1,800 more visits took place when automated calls were made compared to a baseline when no calls were made, with no significant change in membership. Due to the modest success and low cost of the intervention, L.A. Care will continue to make calls since this Well Child measure is one of the Managed Care Accountability Set measures we are required to report to the State and need to achieve at least the 50th NCQA percentile.

Other interventions include:

Breast Cancer Screening- Second round of breast cancer screening calls are occurring in September.
Chlamydia Screening- Facebook Campaigns launched on 9/3/2019. The campaigns will run from September to December 2019.

Health reminders will be added to the My Health in Motion Portal (all lines of business) for health services including annual exams, breast, cervical and colon cancer screening procedures, flu shots, etc.

Comprehensive Diabetes Care – The L.A. Care Pharmacy department presented at CCALAC and is offering a pilot program for an Ambulatory Care Pharmacist to be on site at participating clinics to provide a Clinical Pharmacy Program to partner with PCPs to improve Diabetes management and control.

Controlling Blood Pressure- L.A. Care participates in The American Heart Association (AHA) Target BP program, as a result, AHA provided 25 automatic blood pressure cuffs and pamphlets for managing BP in English and Spanish. AHA is also available as a resource for low performing providers to improve rates through staff education and resources provided by AHA.

Use of Imaging for Low Back Pain- Mailer was sent on 8/27/2019 to 130 providers who had at least 10 members and a relatively high volume of images requested.

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Since 2017, L.A. Care has been working on a Performance Improvement Project required by the State focused on improving childhood immunization rates in the San Gabriel Valley, one of the geographic areas with the lowest rates. An evaluation of the interventions showed that it was successful in improving rates at the clinic level, but not for the region as a whole.

New Performance Improvement Projects will target the Asthma Medication Ratio measure which measures the use of rescue and controller medications for asthma and the Childhood Immunization (Combination 10) measure.

Social Determinants of Health (SDOH)

In partnership with Maternal and Child Health Access, the CalFresh Education and Enrollment Training series for new and experienced CalFresh enrollers at community clinics and community based organizations concluded. A total of 69 participants, representing 27 organizations received training. Ongoing support will be provided to newly trained organization staff so they may better serve L.A. Care members and the overall community. A final evaluation report will be conducted in January 2020.

SNI staff participated in the September CCALAC Health Equity Advisory Group meeting. The meeting provided an opportunity to collaborate with clinics, health plans, and community organization and other stakeholders to discuss SDOH priorities. CCALAC presented the results of the CCALAC SDOH Needs Assessment Results. The top 3 SDOH Priority Areas for Clinics include Housing Instability, Food Insecurity, and Transportation, all of which have also been identified as priorities by L.A. Care.

Pharmacy

L.A. Care Health Plan's new pharmacy residency program is an innovative postgraduate training program with a focus on clinical experience in a managed care setting which launched in July 2018. Residents trained from this program will be prepared to be at the forefront of transforming health care delivery for vulnerable and low-income communities.

Our current resident has developed a diabetes care program targeting LACC members with A1C greater than 10% to review and improve their medication regimen and track any clinical improvement. The program has concluded outreach calls, totaling 119 providers to initiate insulin to members with A1C >10% with no prior history for insulin. Of the 119 providers, 57 clinical recommendations and 25 health education referrals were faxed out, resulting in an average 2.2% A1c decrease. The proportion of patients taking concomitant insulin therapy rose from 3% to 5%. Furthermore, the resident is currently rotating through the Teaching and Leadership learning experience at Keck Graduate Institute School of Pharmacy and Health Sciences to facilitate an elective course on Geriatric Patient Care to pharmacy graduate students. The resident will be responsible for building the curriculum of the course as well as teaching geriatrics from a holistic systems perspective. The course comprises of geriatric principles from multiple disciplines, which is designed to prepare future pharmacists to serve as accessible and knowledgeable healthcare providers able to help older patients.

Diabetes Initiatives

Comprehensive Diabetes Care (CDC) is a HEDIS measure that impacts NCQA accreditation for all lines of business. Improving the CDC measure is not only an Enterprise goal for 2019, but also the Pharmacy department's clinical programs team goal. The clinical programs team launched a new initiative called the Diabetes Welcome Kit in March 2019, which targets newly diagnosed diabetic

Chief Medical Officer Report November 2019

CMC members that have started a new diabetes medication. A total of 672 CMC members have been identified from months January to August. The Pharmacy team is currently making phone call outreaches to educate the members about diabetes, reconcile their diabetes medication(s), and offer to mail the diabetes welcome kit, which contains additional educational materials about diabetes management.

In addition to the clinical initiatives, our clinical pharmacists have conducted 7 off-site insulin titration trainings at different clinics across Los Angeles county, with several more trainings scheduled in the upcoming months. These trainings aim to provide education on insulin dosing and titration for type 2 diabetes mellitus as recommended by the American Diabetes Association (ADA) treatment guidelines. Our clinical pharmacists provide a brief overview on the different types of insulin, educate on initial dosing, titration frequency, and treatment goals, and inform the healthcare professionals of the covered diabetes medications on L.A. Care's formulary.

Joint Operations Meetings (JOM)

The objectives of these meetings are to build and maintain strong relationships with our key stakeholders and effectively collaborate and communicate with our provider network. It allows the opportunity for L.A. Care departments to present projects and statistics to our network PPGs. With 22 scheduled JOM so far, our clinical programs pharmacist has presented results for the High Risk Medications (HRM) project and Flu Calls campaign, as well as introduced the new version of the 2019 Prescriber Scorecard. The Pharmacy department presented flu vaccination rates for 2017-2018 for each PPG and how each ranked against other PPGs. The Pharmacy department also presented HRM fill rates for 2018 by top prescribers at each respective PPG and how each PPG ranked against other PPGs.

Interdisciplinary Trainings with the Pharmacy Department

The Pharmacy Department has assisted in developing presentations and trainings for several different departments of L.A. Care. These presentations include a pharmacy in-service training for our staff nurses, disease management medication training for the Disease Management and Care Management team, and a pharmacy presentation for the Executive Community Advisory Committee (ECAC).



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. BOG 101.1219

Committee:

Chairperson: Hector De La Torre

Issue: Request to delegate authority to negotiate revisions and execute Amendment 25 to L.A. Care's Medi-Cal Contract (Contract No. 04-36069 A19) with the California Department of Health Care Services (DHCS).

New Contract Amendment Sole Source RFP/RFQ was conducted

Background: L.A. Care received Amendment No. 25 from DHCS on November 22 with a request that it be reviewed, signed, and returned to DHCS by December 9, 2019. Amendment No. 25 incorporates the requirements of the Federal Mega Rule to ensure compliance with the Federal Mega Rule.

Member Impact: Staff is reviewing the member impact.

Budget Impact: Staff is reviewing the budget impact.

Motion: To delegate authority to L.A. Care Chief Executive Officer, John Baackes, to execute Amendment No. 25 to Contract 04-36069 between L.A. Care Health Plan and the California Department of Health Care Services, and to ratify any non-substantive changes to Amendment No. 25 which may be made or negotiated by the Chief Executive Officer and/or his designees.

Board of Governors

Executive Community Advisory Committee

Meeting Minutes – October 09, 2019

1055 W. 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

ECAC Members	RCAC Members/Public	L.A. Care Board of Governors/Staff
<p>Russell Mahler, <i>RCAC 1 Chair</i> Estela Lara, <i>RCAC 2 Chair</i> Cynthia Contreas-Wood, <i>RCAC 3 Chair</i> Silvia Poz, <i>RCAC 4 Chair</i> ** Maria Sanchez, <i>RCAC 5 Chair</i> Andria McFerson, <i>RCAC 6 Chair</i> * Maria E. Nunez, <i>RCAC 6 Vice Chair</i> Fátima Vázquez, <i>RCAC 7 Chair</i> Ana Romo, <i>RCAC 8 Chair, ECAC Chair</i> Tonya Byrd, <i>RCAC 9 Chair</i> Damares O Hernandez de Cordero, <i>RCAC 10 Chair</i> Maria Angel Refugio, <i>RCAC 11 Vice Chair</i> Lluvia Salazar, <i>At-Large Member</i> Deaka McClain, <i>At Large Member</i></p> <p>* <i>Excused Absent</i> ** <i>Absent</i> *** <i>Via teleconference</i></p>	<p>Demetria Saffore, <i>RCAC 1</i> Wilma Ballew, <i>RCAC 2</i> Elizabeth Cooper, <i>RCAC 2</i> Lidia Parra, <i>RCAC 3</i> Silvia Quezada, <i>RCAC 4</i> Guadalupe Reynoso, <i>RCAC 5</i> Ley Ding, <i>RCAC 6</i> Norma Angelica Alvarez, <i>RCAC 7</i> Ana Batun, <i>RCAC 8</i> Dorothy Lowery, <i>RCAC 8</i> Sheila Thach, <i>RCAC 9</i> Janner Gavidia, <i>RCAC 10</i> Ruben Gavidia, <i>RCAC 10</i> Fresia Paz, <i>RCAC 10</i> Marlene Paz, <i>RCAC 10</i> Johnny Chu, <i>RCAC 11</i> Christofer Arroyo, <i>Public State Council on Development Disabilities</i> Mary Jackson, <i>Public</i></p> <p>Eduardo Kogan, <i>Interpreter</i> Isaac Ibarluceas, <i>Interpreter</i> Sina New, <i>Interpreter</i> Samedy Chhum, <i>Interpreter</i></p>	<p>Hilda Pérez, <i>Member, Board of Governors</i> Layla Gonzalez, <i>Member Advocate, Board of Governors</i> Kristina Chung, <i>Community Outreach Field Specialist, CO&E</i> Idalia De La Torre, <i>Field Specialist Supervisor, CO&E</i> Auleria Eakins, <i>EdD, Manager, CO&E</i> Hilda Herrera, <i>Community Outreach Liaison CO&E</i> Sylvia Gochuico, <i>Member Advocate, Customer Solution Center</i> LisaMarie Golden, <i>Director, Customer Solutions Center, Appeals and Grievances</i> Dania Jacob, <i>Department Assistant, CO&E</i> Rudy Martinez, <i>Safety and Security Specialist, Facilities Services</i> Frank Meza, <i>Community Outreach Field Specialist, CO&E</i> Francisco Oaxaca, <i>Senior Director, Communications and Community Relations</i> Candace Nafissi, <i>Communications and Community Relations Specialist III, Communications Department</i> Cindy Pozos, <i>Community Outreach Liaison, CO&E</i> Jose Ricardo Rivas, <i>Community Outreach Field Specialist, CO&E</i> Victor Rodriguez, <i>Board Specialist, Board Services</i> Maria Rodriguez-Camarena, <i>Member Advocate, Customer Solution Center</i> Martin Vicente, <i>Community Outreach Field Specialist, CO&E</i></p>

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Fatima Vazquez, <i>RCAC 7 Chair</i> , called the meeting to order at 10:02 a.m. She reviewed the ECAC meeting rules.	

<p>APPROVE MEETING AGENDA</p>	<p>Ms. Vazquez noted that John Baackes, <i>Chief Executive Officer</i>, will not attend the meeting.</p> <p>The Agenda for today’s meeting was approved as amended.</p>	<p>Approved unanimously. 10 AYES (Byrd, Conteas-Wood, Hernandez de Cordero, Lara, Mahler, McClain, Nunez, Refugio, Salazar and Vazquez)</p>
<p>APPROVE MEETING MINUTES</p>	<p>Estela Lara, <i>RCAC 2 Chair</i>, noted that on page 3, last paragraph, second sentence, where it reads “State” it should read “Federal Government”.</p> <p>Ms. Lara noted that on page 3, last paragraph, third sentence, where it reads she asked for “funding to...” it should read “funding for...”.</p> <p>The meeting minutes for the September 11, 2019 ECAC meeting were approved, noting the above corrections.</p>	<p>Approved unanimously. 10 AYES</p>
<p>STANDING ITEMS</p>		
<p>ECAC CHAIR REPORT</p>	<p>Ms. Vazquez presented the following motion for approval:</p> <p>To recommend the approval of Guadalupe Yepiz RCAC 7, Juan R. Alfaro RCAC 7 and Elizabeth Mitchell RCAC 9 as members of the Regional Community Advisory Committee (RCAC).</p> <p>To recommend the approval of Maria Angel Refugio RCAC 11 Vice Chair as RCAC 11 Chair. (<i>The RCAC 11 Chair position was vacated by Elda Sevilla.</i>)</p> <p>Ms. Lara asked if ECAC will be voting on a new ECAC Vice Chair, considering that Elda Sevilla will also be vacating the ECAC Vice Chair position.</p> <p>Idalia De La Torre, <i>Field Specialist Supervisor, CO&E</i>, responded that ECAC will not vote for a replacement and will hold elections for both ECAC Chair and ECAC Vice Chair in December.</p>	<p>Approved unanimously. 10 AYES</p> <p>Approved unanimously. 10 AYES</p>
<p>UPDATE FROM CHIEF EXECUTIVE OFFICER</p>	<p>This agenda item was not discussed.</p>	
<p>UPDATE FROM APPEALS AND GRIEVANCES DEPARTMENT</p> <p>LisaMarie Golden</p>	<p>LisaMarie Golden, <i>Director, Customer Solutions Center, Appeals & Grievances</i>, provided updates on L.A. Care’s Quarter 1 2019 Trend Analysis (<i>a copy of the presentation can be obtained from CO&E</i>).</p> <p>Russell Mahler, <i>RCAC 1 Chair</i>, asked if L.A. Care reaches out to doctors when they are accused of misconduct. Ms. Golden responded that each case is reviewed and</p>	

	<p>investigated. L.A. Care will ask for a written response. The case can be forwarded to the Quality Committee for review if necessary.</p> <p>Cynthia Contreas-Wood, <i>RCAC 3 Chair</i>, asked about concise key points so the ECAC members can provide this information to RCAC members.</p> <p>Layla Gonzalez, <i>Member Advocate, Board of Governors</i>, asked if they have this data broken down by RCAC region. Ms. Golden responded that she will provide this information by RCAC region at a future ECAC meeting.</p> <p>Deaka McClain, <i>At-Large Member</i>, thanked Ms. Golden for her presentation. She noted that transportation was a part of the presentation and she asked how those issues are being addressed. Ms. Golden responded that leadership meets and discuss these matters. Corrective action takes place as needed.</p> <p><i>(Maria Sanchez, RCAC 5 Chair, joined the meeting.)</i></p>	
<p>COMMUNICATION AND COMMUNITY RELATIONS UPDATE</p> <p>Francisco Oaxaca</p>	<p>Francisco Oaxaca, <i>Senior Director, Communications and Community Relations</i>, provided the following updates:</p> <ul style="list-style-type: none"> • ECAC will have an emergency disaster training in January 2020. It will be led by Rudy Martinez, <i>Safety and Security Specialist, Facilities Services</i>. • Open enrollment for Covered California is from October 15-January 15. More information can be obtained by visiting http://www.lacarecovered.org • The Pomona Family Resource Center (FRC) will open on November 11. The grand opening is scheduled for November 6 and the grand opening for the community will be held on November 9. • The Family Focus Resource Center will hold a Special Needs Fair on October 20 at California State University Northridge, 18111 Nordhoff Street, Northridge, CA 91330. • The Antelope Valley Resource Fair will take place on October 26 at Poncitlan Square, 38315 9th Street E, Palmdale, CA 93550. • Care Harbor Clinic will take place November 15 to 17 at The Reef, 1933 South Broadway Los Angeles, CA 90007. <ul style="list-style-type: none"> ○ This will be the 11th Care Harbor LA free clinic, focused on health care prevention, information, education and an expanded array of social services. ○ The first day of the clinic (Friday) will be dedicated to providing services to homeless individuals. A separate outreach effort will be conducted to identify those individuals. In some cases, they will be provided with transportation. ○ Event organizers have not scheduled the distribution of wrist bands. This information will be shared with ECAC members as soon as available. 	

- Upcoming ECAC presentations:
 - Urgent Care Center Update is scheduled for November 13.
 - Quality Improvement Department presentation is scheduled for December 11.
 - Emergency Preparedness Drill is scheduled for January 8.
- Revisions to the Operating Rules will be presented to ECAC in November. References to CCI Councils will be removed. Providers who are members will now be classified as non-voting members. Language will be added to clarify the role of the At-Large member. ECAC will have an opportunity to review them and there will be an opportunity for the public to provide comments.

(Ana Romo, ECAC Chair, joined the meeting.)

Mr. Mahler asked Mr. Oaxaca if the RCAC Chairs will be volunteering at Care Harbor. Mr. Oaxaca responded that he is unsure if there will be an opportunity for RCAC Chairs to volunteer. He will provide more information when it becomes available. L.A. Care will be partnering with Blue Shield at Care Harbor.

Hilda Perez, *Member Representative, Board of Governors*, asked Mr. Oaxaca if he can share event information with the RCACs that are near the area where the events will take place. Ms. Oaxaca responded that he will give advance notice and provide a flyer to the RCACs when available.

Ms. Lara asked Mr. Oaxaca if he can provide a flyer for the Pomona FRC grand opening to the Committee. Mr. Oaxaca responded that the flyer is not available yet and it will be provided at a later time.

PUBLIC COMMENT

Elizabeth Cooper, *RCAC 2 Member*, stated that the podium should be moved closer towards the public. She stated that she has concerns due to the committee not allowing loaded questions. She then asked Mr. Oaxaca if he is focused on diversity of his staff. She stated that she does not see much diversity in his staff appointments.

Mr. Oaxaca responded that a discussion of the diversity of staff is not an appropriate topic for discussion by the ECAC.

Ms. Cooper responded that she will bring this issue up to the Board, because it is a concern that she has.

<p>GLOBAL MEMBER ISSUES</p>	<p>Maria Nunez, <i>RCAC 6 Vice Chair</i>, stated that members of her community have concerns in regards to the Public Charge.</p> <p>Ms. De La Torre responded that discussion on the changes to the Public Charge rules takes place on October 15. She stated that all RCACs will be having a discussion on the matter. She advised that they seek legal advice, because L.A. Care is not able to provide guidance. She noted that people who are applying for residency may be affected. Mr. Oaxaca stated that it is not appropriate for the Committee to have a discussion on the Public Charge, because staff is not fully equipped to provide legal advice.</p> <p>Ms. Perez noted that Ms. Nunez’s concerns are the same as many people in the community. She reiterated Mr. Oaxaca’s suggestion to reach out to an organization that dedicates services to helping people who will be affected by the Public Charge. She stated she has a flyer that provides information (<i>a copy of the flyer can be obtained from CO&E</i>).</p> <p><u>Community Link/Resource Platform</u></p> <ul style="list-style-type: none"> • Members requested that Farmers Markets be included in the Community Link platform. The Ecology Center is listed on the Community Link platform under a separate title, “Market Match.” Members can visit https://marketmatch.org/about/how-it-works/ to find the closest farmer markets near them. • In regards to accessibility for disabled persons, specifically visual impairments. Staff has verified that the Community Link meets industry standards for accessibility including for visual impairment. Staff would like ECAC to know that the platform has standards posted in the “Accessibility” section of the L.A. Care website. L.A. Care actively seeks feedback on its platform from disabled users and has tested every page. Should users have concerns with the accessibility they can contact Michael Brodsky, MD, <i>Medical Director, Behavioral Health and Social Services, Behavioral Health</i> at ext. 6771. 	
<p>Update on ECAC Motions</p>	<p>Mr. Oaxaca provided an update in regards to the Health Access Motion presented by RCAC 7. According to L.A. Care’s records, <i>Clinica San Martin de Porres</i> located in the City of South Gate does not have a direct Independent Physician Associations (IPA)/Participating Physicians Groups (PPG) contract with L.A. Care. However, affiliated physicians are contracted with multiple L.A. Care contracted PPGs/IPAs. Staff is reviewing this and will let L.A. Care know if they can delegate this issue to the assigned account managers and Plan Partner representative to work with the affected PPGs/IPAs for resolution.</p>	

OLD BUSINESS		
<p>ECAC AD-HOC COMMITTEE - MEETING EFFECTIVENESS</p>	<p>Ms. De La Torre reported on the ECAC Ad-Hoc Committee on Meeting Effectiveness:</p> <p>Ad-Hoc Committee Purpose: To determine if the current Meeting Effectiveness Guidelines stay as written or needs to be revised.</p> <p>The Ad-Hoc Committee members came up with following recommendations:</p> <ul style="list-style-type: none"> • Name Change • Meeting Effectiveness Guidelines • Reduce items in Agenda and increase time • Stop Watch • Vice Chair role enhancement • Pilot recommendations for 2 ECAC meetings <p><u>Name Change</u> Change the document title to “Meeting Participation and Engagement” and include meeting ground rules.</p> <p><u>Meeting Effectiveness Guidelines</u> Continue to use the Meeting Effectiveness Guidelines as written but needs to be reinforced. Enforce only one comment or question per agenda item and once the comment or question is made, the time will end for the ECAC member or the public.</p> <p><u>Reduce Agenda Items and Increase time</u> Reduce the number of agenda items and increase time for each agenda item.</p> <p><u>Stop Watch</u> The stop watch will only be used for the Public Comment section of the agenda.</p> <p><u>ECAC Vice Chair Role Enhancement</u> The Vice-Chair role should be enhanced to assist with selecting meeting participants who raise their hand for questions. Priority will be given to those individuals who have not had an opportunity to ask a questions or make a comment.</p> <p><u>Recommendations</u> If the recommendations are approved by ECAC. The recommendations will be piloted for the next two ECAC meetings. Once a process has been determined, a training will be provided at the RCAC meetings so that consumer advisory committee members understand the meeting process when they attend as public. An educational sheet with the meeting process will be created and distributed to ECAC and the public.</p>	

	<p>Ms. De La Torre noted that index cards will continue to be used in case time runs out for questions or comments.</p> <p>Ms. Gonzalez stated that she does not want people that attend ECAC to feel censored. She would like to know if members who attend as public will still have the opportunity to submit comment cards. Ms. De La Torre responded that comment cards will still be used by the public.</p> <p>Ms. McClain asked if people with disabilities will be given additional time to speak if they require it. Ms. De La Torre confirmed that additional time will be provided, but it will only be for one question or one comment.</p> <p>Ms. Perez asked if people will still have two minutes to speak with the timer displayed. Ms. De La Torre responded that timer will only be used for the public comment section of the agenda.</p> <p>Ms. Contreas-Wood asked if ECAC finds that some of the guidelines are not being effective, can they be revisited. Ms. De La Torre responded that the guidelines will be revisited after they are piloted for two ECAC meetings.</p> <p><u>PUBLIC COMMENT</u></p> <p>Ms. Cooper stated that there should be a lawyer present to represent all RCAC members. She would like the Committee to know that she objects to the new rules. She will be going to Governance and Executive committees to voice her concerns.</p> <p>Wilma Ballew, <i>RCAC 2 member</i>, stated that she feels these discussions are redundant. She feels the Committee should vote on these meeting guidelines promptly. She noted that the Committee knows who will be speaking out of context and will not follow the rules.</p> <p>The Committee voted to implement the Meeting Participation and Engagement ground rules for the next two ECAC meetings.</p>	<p>Approved unanimously. 12 AYES (Byrd, Contreas-Wood, Hernandez de Cordero, Lara, Mahler, McClain, Nunez, Refugio, Romo, Salazar, Sanchez and Vazquez)</p>
<p>DISABILITY AWARENESS TRAINING</p>	<p>Auleria Eakins, <i>EdD, Manager, CO&E</i>, provided the following updates:</p> <ul style="list-style-type: none"> • October is Disability Awareness month. • An Ad-Hoc Committee was formed to encourage L.A. Care to look at how staff works with seniors and people with disabilities. • There will be a training for ECAC members on October 22. The training will focus on disability awareness and sensitivity. • The training is for ECAC Chairs and Vice Chairs. Staff will make phone calls to provide more details. 	

	Ms. Perez asked if this training will be provided to all RCAC members. Dr. Eakins responded that the focus is currently on leadership and staff. It will be considered in the future.	
2020 BOARD OF GOVERNORS ELECTION PROCESS	<p>Ms. De La Torre reported:</p> <ul style="list-style-type: none"> • The Board Member Representatives election will take place in July 2020. • The election process will be an agenda item on the November ECAC meeting. • All candidates will be verified through the Office of Inspector General. • Electronic voting process may be used. • Discussions will be held at all RCACs. <p><u>PUBLIC COMMENT</u></p> <p>Ms. Cooper stated that she hopes she is being a respectful RCAC member. She noted that she has advocated strongly for all RCAC members. She asked that all RCAC members respect one another.</p>	
FUTURE AGENDA ITEMS	Ms. Perez asked that RCAC membership should be placed on the agenda. She would like the Committee to discuss diversity and be more inclusive.	
PUBLIC COMMENTS	<p>Ms. Cooper stated she is proud of some of the things that were said by ECAC members and she has learned much. She noted that RCAC members should be united with the Board elections coming up. She stressed that all members be more active on issues that affect their communities.</p> <p>Chris Arroyo, <i>Manager, L.A. Office of State Council and Developmental Disabilities</i>, stated that his job is to improve systems for people with disabilities. He noted that his office also provides training in regards to grievances and appeals.</p>	
ADJOURNMENT	The meeting was adjourned at 12:40 pm.	

RESPECTFULLY SUBMITTED BY:

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

APPROVED BY

Ana Romo, *ECAC Chair*

Date _____

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APPROVED BY

Ana Romo, *ECAC Chair*

Date 11/13/19

BOARD OF GOVERNORS

Children's Health Consultant Advisory Committee

Meeting Minutes – September 17, 2019

1055 W. Seventh Street, Los Angeles, CA 90017



Members

Tara Ficek, MPH, *Chair*
 Linda Aragon, MPH
 Edward Bloch, MD**
 Maria Chandler, MD, MBA**
 Tanya Dansky, MD
 Rebecca Dudovitz, MD, MS

Lyndee Knox, PhD***
 Rosina Franco, MD*
 Toni Frederick, PhD*
 Gwendolyn Ross Jordan**
 Nayat Mutafyan*
 Maryjane Puffer, BSN, MPA*

Diana Ramos, MD**
 Richard Seidman, MD, MPH
 Diane Tanaka, MD*

**Absent **Via Teleconference*

****Via Teleconference (Not posted - not counted as Quorum)*

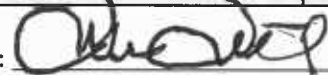
AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Tara Ficek, MPH, <i>Chair</i> called the meeting to order at 8:40 a.m. without quorum. Member Richard Seidman, MD, MPH, acknowledged Lyndee Knox, PhD, for serving as the Committee Chair for five years. <i>(Member Linda Aragon, MPH, joined the meeting)</i>	
APPROVAL OF MEETING AGENDA	The Committee reached a quorum at 9:00 a.m. The Agenda for today's meeting was approved as submitted.	Approved unanimously. 9 AYES (Aragon, Bloch, Chandler, Dansky, Dudovitz, Ficek, Jordan, Ramos, Seidman)
APPROVAL OF THE MEETING MINUTES	The minutes of the August 20, 2019 meeting were approved as submitted.	Approved unanimously. 9 AYES
CHIEF MEDICAL OFFICER REPORT	Richard Seidman, MD, MPH, <i>Chief Medical Officer</i> , referred to his written report <i>(a copy of his written report can be requested from Board Services)</i> :	

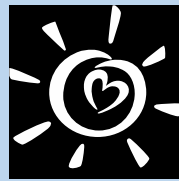
APPROVED

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><u>Care Management/Health Homes</u></p> <ul style="list-style-type: none"> • By September 9, the Health Homes program had enrolled approximately 500 members. The program now has 700 members enrolled. Enrollment is speeding up and expectations are being exceeded. • The program is intended to serve the 3-5% of members with the costliest complex health care cases. • L.A. Care is continuing to build its community based care management presence and has hired 10 Community Health Workers to join the care management teams deployed at Family Resource Centers. <p><i>(Member Knox left the meeting.)</i></p> <p>Member Ficek asked Member Seidman to provide a breakdown of enrollees by age. She would like to know the number of children enrolled in the program. Member Seidman responded that he will try to have that information for the next meeting. He added that asthma was included in eligibility criteria, but those cases don't usually reach the threshold for the costliest complex cases.</p> <p>Member Bloch asked if enrollees also include children covered by California Children Services (CCS). Member Seidman responded that he is unaware if CCS members are excluded. He will confirm and provide a response to the Committee.</p> <p>Michael Brodsky, MD, Medical Director, Behavioral Health and Social Services, Behavioral Health noted that targeted case management services are excluded from the Health Homes program.</p>	
<p>AB 340 Michael Brodsky, MD</p>	<p>Dr. Brodsky referred to the information included in the meeting materials <i>(a copy of the information can be obtained by contacting Board Services)</i>:</p> <p>Member Chandler stated that her office is writing additional language for the bill to require training before the mandated trauma screening goes into effect. It is important for staff to know how to respond when screening for trauma.</p> <p>Trauma informed care is a model of care intended to promote healing and reduce risk for re-traumatization. Early identification of trauma and providing the appropriate treatment are critical tools for reducing long-term health care costs. Legislation was passed in October 2017, recommending that a work group hold discussions about trauma assessment. The work group recommended three different screening tools to be</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>used: The Pediatric ACEs and Related Life-events Screener developed by the Bay Area Research Consortium on Toxic Stress and Health, ACEs assessment is for adults up to age 65, and the Well Child Assessment.</p> <p>For fiscal year 2019-20, Governor Newsom's budget proposes funding of \$45 million to support the first step in trauma-informed care, which is trauma screenings for all children and adults with full-scope coverage in Medi-Cal. The screening is to be billed and reimbursed in managed care and fee-for-service delivery systems.</p> <p>The target population includes children and adults up to 65. Medi-Cal enrollment is approximately 13.2 million, with children through 19 representing approximately 40% of the population.</p> <p>Member Ficek asked if the reimbursement will be paid directly to the provider or through the health plan. Member Seidman responded that there have been other Prop 56 payments in the past, where the State has made payments through health plans. The health plans are required to pay the provider although the method of payment is not specified. L.A. Care has elected to pay the Prop 56 funds earned by the rendering providers through the contracted Independent Physician Associations.</p> <p><i>(Hilda Perez, Member Representative, Board of Governors joined the meeting.)</i></p>	
COMMITTEE ISSUES		
COMMITTEE MEMBERSHIP Richard Seidman, MD, MPH	Member Seidman presented the following motion for approval: To approve the following nominees as members of the Children's Health Consultants Advisory Committee (CHCAC), effective October 3, 2019: <ul style="list-style-type: none"> • Hilda Perez representing the third of the three Undesignated seats; and • James Kyle, M.D., Medical Director for Quality Management of L.A. Care Health Plan <p><i>(Member Ramos left the meeting.)</i></p>	Approved unanimously. 9 AYES
ADJOURNMENT	The meeting was adjourned at 10:02 a.m.	

Respectfully submitted by:
Malou Balones, *Board Specialist III, Board Services*
Victor Rodriguez, *Board Specialist II, Board Services*
Linda Merkens, *Senior Manager, Board Services*

APPROVED BY: _____
Tara Ficek, MPH, *Chair*. 
Date Signed: 11/19/19



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. EXE 100.1219

Committee: Executive

Chairperson: Hector De La Torre

Issue: Approval of L.A. Care's 2020 State and Federal Policy Agenda.

New Contract **Amendment** **Sole Source** **RFP/RFQ was conducted**

Background: In accordance with the process approved by the L.A. Care Governing Board, following is L.A. Care's proposed 2020 State and Federal Policy Agenda (Policy Agenda) for consideration.

This Policy Agenda contains principles and policies that serve as the framework for the development and advocacy of positions on federal and state legislative, administrative, and budget issues. This Policy Agenda provides guidance for L.A. Care's Government Affairs Department to respond effectively to proposals that could significantly impact L.A. Care's strategic and operational interests.

2020 State and Federal Policy Principles

Federal Funding and Coverage

- Retain coverage expansions accomplished by the Affordable Care Act (ACA).
- Support proposals that stabilize the marketplace (Covered California individual market)
- Oppose efforts by the federal government to recoup Medicaid matching funds.
- Support proposals that codify ACA provisions in state statute.

Two-Plan Model – Local Initiative Protection

- Support proposals that strengthen the Two-Plan Model Medi-Cal Managed Care delivery system in Los Angeles County.
- Support proposals that build upon California's public Medi-Cal managed care plans to create a local, regional, or statewide Public Option.

Eligibility, Benefits, and Enrollment

- Support proposals that simplify and coordinate the Medi-Cal enrollment and redetermination processes with existing programs such as CalFresh.
- Support proposals that would eliminate barriers to eligible populations receiving the health and social services benefits for which they qualify and support proposals that reduce churn in eligible populations.
- Support proposals that improve outreach to the Coordinated Care Initiative and Medi-Cal age-in populations in order to increase enrollment in Cal MediConnect.
- Support proposals that strengthen government-sponsored programs and increase no or low-cost health insurance coverage to the uninsured and low-income populations, without eroding existing coverage or access.
- Support value-based purchasing strategies that are geared towards achieving value through high-quality, cost-efficient member-centric care and that do not result in diminished coverage or benefits.
- Support proposals that strengthen and improve existing government-sponsored programs in ways that support the safety net, including expanding program eligibility and increasing reimbursement.
- Support proposals that promote home and community-based care for persons that would otherwise

require institutionalization and that do not financially harm the health plan.

- Support proposals that expand access to behavioral health and substance use disorder services

Quality

- Support measures that result in improved quality outcomes in government-sponsored programs.
- Support integrated delivery and whole person models that are designed to improve quality of care through team-based coordination of care, and that empower patients to be a partner in their own care.
- Support proposals that improve quality outcomes and drive delivery system transformation through value-based initiatives, modernization of systems, and payment reform.

Rates/Reimbursement

- Support proposals that increase transparency in the rate-setting process conducted by regulatory agencies (e.g., DMHC, DHCS, CMS, and Covered California).
- Support use of health plan fees, provider fees, and intergovernmental transfers that maximize California's share of Federal Medicaid funding and help stabilize the Medi-Cal program.
- Support proposals that improve the accuracy and risk adjustment process (e.g., Duals, Covered California)
- Support proposals that address inequitable geographic variations in Medi-Cal reimbursement rates, with a focus on hospital reimbursement differences between Northern and Southern California.
- Support proposals that align financial incentives among providers, patients, health plans, and payers.

Workforce Development

- Support proposals that increase California's health care workforce and address the shortage of appropriate health care providers in underserved communities, resulting in increased provider access for Medi-Cal enrollees.

Social Determinants of Health

- Support policies that improve social conditions and quality of life for low-income populations, including policies that support economic stability, education, food security, housing and healthy physical environments.

Health Information Technology

- Support the use of health information technology and interoperability that would result in cost-savings and patient care improvement, including activities to ensure that LANES (The Health Information Exchange for L.A. County) receives its appropriate share of grant funding.

Fraud

- Support the strengthening of anti-fraud measures and programs, and provide the ability of health plans and payers to recover lost funds.

For each proposal considered by L.A. Care, due consideration will be given to the financial and work burdens placed on healthcare providers and efforts will be taken to minimize those burdens whenever possible.

Member Impact: L.A. Care supports public policies that increase resources for the safety net, and/or leads to improved access and quality of health care services for its members.

Budget Impact: Sufficient funds are budgeted in the Government Affairs Department budget for this fiscal year. We will budget the balance in future fiscal years.

Motion: To approve L.A. Care's 2020 State and Federal Policy Agenda, as submitted.



November 15, 2019

To: Hector De La Torre, Chair
Board of Governors, L.A. Care Health Plan

From: Wendy Schiffer, *Senior Director, Strategic Planning*
Roland Palencia, *Director, Community Benefits*

Through: John Baackes, *Chief Executive Officer*

At the November 7 Board of Governors' meeting, a motion was submitted to approve the Community Health Investment Fund FY 2019-20 allocation of up to \$10 million in four broad priority categories. During the meeting, Board members requested additional information regarding outcome data for grants administered through the Community Benefits department. Please see the attached documents that reflect the progress of the Community Health Investment Fund (CHIF) active or recently closed grantee projects. Attachment A was presented at the April 2019 Board meeting, and Attachment B covers grants made in prior fiscal years but which are still active.

Our selection process is rigorous and results in highly vetted grantees. All potential grantees submit detailed proposals, which are reviewed by L.A. Care staff and community experts. Community Benefits staff performs extensive due diligence through phone calls and site visits. Grantees are required to submit progress reports every six months with quantitative and qualitative information on their goals. Grant funding is released in two payments, with the first payment (50%) released upon receipt of a fully executed grant agreement. The second payment is contingent upon progress report submission, completion of at least 50% of objectives, and expenditure of the entire first payment. Staff will not release the second payment unless these conditions are met.

We look forward to your feedback on the attached documents at the November 18 Executive Committee meeting. We are proud of the work that our grantees do, and we want to share this success with the Board. Should you have any questions, please do not hesitate to contact Rpalencia@lacare.org or 213-694-1250 ext. 4243.

Thank you for your leadership and for helping us to provide services to those most in need.

Community Health Investment Fund (CHIF) Annual Summary Report - Attachment A

Awards Funded in Fiscal Year 2017-2018 - April 4, 2019

	Organization Name	Priority	Amount	Ends	Project Purpose and Status
AD HOC GRANTS ~ TWENTY AWARDS FOR \$6,487,000					
1	Antelope Valley Community Clinic	INF	\$335,000	9/21/2019	Provide infrastructure and reorganization support to expand clinical services in the greater Antelope Valley area.
2	Brilliant Corners II – LAC DHS Flexible Housing Subsidy Pool	H	\$4,000,000	9/1/2020	House homeless individuals and families, including L.A. Care members. Project also supports the goals of the Whole Person Care initiative under the new California Medi-Cal waiver and enables DHS to draw down matching funds. Update: A total of 366 homeless individuals are currently enrolled and receiving services, including 212 who are currently housed. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
3	Central American Resources Center (CARECEN)	SD	\$150,000	3/15/2020	Educate and train 2,500 immigrants and refugees through Know Your Rights workshops, provide legal services to 50 unaccompanied minors and refugee families, make a minimum of 150 direct referrals for health and social services, and engage and educate 1,000 impacted immigrants to protect their families.. Update: The first progress report is due by April 15, 2019.
4	The Chrysalis Center dba Chrysalis Enterprises	SD	\$100,000	3/14/2020	Train at least 40 low-income Medi-Cal recipients with substantial barriers for employment, including homelessness; and secure full-time, long-term employment for 15 training participants. Update: The first progress report is due by April 15, 2019.
5	Coalition for Humane Immigrant Rights of Los Angeles (CHIRLA)	SD	\$150,000	3/14/2020	Assist 200 eligible legal residents with completion of the N-400 naturalization form to begin the process of becoming naturalized U.S. citizens; educate 80,000 immigrants and their families through social and Spanish media about Know Your Rights and the public charge ruling, and provide information to at least 600 individuals through the hotline, with a focus on mixed status families. Update: The first progress report is due by April 15, 2019.
6	Community Clinic Association of Los Angeles County (CCALAC)	INF	\$150,000	3/15/2020	Create a Social Determinants of Health Roundtable (SDoH) to assess gap in service for social risk factors, host an SDoH Summit, develop comprehensive resource guide and establish policy and advocacy priorities intended to improve services in a managed care environment, particularly around the homeless. Update: The first progress report is due by April 15, 2019.
7	Hospitality Industry Training and Educational Fund (Hospitality Training Academy - HTA)	SD	\$107,000	3/15/2020	Train 95 and Place 78 of 95 recently trained clients in unionized jobs in the growing hospitality industry through language immersive job training program for Limited English speakers, including but not limited to Asian/Pacific Islander and Latino populations. Update: The first progress report is due by April 15, 2019.
8	Housing Works	SD	\$100,000	3/15/2020	In partnership with Corporation for Supportive Housing, train 25 formerly homeless individuals to be placed as Community Health Workers or Housing Navigators employees in a variety of non-profit agencies that serve homeless individuals and families. Update: The first progress report is due by April 15, 2019.

CHIF Summary Report - Attachment A
Awards Funded in FY 2017-2018

	Organization Name	Priority	Amount	Ends	Project Purpose and Status
9	L.A. Family Housing	SD	\$150,000	10/15/2019	Support security-related staff and systems throughout The Campus, a building complex with collocated health and social service agencies, including Northeast Valley Healthcare Corporation, that will provide supportive housing and comprehensive services for homeless individuals and families in the San Fernando and Santa Clarita Valleys. Update: Implemented safety and security systems for the Campus, which includes 49 brand new units of permanent supportive housing for chronically homeless individuals in need of ongoing, intensive care and case management. Recognition: L.A. Care's support acknowledged in winter newsletter.
10	Maternal Mental Health Now (<i>fiscal agent Community Partners</i>)	HB	\$150,000	3/15/2020	Improve mental health awareness of at least 350 pregnant or postpartum African American women and enhance the acumen of 30 medical providers to detect and respond to perinatal mood disorders among African American women to positively impact African American infant mortality in partnership with Cedars Sinai Hospital and Watts Healthcare. Update: The first progress report is due by April 15, 2019.
11	MLK Health & Wellness Community Development Corporation (DHS MLK Outpatient Center)	INF	\$25,000	9/15/2019	Engage in a strategic planning process to address organizational changes on campus, including the opening of a behavioral health center. Update: The first progress report is due by April 15, 2019.
12	National Health Foundation	INF	\$150,000	10/15/2019	Support the expansion of the Pathway Recuperative Care program to add 13,500 recuperative bed days in the greater downtown Los Angeles area. Update: Recognition: In April 2018, National Health Foundation hosted a groundbreaking event for the new recuperative care facility in Pico Union area where John Baackes, L.A. Care's CEO, addressed the audience.
13	National Medical Fellowships	INF	\$150,000	10/15/2019	Support an immersive summer program to expose four medical and 3 mid-level (Nursing/MA) clinical students to primary care through placement at Los Angeles County safety net clinics, including Federally Qualified Health Centers. Update: A total of 7 clinical students received scholarships, completed the 6-week summer immersion program and were placed at Community Health Centers in Los Angeles. Recognition: L.A. Care was acknowledged through electronic and printed program materials, during the 2018 NMF Los Angeles Champions of Health Awards and Gala and at the Primary Care Leadership Program Orientation. Closed
14	Occidental College	INF	\$75,000	3/15/2020	Place at least six Occidental College students enrolled in its Public Health minor in community public health internships, and provide capacity building funds to develop a financially sustainable long-term plan. Update: The first progress report is due by April 15, 2019.
15	Reclaiming America's Communities through Empowerment (R.A.C.E.)	SD	\$150,000	3/15/2020	Expand grantee's sports league to two new neighborhoods with high gang activity through the addition of 20 new Peace Ambassadors, conduct six mediation roundtables and make 50 case management referrals through gang intervention agencies. Hire development and office management staff to increase development activities and other infrastructure. Update: The first progress report is due by April 15, 2019.
16	Southern California Grantmakers (SCG)	INF	\$20,000	12/31/2019	Support philanthropic healthcare infrastructure in the Greater Los Angeles area. Update: Provided six cross-cutting programs exploring health and health equity issues with funders; provided a monthly "Public Policy Roundup" e-newsletter to more than 500 subscribers; and provided seven in-person and online Census 2020 programs. Recognition: SCG acknowledged L.A. Care as a sponsor at its Annual Conference in September 2018.

CHIF Summary Report - Attachment A
Awards Funded in FY 2017-2018

	Organization Name	Priority	Amount	Ends	Project Purpose and Status
17	Southside Coalition of Community Health Centers	INF	\$150,000	3/15/2020	Implement a professional development training program for a minimum of 80 medical assistants working at eight federally qualified health centers (FQHCs) in South Los Angeles who will receive at least 30 hours of professional development training. Update: The first progress report is due by April 15, 2019.
18	The Los Angeles Trust for Children's Health	INF	\$150,000	10/15/2019	Develop a centralized data network and connect at least 14 school-based health centers and Los Angeles Unified School District schools to link health outcomes and student achievement. Update: Hosted five Wellness Network Data xChange reporting tool webinars with 5 community clinic partners; hosted stakeholder meeting with approximately 35 people in attendance; and worked with Essential Health Access to explore data extract options for Chlamydia screening across 15 Wellness Centers. Recognition: L.A. Care was acknowledged in project materials, including a one-page project summary and PowerPoint presentation.
19	Urban Voices	SD	\$75,000	3/15/2020	Build up the organizational infrastructure and hire professional staff of an organization that will engage at least 50 homeless individuals in its music programs while connecting them to a system of care to address their medical and social needs. Update: Hired organization's first paid staff, established 501(c)3 status, completed by-laws and begun building a governing board for the organization. Exploring a process with JWCH Institute to refer clients to the program. Recognition: L.A. Care is featured as a primary partner in organization's literature , on website, and in fall newsletter.
20	Watts Century Latino Organization	SD	\$150,000	3/15/2020	In partnership with law enforcement, reduce crime and build civic responsibility with a focus on immigrant communities and youth in South Los Angeles by enrolling at least 15 adults and 10 youth in Citizen Police Academies and Mediation trainings. Update: The first progress report is due by April 15, 2019.
	AdHocs Total		\$6,487,000		
ORAL HEALTH INITIATIVE X ~ EIGHT AWARDS FOR \$800,000					
21	Comprehensive Community Health Center	HB	\$100,000	11/15/2019	Enroll 1,500 pediatric patients and provide at least one dental visit within a year. Up to 400 primary care patients will be linked to dental care, and at least 35% of children, ages 6-9 at moderate to high risk for caries, will receive a sealant on a first permanent molar. Update: Within six months, 195 new dental patients were enrolled in clinic; 124 primary care patients were linked to dental services; and 35% for eligible patients 6-9 had sealants applied to a first permanent molar. Recognition: Acknowledged L.A. Care's contribution to expanded dental practice during recent interviews with Media stations. Grantee's Marketing and Outreach Department is developing materials to publicize the funded Miles of Smiles program to further recognize L.A. Care's contribution.
22	Garfield Health Center	HB	\$100,000	11/15/2019	Expand the pediatric clinic from two to five days per week, for a total of five days. Increase access for 937 unduplicated pediatric dentistry patients. Additionally, at least 800 pediatric patients and their parents receive oral health education. Update: At six months, Garfield Health Center provided 914 pediatric dental visits to 527 unique children and 95% of parents and children seen received oral health education. Recognition: L.A. Care funding was acknowledged in Garfield Health Center's newsletter.

CHIF Summary Report - Attachment A
Awards Funded in FY 2017-2018

	Organization Name	Priority	Amount	Ends	Project Purpose and Status
23	Harbor Community Clinic, Inc.	HB	\$100,000	11/15/2019	Complete construction of new dental site, including licensing and furnishing. Provide a minimum of 2,500 pediatric dental visits, including mobile unit dental visits. Update: Conducted community needs assessment; environmental assessment, zoning, and consultation with city. Selected contractor and construction began in January 2019. Recognition: L.A. Care staff have been invited to the April 2019 Groundbreaking event and an art display is planned to recognize L.A. Care among the Clinic's donor.
24	JWCH Institute, Inc. (John Wesley Community Health)	HB	\$100,000	11/15/2019	Complete conversion of Lynwood primary care site to a dental clinic, and provide a minimum of 2,300 adult dental visits and a minimum of 300 pediatric dental visits. Update: As of November 2018, completed demolition and initiated construction to establish three adult and three pediatric operatories at the Lynwood building. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
25	Northeast Valley Healthcare Corporation	HB	\$100,000	11/15/2019	Complete construction and fully furnish the new dental clinic in North Hollywood in partnership with LA Family Housing. Provide comprehensive dental services to a minimum of 1,000 visits to at least 280 homeless patients. Update: The project was placed out to bid and contractor selected. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
26	St. John's Well Child and Family Center	HB	\$100,000	11/15/2019	At least 360 patients will receive treatment for dental decay, this includes a minimum of 200 adult patients and 85 pediatric patients, totaling 1,000 visits. This includes children and adults with developmental disabilities, people with HIV/AIDS, transgender individuals and other vulnerable populations. Update: 111 unique patients were seen through 236 dental visits; conducted in-reach and outreach to 535 SJWCFC patients and community members. Recognition: L.A. Care was recognized through internal newsletter and with a Spanish/English flyer.
27	T.H.E. Clinic, Inc. dba T.H.E. (To Help Everyone) Health & Wellness Centers	HB	\$100,000	11/15/2019	Provide comprehensive dental services to an additional 1,100 patients, and increase the number of primary care clinic patients who receive dental services by at least 20% per year. Update: Within six months, two x-ray sensors and a vitals cart were purchased. Grantee provided 681 visits to 435 unduplicated children under 12 years, and the pediatric, dental integration process was initiated. Recognition: L.A. Care funding was acknowledged through various social media channels and promotional flyers.
28	Coastal Developmental Services Foundation dba Westside Regional Center (WRC)	HB	\$100,000	11/15/2019	At least 500 current and new children and adults with developmental disabilities will receive oral hygiene services, including dental health assessments, cleaning and health education. A minimum of 200 clients will reduce the number of bleeding sites on their gums, and at least 300 patients will adopt proper dental intervention strategies. Also, educate at least 50 dental providers on providing dental services to persons with developmental disabilities. Update: At six months, 171 patients received oral hygiene services, two patients avoided cleaning under sedation and two provider trainings were held with 50 providers in attendance. Recognition: L.A. Care was recognized on provider training materials.
OHI X Total			\$800,000		
ROBERT E. TRANQUADA SAFETY NET INITIATIVE IX ~ SIXTEEN AWARDS FOR \$1,500,000					
Cohort I					
29	Central City Community Health Centers	INF	\$150,000	8/14/2020	To improve on one CAHPS question and three HEDIS measures: breast cancer screening, diabetic care-retinal eye exam, and diabetic care-blood pressure < 140/90. Update: The first progress report is due March 15, 2019

CHIF Summary Report - Attachment A
Awards Funded in FY 2017-2018

	Organization Name	Priority	Amount	Ends	Project Purpose and Status
30	Comprehensive Community Health Centers, Inc.	INF	\$150,000	8/14/2020	To improve on one CAHPS patient experience question and three chronic diabetic care HEDIS measures: retinal eye exam, HbA1c<8, and blood pressure < 140/90. Update: The first progress report is due March 15, 2019
31	JWCH Institute, Inc. (John Wesley Health Center)	INF	\$150,000	8/14/2020	To improve on one CAHPS patient experience question and three Child Health HEDIS measures: weight assessment, early childhood immunization, and adolescent immunization. Update: The first progress report is due March 15, 2019
32	Northeast Valley Health Corporation	INF	\$150,000	8/14/2020	To improve on one CAHPS patient experience question and three HEDIS measures: cervical cancer screening, postpartum care, and diabetic care - HbA1c<8. Update: The first progress report is due March 15, 2019
33	St. John's Well Child and Family Center	INF	\$150,000	8/14/2020	To improve on one CAHPS patient experience question and three diabetic care HEDIS measures: Retinal exam, HbA1c <8, and blood pressure <140/90. Update: The first progress report is due March 15, 2019
34	Watts Healthcare	INF	\$150,000	8/14/2020	To improve on one CAHPS patient experience question and three HEDIS measures: early childhood immunization, cervical cancer screening, and diabetic care - retinal exam. Update: The first progress report is due March 15, 2019
35	White Memorial Community Health Center	INF	\$150,000	8/14/2020	To improve on one CAHPS patient experience question and three Child Health HEDIS measures: weight assessment, early childhood immunization, and adolescent immunization. Update: The first progress report is due March 15, 2019
	Cohort II				
36	Asian Pacific Healthcare Venture	INF	\$50,000	6/15/2019	Design a quality improvement program plan to improve one CAHPS question and one HEDIS measures as determined through quality improvement training program. Update: Completed four workshops and one web-based training session facilitated by the Institute for High Quality Care (IHQC) and are in the process of completing their quality improvement plan.
37	Bartz Altadonna Community Health Center	INF	\$50,000	6/15/2019	Design a quality improvement program plan to improve one CAHPS question and one HEDIS measures as determined through quality improvement training program.
38	Central Neighborhood Health Foundation	INF	\$50,000	6/15/2019	Design a quality improvement program plan to improve one CAHPS question and one HEDIS measures as determined through quality improvement training program. Update: Participated in 4 trainings and one webinar facilitated by IHQC trainings. Recognition: L.A. Care acknowledged as funder during educational workshops.
39	Clinica Msgr. Oscar A. Romero	INF	\$50,000	6/15/2019	Design a quality improvement program plan to improve one CAHPS question and one HEDIS measures as determined through quality improvement training program. Update: Clinic staff completed four workshops and one webinar facilitated by IHQC and is on track to submit QI project to L.A. Care.
40	El Proyecto del Barrio	INF	\$50,000	6/15/2019	Design a quality improvement program plan to improve one CAHPS question and one HEDIS measures as determined through quality improvement training program.
41	Garfield Health Center	INF	\$50,000	6/15/2019	Design a quality improvement program plan to improve one CAHPS question and one HEDIS measures as determined through quality improvement training program. Update: Clinic staff completed 2 workshops and one webinar facilitated by the IHQC and is in the process of developing its Colorectal Cancer Screening QI project. Recognition: L.A. Care support is recognized in the clinic's internal newsletter.
42	T.H.E. Health and Wellness	INF	\$50,000	6/15/2019	To improve on one CAHPS question and three HEDIS measures related to diabetic care: Retinal exam, HbA1c <8, and blood pressure <140/90. Update: Clinic staff completed 4 workshops and one webinar facilitated by the Institute for High Quality Care (IHQC) to inform its diabetic care QI project. Recognition: L.A. Care support is recognized through social media, website and internal publications.

CHIF Summary Report - Attachment A
Awards Funded in FY 2017-2018

	Organization Name	Priority	Amount	Ends	Project Purpose and Status
43	UMMA Community Clinic	INF	\$50,000	6/15/2019	Design a quality improvement program plan to improve one CAHPS question and one HEDIS measures as determined through quality improvement training program. Update: Staff completed 4 workshops and one webinar facilitated by the IHQC. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
44	South Bay Family Health Care	INF	\$50,000	6/15/2019	Design a quality improvement program plan to improve one CAHPS question and one HEDIS measures as determined through quality improvement training program. Update: Clinic staff participated in workshops and webinars facilitated by IHQC to inform its QI project. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
	Tranquada IX Total		\$1,500,000		
LICENSED PRACTITIONERS OF THE HEALING ARTS II ~ FOUR AWARDS FOR \$260,000					
45	Alcoholism Center for Women	HB	\$60,000	3/24/2020	Serve an additional 100 women through the residential treatment program, conduct 720 American Society of Addiction Medicine (ASAM) assessments and treatment plan reviews and ensure 90 participants successfully complete the program. Grantee will also provide enhanced care through a new Family Therapy Program for 540 clients. Update: The first progress report is due April 24, 2019.
46	Fred Brown Recovery Services	HB	\$60,000	3/24/2020	Provide Drug Medi-Cal (DMC) participants an additional 20 hours per month of individual outpatient counseling. Augment group therapy by 75 hours per month. Provide 584 bed days of residential treatment services per month and recovery bridge housing for 118 additional DMC clients to maximize Drug Medi-Cal reimbursements and thereby sustain the START-ODS program. Update: The first progress report is due April 24, 2019.
47	Homeless Health Care Los Angeles	HB	\$70,000	3/24/2020	Develop curriculum and train staff in a Family Therapy Program (FTP) to serve 30 mono-lingual and bilingual Spanish families, while expanding the English FTP to an additional 30 families. This will result in behavioral compliance and successful program completion for up to 80% for all served clients. Update: The first progress report is due April 24, 2019.
48	Special Services for Groups, Inc	HB	\$70,000	3/24/2020	Hire a Quality Assurance Coordinator to reduce the rate of claim denials by 75% and serve a total of 195 clients. This grant will also increase successful program completion from 27% to 50%. All these activities will maximize Drug Medi-Cal reimbursement and sustain the program. Update: The first progress report is due April 24, 2019.
	LPHA II Total		\$260,000		
COMMUNITY WELLNESS III ~ ELEVEN AWARDS FOR \$805,000					
49	APLA Health	SD	\$75,000	3/15/2020	Secure the approval of at least 210 electronic CalFresh applications, provide assistance to at least 120 SemiAnnual Report applicants, and re-certify a minimum of 67 applicants. Update: The first progress report is due April 15, 2019.
50	Asian Pacific Healthcare Venture	SD	\$75,000	3/15/2020	Secure the approval of at least 350 electronic CalFresh applications. Update: The first progress report is due April 15, 2019.

CHIF Summary Report - Attachment A
Awards Funded in FY 2017-2018

	Organization Name	Priority	Amount	Ends	Project Purpose and Status
51	Chinatown Service Center	SD	\$75,000	3/15/2020	Secure the approval of at least 40 electronic CalFresh applications, provide assistance to at least 140 SemiAnnual Report applicants, and re-certify a minimum of 52 applicants. Additionally, receive accepted filing of at least 500 Earned Income Tax Credit (EITC) applications. Update: The first progress report is due April 15, 2019.
52	JWCH- Wesley	SD	\$75,000	3/15/2020	Secure the approval of at least 225 electronic CalFresh applications and re-certify a minimum of 30 applications. Update: The first progress report is due April 15, 2019.
53	Koreatown Youth and Community Center, Inc.	SD	\$75,000	3/15/2020	Achieve accepted filing status for at least 750 Earned Income Tax Credit (EITC) applications. Update: The first progress report is due April 15, 2019.
54	Maternal and Child Health Access	SD	\$80,000	3/15/2020	Secure the approval of at least 185 electronic CalFresh applications, provide assistance to at least 104 SemiAnnual Report applicants, and recertify a minimum of 106 applications. Additionally, will provide an in-service workshop for CalFresh enrollment grantees to increase the quality of submissions and enrollment approval ratio. Update: The first progress report is due April 15, 2019.
55	Pacific Asian Consortium in Employment (PACE)	SD	\$75,000	3/15/2020	Achieve accepted filing status for at least 750 Earned Income Tax Credit (EITC) applications. Update: The first progress report is due April 15, 2019.
56	Providence Little Company of Mary	SD	\$75,000	3/15/2020	Secure the approval of at least 230 electronic CalFresh applications, provide assistance to at least 20 SemiAnnual Report applicants, and recertify a minimum of 4 applicants. Update: The first progress report is due April 15, 2019.
57	Southside Coalition of Community Clinics	SD	\$50,000	3/15/2020	Increase to four the number of Southside Coalition members who provide onsite CalFresh enrollment assistance by providing clinics technical assistance to enroll at least 80 patients into CalFresh and strengthen clinics' relationship with DPSS to address systemic issues. Update: The first progress report is due April 15, 2019.
58	The Robert F. Kennedy of Community and Family Medicine	SD	\$75,000	3/15/2020	Secure the approval of at least 175 electronic and 50 paper CalFresh applications, provide assistance to at least 50 SemiAnnual Report applicants, and re-certify a minimum of 75 applicants. Update: The first progress report is due April 15, 2019.
59	Youth Policy Institute	SD	\$75,000	3/15/2020	Secure the approval of at least 60 electronic CalFresh applications, provide assistance to at least 62 SemiAnnual Report applicants, and re-certify a minimum of 27 applicants. Additionally, achieve accepted filing status for at least 500 Earned Income Tax Credit (EITC) applications. Update: The first progress report is due April 15, 2019.
	CWI III Total		\$805,000		
GRANTEE SUPPORT ~ THREE AWARDS FOR \$148,000					
60	Institute for High Quality Care (Community Partners)	INF	\$55,000	9/1/2019	Train nine Robert E. Tranquada, MD, Safety Net Infrastructure Initiative IX grantees to leverage quality and process improvement tools and techniques to design a comprehensive Quality Improvement project or initiative linked to at least one Healthcare Effectiveness Data and Information Set (HEDIS) measure and one Consumer Assessment of Healthcare Providers and Systems (CAHPS) measure.
61	Qualis Health	INF	\$75,000	12/31/2019	Coach and provide technical assistance to seven Robert E. Tranquada, MD Safety Net Initiative IX grantees during project implementation to improve Consumer Assessment of Healthcare Providers and Systems (CAHPS) and Healthcare Effectiveness Data and Information Set (HEDIS) scores and implement a Quality Improvement program to enhance these scores.
62	KED Consulting	INF	\$18,000	9/30/2018	Provide support to Community Benefits staff for projects that include grantee progress reports and other ad hoc projects.

CHIF Summary Report - Attachment A
Awards Funded in FY 2017-2018

	Organization Name	Priority	Amount	Ends	Project Purpose and Status
	Grantee Support Total		\$148,000		
	CHIF GRAND TOTAL		\$10,000,000		

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Community Health Investment Fund (CHIF) Annual Summary Report - Attachment B					
Previously Funded Awards still Active during reporting period from October 1, 2017 through September 30, 2018					
A Total of 71 Awards for \$10,525,000					
April 4, 2019					
Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
AD HOCS ~ NINETEEN AWARDS FOR \$6,791,000					
1	Brilliant Corners (LAC DHS - Housing for Health)	H	\$4,000,000	4/1/2019	Provide housing support, including rental subsidy and move in costs, for 300 homeless individuals and their families. Funds also support the goals of the Whole Person Care initiative under California's Medi-Cal waiver. Update: A total of 366 homeless individuals are currently enrolled and receiving services, including 212 who are currently housed. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
2	Central American Resources Center (CARECEN)	SD	\$150,000	1/1/2019	To provide legal services to 75 individuals, legal consultations to 150 people, media outreach reaching 3,000 people, targeted education on immigration rights to 750 people and educate 125 people about accessing medical and social services. Update: CARECEN provided Know Your Rights workshops to 3,750 individuals; provided legal representation to 87 individuals in deportation proceedings and/or in detention; delivered legal consultations to 150 people at risk of deportation; referred 125 people to social and medical services; and reached 6,000 people through media communications with current immigration information. Recognition: Acknowledged L.A. Care at its 35th Annual awards Dinner in October 2018. CLOSED
3	Children's Hospital Los Angeles (Early Identification & Intervention Pilot)	INF	\$75,000	7/30/2018	To implement an early identification and intervention pilot project focused on increasing validated developmental screenings for children ages 0-5 years old in Los Angeles County, and increase referrals and appropriate treatment. Update: A report summarizing recommendations on developmental monitoring and screening for practicing pediatric providers and staff was finalized. The recommendations are based on key informant interviews with six FQHC's and one Department of Health Services clinic in Los Angeles County. Recognition: The research was commissioned by L.A. Care. CLOSED
4	Coalition for Humane Immigrant Rights of Los Angeles (CHIRLA)	SD	\$150,000	1/15/2019	To assist 200 low-income immigrants with accelerated legal permanent residency and naturalization status and to promote "Know Your Rights" (KYR) awareness and education through electronic, social and traditional print media reaching 20,000 individuals. Update: Assisted 990 immigrants become legal permanent residents with the naturalization process; provided KYR information to 20,000 mixed-status immigrants through toll free hotline, workshops, and presentations; and provided informing regarding access to health care to over 100,000 individuals through outreach activities including live Facebook streaming events and presentations at consular offices, libraries, middle and high schools, and churches. Recognition: L.A. Care was acknowledged in CHIRLA's Facebook Live series and in outreach materials, and at the 2018 Gala dinner. CLOSED

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
5	Community Clinic Association of Los Angeles County (CCALAC)	INF	\$100,000	7/15/2018	Conduct a landscape analysis of the services provided by health centers, including those directly operated by, or contracted with, the County Departments of Health Services, Public Health, and Mental Health. Update: CCALAC completed a landscape analysis of LA's safety net in May, 2018 and disseminated report findings to over 3,500 individuals, Recognition: Acknowledged L.A. Care as the funder of the report. CLOSED
6	Community Clinic Association of Los Angeles County (CCALAC)	INF	\$300,000	2/15/2019	Provide financial technical assistance to Federally Qualified Health Centers (FQHCs), FQHC Look-Alikes and licensed community clinics. Update: CCALAC hosted a series of webinars geared to board members of health centers and had a total of 44 participants across 18 clinics; three AFS 250 series trainings were held with an average attendance of 30; and Capital Link provided direct technical assistance to 13 clinics. Operating margins for participating clinics increased to 73%, a 35 point improvement; days cash on hand improved to 78%, a 34 point improvement, and bottom line margins to 78%, a 28 point improvement. Recognition: L.A. Care was named as grantor in all materials and presentations to membership.
7	Community Health Alliance of Pasadena (ChapCare)	INF	\$150,000	9/25/2019	Support the Los Angeles Epic Network, a collaborative of seven Los Angeles County health centers, in the implementation of quality improvement and shared services activities. Update: Partners have divided responsibilities that include quality assurance, workforce training to maximize EPIC features, and uniform dashboards that include patient engagement best practices. One clinic is no longer part of the cohort as they decided to use another EHR system. Recognition: L.A. Care was a Gold Sponsor at CHAP's 20th Anniversary Event, which was held at its Lincoln Health Center on April 21, 2018.
8	Community Health Councils	SD	\$150,000	1/1/2019	Develop and implement a Healthy Kids Zone (HKZ) initiative in the surrounding area of Fremont High School in South Los Angeles using participatory research methods. Update: Convened 5 meetings with an average attendance of 10 organizations and 5 community members; trained 61 adult and youth residents in data collection, outreach methods, and story gathering; held 8 focus group sessions with 150 participants in total; prioritized three issues as the most challenging in the HKZ: 1) Education on the new cannabis laws, 2) Improving street infrastructure, and 3) Public Safety. Recognition: L.A. Care is acknowledged on website and in all public facing documents including the agenda, flyer, interest cards and slide decks.
9	Homeboy Industries	SD	\$150,000	1/15/2019	Become a state-licensed Outpatient Alcohol and Drug Treatment Program for former gang members and previously incarcerated individuals and ensure attendance in substance abuse counseling classes and support groups of 5000 people in the interim. Update: The state certification application is pending approval; 500 individual clients were enrolled in the 18-month substance abuse treatment program, logging an attendance of over 6,194 in substance abuse classes and support groups. Recognition: L.A. Care funding will be recognized on agency's website. CLOSED

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
10	L.A. Kitchen Strong Food	SD	\$150,000	1/15/2019	Distribute over 100,000 healthy meals to low-income seniors, offer workforce training to 80 transitional foster youth and formerly incarcerated adults, and increase health access for these three populations. Update: Provided over 100,000 healthy meals, salads, juices and snacks to seniors and enrolled 50 students in culinary job training program, 27 of whom were employed at graduation. In December 2018, L.A. Care sent a letter to L.A. Kitchen terminating the Grant Agreement for cause as L.A. Kitchen went out of business and discontinued future services. Although the organization provided services for the first six months of the grant agreement, L.A. Care demanded reimbursement for the value of funds paid by L.A. Care under the Grant Agreement, which required grant completion. L.A. Kitchen has indicated that it is in active bankruptcy proceedings. More details in the accompanying CHIF Summary memo report for fiscal year 2017-18.
11	Martin Luther King Jr. Community Health Foundation	INF	\$500,000	1/1/2019	Establish an advanced care clinic (ACC) in South Los Angeles to serve high-risk adult patients with high-acuity and complex and chronic conditions, including patients discharged from hospitals. Update: Over 1,630 high-risk patients have been served and stabilized through 7,612 visits. ACC has hired 14.6 FTE physicians for the program. Recognition: L.A. Care acknowledged through press release and social media and listed as sponsor at Dream Lunch in January 2018 and on the hospitals' Donor Wall. CLOSED
12	Project Angel Food	SD	\$150,000	3/25/2019	Pilot a medically-tailored food and nutrition program for 30 Medi-Cal beneficiaries diagnosed with Congestive Heart Failure (CHF). Update: Enrolled 14 CHF participants in the pilot program of which 7 reached the milestone of 30 days without being readmitted to the hospital; 3 finished the program without hospitalization and 4 completed the 12-week intervention. Recognition: L.A.Care CEO John Baackes attended press conference announcing launch of project in May 2018.
13	Reclaiming America's Communities through Empowerment (RACE)	SD	\$125,000	1/15/2019	To reduce street violence through the establishment of softball leagues and gang intervention specialist teams in areas with high concentrations of gang activity in South Los Angeles. Update: RACE established 11 fall violence prevention softball leagues, including two for females, resulting in 107 referrals to gang prevention and intervention services. Ten new ambassadors were trained as conflict mediation specialists and a summit was held to discuss long-term solutions for peace and healing. In 2018, there was a 20% reduction in gang-related homicides in the Los Angeles and a 9% decrease in the total number of homicides as compared to previous year, according to an LAPD report. Recognition: Added as a donor in all program and marketing materials and on website. CLOSED
14	Southern California Crossroads	SD	\$150,000	1/15/2019	Provide program information to 300 trauma patients injured by gang violence and provide intensive case management for 50 St. Francis patients to break the cycle of violence in South Los Angeles and Harbor areas. Update: Engaged 538 patients with 104 currently receive case management services. Two additional hospitals are interested in offering the project. Recognition: L.A. Care logo is displayed on website, office entrance, and program materials. L.A. Care will be recognized as a sponsor at Crossroads Gang Prevention and Intervention Conference in May 2019. CLOSED

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
15	The Regents of the University of California-UCLA campus	SD	\$50,000	3/1/2019	Increase 150 women's knowledge of nutrition and financial planning by 25% through nutrition education, financial literacy classes and coaching. Update: 114 women have participated in the study. Preliminary findings show a positive relationship to healthy behaviors when finance and nutrition are taught in an integrated manner. Recognition: L.A. Care is acknowledged in the program newsletter.
16	Watts Century Latino Organization	SD	\$125,000	3/25/2019	Disseminate information on crime reporting rights to 200 community residents and train 15 unduplicated residents to be information hubs for reporting crimes in their respective communities as a way to reduce violence in South Los Angeles. Update: Distributed information to over 400 residents on the program, hosted bimonthly meetings with LAPD attended by 45 unduplicated residents; and trained 18 residents as community leaders. As a result, there has been a 30% decrease in crime in areas where the program is in place from December 2017 to April 2018 and a 45% decrease in crime from May to October 2018. Average number of crimes dropped from 335 per month to an average of 151 crimes per month. Recognition: L.A. Care support is recognized in program materials and on website.
17	Worker Education Resource Center (WERC)	INF	\$316,000	2/15/2019	Train and integrate ten Care Navigator (CN) apprentices into care teams at five community-based clinics. Update: Of 18 participants recruited for the program, eleven completed the Care Navigator apprenticeship program, received their national and state credentials and ten are now permanently employed with one of the five partnering community clinics, serving 483 unduplicated patients. Recognition: Acknowledged as grantor in all grant communications and materials. CLOSED
	Ad Hocs Total		\$6,791,000		
ORAL HEALTH INITIATIVE IX ~ SIX AWARDS FOR \$600,000					
18	Antelope Valley Community Clinic	HB	\$150,000	11/15/2018	Purchase and install new dental equipment including new dental chair, X-ray equipment with digital sensors and fiberoptic hand pieces in existing clinic site in Antelope Valley and provide up to 6,000 new dental visit. Update: The new dental equipment will be ordered in March 2019 and installed in May 2019. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
19	Children's Dental Foundation dba Children's Dental Health Clinic	HB	\$50,000	11/15/2018	Treat up to 100 developmentally disabled patients plus train four Pediatric Dental Residents to expand capacity and access. Funds will be used to partially hire a pediatric dentist and train the Pediatric Dental Residents. Update: A pediatric dentist was hired and four residents were trained resulting in over 800 developmentally disabled patients served. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
20	Korean Health Education Information & Referral (Kheir) Center	HB	\$100,000	11/15/2018	Open a new dental operatory in the mid-Wilshire area to serve over 600 new patients through 1,500 visits. Funds will be used to purchase equipment such as dental chairs, radius delivery system that attaches to dental chairs and needed dental operatory accessories. Update: Provided 2,135 oral health visits to 564 patients. Recognition: L.A. Care was recognized in social media and as a Platinum Sponsor in Kheir's 32nd Anniversary Fundraising Dinner & Awards on September 27, 2018.

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
21	San Fernando Community Health Center	HB	\$100,000	11/15/2018	Provide prevention and treatment services to up to 380 new patients and 1,300 visits in the city of San Fernando and surrounding areas. Funds will be used to partially fund a dentist, a dental hygienist and dental assistants. Update: Provided 10,907 patient visits to a total of 2,551 unique patients, including 1,188 new patients. Recognition: Posted signs in waiting areas of both dental and primary care clinics. Also, recognized at 16 Health Fairs via flyers and brochures and on agency website.
22	Venice Family Clinic	HB	\$100,000	11/15/2018	Provide prevention and treatment services to up to 1,600 new patients and over 3,000 visits in the Venice/Mar Vista area. Funds will be used to partially fund a dentist and dental assistants to expand services. Update: Has served 960 patients and dental medical integration has increased by 9%. Additional time has been provided to fulfill all grant objectives. Recognition: L.A. Care received sponsorship-level benefit table at annual Silver Circle Gala.
23	Via Care Community Health Center (formerly Bienvenidos CHC)	HB	\$100,000	11/15/2018	Provide dental care services to up to 1,000 new prenatal and pediatric patients between the ages of six to 18. Funds will be used to partially fund a dentist, purchase dental chairs and other needed dental equipment. Update: Has served 548 new unique patients and additional time has been provided to fulfill all grant objectives. Recognition: Created and posted a video about sponsorship on social media.
OHI IX Total			\$600,000		
ROBERT E. TRANQUADA SAFETY NET INITIATIVE VIII ~ THIRTY-ONE AWARDS FOR \$1,839,000					
Cohort I					
24	APLA Health and Wellness, dba APLA Health	INF	\$50,000	3/1/2019	Establish a Provider Incentive Program to increase patient count by 29% and improve quality of care received by patients resulting in increased financial stability for APLA. Update: Following an organization-wide compensation adjustment, the Provider Incentive Plan was finalized. Payments were distributed in November 2018 to improve retention, care quality, and productivity. Recognition: L.A. Care is acknowledged through social media and APLA's website.
25	East Valley Community Health Center Inc.	INF	\$100,000	3/1/2019	Strengthen the clinic's Quality Improvement program by enhancing the data analytics capacity of care teams and by ensuring data integrity in EHR (NextGen) and Population Health software (i2i) through the implementation of standardized documentation workflows. Also, implement a systemic incentive program that includes quality performance, efficiency and patient experience. Update: Providers and care team members were trained on i2i; developed centralized data reports within i2i for providers to measure their individual performance within various HEDIS measures; improved cervical cancer screening from 60.6% to 62.3%, breast cancer screenings from 52.7% to 74.6%, colorectal cancer screening from 60.4% to 82.9% and number of patients with A1c<8 from 35.9% to 47.05%. Performance reports will be used for incentive distribution. Recognition: Communicated to providers and vendors involved that L.A. Care is funding the project.

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
26	JWCH Institute, Inc.	INF	\$50,000	3/1/2019	Purchase twenty i2i licenses to support the development and implementation of a system-wide care team Pre-Visit Huddle to improve patient experience by reducing in-visit administrative work. Update: All Care Teams implement morning huddles, and MA's use i2i to run list of scheduled patients with unmet preventative measures. As a result, clinic has reduced number of patients with HbA1c>9 to 22.1%/; increased number of female patients receiving Pap tests to 73.3%; and increased percentage of patients offered cessation interventions for their tobacco use 98.2%. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
27	South Bay Family Health Care	INF	\$50,000	3/1/2019	Enhance current population management software and strengthen data analytic capacities by transferring NextGen Electronic Practice Management, Electronic Health Records and i2i Systems iTracks database to a cloud-based hosted environment to keep better tracking of health outcomes. Update: Completed organizational-wide replacement of IT infrastructure including networks, workstations, software and migration of i2i population management software into cloud-based hosting environment. Recognition: L.A. Care logo is on on website. John Baackes, CEO of L.A. Care Health Plan will receive "Leader in Health Care" award during South Bay Family Health Care's 50th Anniversary "Excellence in Health Care" Gala on March 30, 2019.
28	Valley Community Healthcare	INF	\$100,000	3/1/2019	Standardize Electronic Health Records documentation to improve integrity of source data used for data analytics and population health management. Also, to develop a sustainable incentive licensed provider program based on performance and quality improvement. Update: Purchased ten (10) i2i software licenses and a new server. Provider incentive program has been implemented. Have seen improvements in two HEDIS measures: colorectal cancer screening and annual screening of patients 12+ for depression. Recognition: Listed on permanent Donor Board and on Corporate and Foundation Donor List.
Cohort II					
29	All-Inclusive Community Health Center	INF	\$18,600	3/15/2019	Purchase adaptive exam equipment for two clinic sites. Update: Purchased 2 (two) adjustable exam tables with accessible scales, and four (4) listening devices. Recognition: Will place plaques on all purchased equipment.
31	AltaMed Health Services Corporation	INF	\$15,400	3/15/2019	Purchase adaptive exam equipment for five clinic sites. Update: Purchased and installed four additional wheelchair accessible scales and four listening devices in four clinic sites after piloting one wheelchair accesible scale for the Boyle Heights clinic.
31	Asian Pacific Health Care Venture, Inc.	INF	\$25,900	3/15/2019	Purchase adaptive exam equipment for the clinic site. Update: Purchased and installed ADA door handles, four height-adjustable exam tables, one flip down scale, and three listening device. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event..

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
32	Bartz-Altadonna Community Health Center	INF	\$120,300	9/15/2019	Purchase adaptive exam equipment, obtain and install patient registry system, and provide performance based incentives for primary care providers. Update: Purchased adaptive technology and EPIC patient registry system, resulting in increase of diabetic patients with hbA1C <9 from 62% to 70%increase; increased number of patients with weight screening follow up from 74% to 85%; increased women patients with timely pap smear test from 51% to 60%; and reduced primary care provider turnover from 30% to less than 20%. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
33	Benevolence Industries Inc.	INF	\$127,100	9/15/2019	Purchase adaptive equipment, integrate chronic disease management system software with electronic health record system, and provide performance based incentives and reimbursement stipends for licensed and professional staff. Update: Payments were made to licensed clinicians and staff identified to manage the new i2i Tracks EHR system and providers trained on two modules for the EHR system. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
34	Center for Family Health and Education	INF	\$25,600	3/15/2019	Purchase adaptive exam equipment for two clinic sites. Update: Purchased and installed four adjustable exam tables, two listening devices and four accessible scales. Recognition: Signage acknowledging L.A. Care funding for this equipment has been placed in the Exam Rooms where Adaptive/Accessible Equipment have been located.
35	Chinatown Service Center	INF	\$25,600	3/15/2019	Purchase adaptive exam equipment two clinic sites. Update: Purchased and installed seven adjustable exam tables, a wheelchair accessible weight scale, and two 2 audiometers leading to an increase to 85% in patient satisfaction. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
36	Comprehensive Community Health Centers	INF	\$76,500	9/15/2019	Purchase adaptive exam equipment and provide retention bonuses to primary care providers. Update: Purchased and installed 5 adjustable exam tables and scales and 5 listening devices and ear covers. Provider incentive program was developed and is being implemented, which enabled clinic to attract and hire a new full-time pediatrician for the Glendale pediatric department. Recognition: L.A. Care funding is acknowledged in printed materials, social media and signage placed on purchased equipment.
37	Family Healthcare Centers of Greater Los Angeles, Inc.	INF	\$18,200	3/15/2019	Purchase adaptive exam equipment for two clinic sites. Update: Purchased and installed 2 adjustable exam tables integrated with accessible scales and four pocket talkers. Recognition: L.A. Care funding is acknowledged on website.
38	Garfield Health Center	INF	\$116,600	9/15/2019	Purchase adaptive exam equipment, implement electronic health system, and provide performance based incentives for clinical staff. Update: A total of 1,398 patients have benefited from the 2 adjustable exam tables with weigh scales, 2 bariatric wheelchairs, and 2 listening devices. In addition seven medical staff were awarded salary increases to improve retention rates, and all providers received training on electronic health system. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
39	Harbor Community Clinic	INF	\$18,600	3/15/2019	Purchase adaptive exam equipment for adult and pediatric clinics. Update: Purchased and installed two adjustable exam tables, two scales, and two listening devices. Recognition: Decals acknowledging L.A. Care's grant as the funding source for the equipment have been purchased and placed on the equipment. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
40	Herald Christian Health Center	INF	\$25,900	3/15/2019	Purchase adaptive exam equipment for three sites and portable dental equipment. Update: Purchased and installed three adjustable scales, three listening devices, and portable dental equipment; 234 children and seniors have received dental exams and oral health education. Recognition: L.A. Care funding is recognized on website and in outreach materials.
41	Kedren Community Health Center Inc.	INF	\$19,000	3/15/2019	Purchase adaptive exam equipment for three clinic sites. Update: Has purchased and installed three adjustable exam tables with integrated scales and four listening devices. Approximately 125 patients have used the listening devices and 475 patients have been documented as using the adjustable exam tables. Recognition: Signage acknowledging L.A. Care's grant for the equipment is posted in each exam room and the community is notified at health fairs.
42	Latino Kids Health	INF	\$12,300	3/15/2019	Purchase adaptive exam equipment for the clinic site. Update: Purchased and installed one accessible scale, one adjustable exam table and one listening device. Recognition: L.A. Care is acknowledged on agency website and on the equipment.
43	Los Angeles Christian Health Centers	INF	\$25,600	3/15/2019	Purchase adaptive exam equipment two clinic sites. Update: Purchased and installed two adjustable exam tables, one slit lamp, two listening devices, and one lensometer. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event..
44	Northeast Valley Health Corporation	INF	\$122,600	9/15/2019	Purchase adaptive exam equipment obtain and install an electronic medical records interface, and provide loan repayment and bonus for primary care providers who mentor other providers. Update: Purchased and installed two adjustable exam tables with scales, two adaptive listening devices, two wheel chairs, and automatic doors at two clinic sites; selected electronic medical record interface; and provided loan repayment incentive to one provider and mentor bonuses to two providers. Recognition: L.A. Care funding was acknowledged during the Newhall Health Center Open House in August 2018 during NEVHC's 45 Year Gala on September 2018.
45	Pacific Health Consulting Group - Lisa Kodmur consultant (to assist in site assessment and recommendations on equipment)	INF	\$50,000	6/15/2018	Consultant services to research adaptive equipment, assess clinic needs, assist with procurement and provide technical assistance to Tranquada VIII grantees. Update: All work has been completed, helping 26 clinics to best select appropriate adaptive equipment for their individual sites. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
46	San Fernando Community Health Center	INF	\$18,600	3/15/2019	Purchase adaptive exam equipment for two clinic sites. Update: Purchased and installed two listening devices and two adjustable exam tables with integrated scales. Recognition: Plaques designed placed on the equipment acknowledging the contribution of L.A. Care.

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
47	Southern California Medical Center	INF	\$68,900	9/15/2019	Purchase adaptive exam equipment and obtain and train staff to utilize data analysis interface. Update: Purchased and installed two adjustable exam tables integrated with accessible scales, and implemented data analytics upgrades. Recognition: L.A. Care is acknowledged on company website.
48	St. John's Well Child and Family Center	INF	\$123,500	9/15/2019	Purchase adaptive exam equipment at two clinic sites, augment staff licensed on chronic disease application. Update: Purchased and installed one adjustable table, five wheel-chair accessible scales, and five listening devices; implemented provider incentives; and obtained data interface licenses for 35 providers, resulting in its diabetic patient population of 10,634 testing HbA1c at 95%, Microalbumin testing at 84%, and retinal screening at 35%. Recognition: L.A. Care funding is recognized on website and in Annual Report.
49	T.H.E. Clinic, Inc.	INF	\$88,500	9/15/2019	Purchase adaptive exam equipment at five clinic sites, implement information technology dashboards to identify and reduce emergency department usage through case management, and provide a one-time incentive to help LVN staff become certified medical interpreters. Update: Developed nine reporting modules that capture data from all clinic sites. The vendor is in the process of installing dashboards in Tableau. Four LVNs were identified and enrolled into a medical interpretation certification training program to reduce the use of contracted medical interpretation services. Purchased and installed three exam tables, five listening devices, and one accessible scale. Recognition: Funding is acknowledged in social media channels, website, and newsletter, including pictures of accessible equipment.
50	The Achievable Foundation	INF	\$25,600	3/15/2019	Purchase adaptive exam equipment for three medical examination rooms at the Achievable Health Center. Update: Purchased and installed four adjustable exam tables, accessible scale, and two listening devices, resulting in a cervical cancer testing rate of 40% among women 21-64 years old. Recognition: L.A. Care funding is acknowledged on website, donor wall, and on social media. L.A. Care was also a sponsor for the Achiever's Gala in September 2018 and the Legislative Breakfast in October 2018.
51	The Children's Clinic	INF	\$26,500	3/15/2019	Purchase adaptive exam equipment for four clinic sites. Update: Purchased and installed five accessible exam tables with scales and four assisted listening devices. Recognition: Decals recognizing L.A. Care's contribution were attached to the equipment. Also, L.A. Care was recognized as a Diamond Sponsor during TCC's 2018 Beach Walk: Walk for a Healthy Community fundraiser.
52	The Los Angeles LGBT Center	INF	\$115,600	9/15/2019	Purchase adaptive exam equipment, implement a new electronic health records system, and develop and implement a sustainable performance-based incentive program. Update: Purchased and installed bariatric wheelchair, drop-arm recliner, scale, adjustable exam table, and two listening devices. Purchased analytics/visualization/dashboard software and developed reports and alerts to test functionality for EHR assessment. Developed performance improvement dashboards to inform development of a pay-for-performance model to incentivize clinicians and increase retention. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
53	Venice Family Clinic	INF	\$126,200	9/15/2019	Purchase adaptive exam equipment for four sites, obtain and implement new electronic health record software and provide loan repayments for licensed staff. Update: Purchased and installed four adjustable exam tables with scales and four listening devices; transition to new software is in progress, and provider incentive program has been launched. Recognition: L.A. Care received one table at annual Silver Circle Gala in March 2018 and L.A. Care decals were placed on purchased equipment.
54	Via Care Community Health Center	INF	\$26,200	3/15/2019	Purchase adaptive exam equipment for four clinic sites. Update: Purchased four adaptable exam tables, a wall mounted wheelchair scale, and four listening devices. Recognition: L.A. Care funding acknowledged on social media.
55	Westside Family Health Center	INF	\$25,600	3/15/2019	Purchase adaptive exam equipment for two clinic sites. Update: Purchased four adjustable exam tables and two listening devices. Recognition: L.A. Care acknowledged as sponsor on website, in annual report, and during annual fundraiser.
	Tranquada VIII Total		\$1,839,000		
LICENSED PRACTITIONERS OF THE HEALING ARTS INITIATIVE (LPHA) I ~ FIVE AWARDS FOR \$270,000					
56	Alcoholism Center for Women	HB	\$60,000	1/15/2019	Working collaboratively with Fred Brown's Recovery Services to hire a licensed clinician. Update: The MOU is in place between the two organizations. Licensed clinician will provide services to up to 312 clients at each provider's facility. LPHA reviewed 123 ASAMs and 206 treatment plans for a total of 329 ASAM/treatment plans, averaging 55 a month. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
57	Fred Brown's Recovery Services, Inc.	HB	\$60,000	1/15/2019	Working collaboratively with Acoholism Center for Women to hire licensed clinician and serve 300 clients at each provider's facility. Update: Has provided 135 counseling sessions, 98 patient education sessions and 300 recovery bridge housing days. Recognition: Facebook ad with logo reaching over 8,000 stakeholders and also added to program related materials such as brochures. L.A. Care logo in banner at San Pedro Music By The Sea event.
58	Homeless Health Care Los Angeles	HB	\$50,000	1/15/2019	Hire a Licensed Marriage and Family Therapist, to expand therapeutic services to include family therapy and enhance existing integrated treatment program for up to 100 homeless clients with multiple conditions. Update: Expanded service delivery system, incorporating family therapy into program; thirty-nine clients are dual enrolled in individual and family therapy programs; and 75% of staff participate in weekly case consultations to enhance therapeutic approach. Recognition: Recognized L.A. Care at Spring health fair and acknowledges L.A. Care as funder for new Family Services Program during presentations.

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
59	Special Service for Groups, Inc.	HB	\$50,000	1/15/2019	Hire a Licensed Clinical Social Worker, to transition to full implementation of the enhanced requirements of START-ODS, including (a) finalizing key protocols and policies, (b) providing staff training and supervision, and (c) establishing clinical oversight practices and begin implementation of them. It will serve up to 250 clients. Update: Provided substance abuse treatment services to 87 clients and additional time has been provided to fulfill all grant objectives. Recognition: L.A. Care will be acknowledged on agency website.
60	Volunteers of America of Los Angeles (VOALA)	HB	\$50,000	1/15/2019	Funds will be used to hire a licensed clinician to expand therapeutic services. Project will serve 312 clients. Update: Hired a licenced clinician and completed 249 ASAM Assessments and provided rehabilitation services to 156 individuals. Recognition: Prominently displayed on VOALA's website.
	LPHA Total		\$270,000		
COMMUNITY WELLNESS INITIATIVE II ~ SIX AWARDS FOR \$500,000					
61	Asian American Drug Abuse Program	SD	\$40,000	3/25/2019	Provide culturally appropriate CalFresh application assistance to 138 low-income families in the South Bay, Long Beach and surrounding cities. Assist clients with completion of 97 SAR7 applications and 78 Annual Recertification requirements to maintain CalFresh retention. Update: Assisted 134 individuals with CalFresh application process, with a 97% successful enrollment rate; successfully processed 94 SAR 7's and 78 CalFresh re-certifications. Recognition: L.A. Care will be recognized for its funding in The Rice Paper, AADAP's bi-monthly newsletter, which will be distributed to 4000+ sponsors, supporters and community members.
62	Harbor Interfaith Services	SD	\$45,000	3/25/2019	Increase outreach sites and client contacts to assist 276 homeless and working poor people the opportunity to submit and renew CalFresh applications and help 40 homeless & working poor families renew their CalFresh benefits. Update: Assisted 35 homeless and working poor families with the renewal of their CalFresh benefits and helped 91 complete new applications. Recognition: L.A. Care logo is on promotional materials for 5K fundraiser/race Heart the Homeless.
63	Maternal and Child Health Access	SD	\$120,000	3/25/2019	Submit CalFresh 275 applications, 210 semi-annual reports and 215 renewal applications for current clients and newly referred customers. Update: Assisted 351 individuals with the CalFresh application; provided assistance with 226 Semi-Annual reports, 265 Annual Recertifications, and troubleshooting of 631 cases. Recognition: Acknowledged L.A. Care as a funder on website and on promotional flyers..

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
64	Mexican American Opportunity Foundation	SD	\$150,000	3/25/2019	Assist at least 300 individuals with CalFresh applications and 1,000 families with Earned Income Tax Credit (EITC) applications by hosting Volunteer Income Tax Assistance “ad hoc” event for families with minimal access to nutritious foods and free tax e-filing services. Update: Established one new partnership and processed 1000 tax returns with refunds totaling \$713,405 from EITC. Three-hundred fifty clients were enrolled in CalFresh. Recognition: In October 2017, MAOF acknowledged LA Care for the second Community Healthy Initiative in the Aztec Awards gala dinner in the program brochure and media reel displayed during the dinner.
65	St. Francis Medical Center of Lynwood Foundation	SD	\$75,000	3/25/2019	To reduce food insecurity among residents of Southeast Los Angeles through 900 CalFresh enrollments, 42 re-enrollment applications and 24 recertification applications. Update: Enrolled 997 residents in CalFresh and submitted submitted 261 SR-7 applications, and 431 recertifications. Recognition: L.A. Care was acknowledged in grantee’s newsletter, distributed to 2,000 employees, physicians, and volunteers via email and hard copy, and during health fair event in August 2018 through posters placed throughout the event.
66	St. John's Well Child and Family Center	SD	\$70,000	3/25/2019	Increase utilization of CalFresh benefits among patients receiving intensive case management in Homeless Services, Integrated Behavioral Health, and Transgender Health programs to alleviate economic and food insecurity that contributes to poor health outcomes by providing CalFresh application assistance to 245 patients and follow up assistance to 226 patients. Update: Provided CalFresh enrollment assistance to 245 individuals and assisted 113 patients with recertification process. Recognition: L.A. Care funding is acknowledged in outreach materials and on website.
CWI II Total			\$500,000		
GRANT AGREEMENT NO COST EXTENTIONS ~ FIVE AWARDS FOR \$525,000					
67	Northeast Valley Health Corporation	INF	\$150,000	Extension through 9/1/2019	To provide care coordination to 320 homeless adults diagnosed with alcohol and substance abuse disorders. Update: Complete care referrals for 352 homeless and/or individuals living with HIV/AIDS. Sixty-three percent of those referred to detox (56) completed the program. Seventy-five percent stated that they had reduced the amount of the “substance” that they were using. Fourty-six percent of the 88 with HBD reduced blood pressure and 40% of diabetic participants lowered their HbA1c levels. Recognition: Grant recognized on their website, outreach and enrollment materials. LA Care was an advocate and sponsor of our 45th Gala held in September 2018, where CEO John Baackes addressed the audience.
68	UMMA Clinic	INF	\$150,000	Extension through 9/1/2019	To provide care coordination to 200 patients over 60 years with diabetes, hypertension or obesity, or a combination thereof. Update: Provided 148 seniors age 60+ care coordination services. Forty percent reduced BMI by 2 points and blood pressure levels below 140/90. Fourteen percent reduced their BMI. Recognition: Will recognize in all program literature and communications related to this grant, including website presence, newsletter, or upcoming event.
69	Mexican American Opportunity Foundation - Community Wellness Initiative I	SD	\$100,000	Extension through 3/1/2019	To enroll at least 600 individuals in CalFresh and over 1,000 in the Earned Income Tax Credit (EITC) programs. Update: Filed 1,103 EITC returns and enrolled 580 individuals in CalFresh. Recognition: Acknowledged at Women’s conference as a funder, which included a reception table, and a booth for promotional materials.

CHIF Summary Report - Attachment B
Active CHIF Awards Funded Before Fiscal Year 2017-2018

Priorities: HB = High Barriers; H= Housing for Health; INF = Safety Net Infrastructure; SD - Social Determinants of Health					
	Organization Name	Priority	Amount	Ends	Project Purpose and Status
70	LAC+USC Medical Center, fiscal agent for Edward R. Roybal Comprehensive Health Center.	INF	\$50,000	Extension through 9/1/18	To develop a planning process and implementation plan to create a Limb Preservation Center at Roybal Health Center (RHC) to help reduce the incidence and prevalence of amputations and other lower extremity complications of diabetes mellitus. Update: The RHC is able to house the Limb Preservation Center of Excellence. However, Western University of Health Sciences is challenged with providing the infrastructure to staff and manage the program. Grantee is looking at possibility of LAC DHS staffing and managing the program in-house. Recognition: Acknowledged in community surveys.
71	Harris Family Center for Disability and Health Policy - Western University of Health Sciences fiscal agent.	INF	75,000	Extension through 9/15/18	To develop a statewide-centralized physical accessibility database that will be available to the public to enable members, case managers, vendors, and organizations access to physical accessibility information to various provider sites for Seniors and People with Disabilities can make better choices in choosing appropriate providers that can accommodate their physical limitations. Advisory committee consisted of health plans, disability advocates, regulatory agencies, consultants, and funders. Update: A meeting with DHCS and DMHC will be scheduled to present taskforces recommendations on database criteria. Recognition: Listed as funders in project materials, including letterhead.
	No Cost Extentions Total		\$525,000		
	CHIF GRAND TOTAL		\$10,525,000		



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. BOG 102.1219

Committee:

Chairperson: Hector De La Torre

Issue: With the accompanying memo, staff is recommending a Community Health Investment Fund (CHIF) program approach and priorities for FY 2019-20. The CHIF program includes support for the safety net, as well as expanding access to high-barrier services, addressing social determinants that lead to poor health outcomes such as poverty and food insecurity, and securing housing for homeless individuals, including L.A. Care members.

Background: On September 5, 2019, as part of the general organizational budget, the L.A. Care Board of Governors approved a CHIF funding allocation of \$10 million for fiscal year 2019-20. All grant considerations will include discussions with the Senior Director of Strategic Planning and Chief Executive Officer (CEO). Staff will solicit applications, convene a review committee composed of internal staff and community experts, and administratively select the grantees, and annually report approved grants to the Board. Grant requests over \$150,000 will be brought to the Board for final approval. Upon approval, a grant agreement will be delivered to the grantee outlining responsibilities and accountability to perform according to agreed objectives.

Member Impact: CHIF funds will help to support safety net providers and social service agencies to increase access to care, improve quality of care and address social determinants for underserved populations in Los Angeles County, including L.A. Care members.

Budget Impact: On September 5, 2019, as part of the general organizational budget, the L.A. Care Board of Governors approved a CHIF funding allocation of \$10 million for FY 2019-20.

Motion: 1. To approve the recommended use of the Community Health Investment Fund (CHIF) FY 2019-20 allocation of up to \$10 million in the following priority categories:

- (1) Support safety net clinics' infrastructure to provide high quality and coordinated services to help them thrive in a managed care environment at \$2.5 million,
 - (2) Expand access to high-barrier services for low-income and vulnerable populations at \$1.5 million,
 - (3) Improve community health for underserved populations by addressing the social determinants that lead to poor health outcomes at \$2.0 million,
 - (4) \$4.0 million is recommended 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 funds will also support the goals of the Whole Person Care initiative under the new California Medi-Cal waiver.
2. Delegate authority to implement the CHIF program to the CEO and also to approve grant investments of up to \$150,000 per applicant. 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.



November 18, 2019

TO: Executive Committee

FROM : Wendy Schiffer, *Senior Director, Strategic Planning*
Roland Palencia, *Director, Community Benefit Programs*

SUBJECT: Community Benefits, CHIF Program Priorities for FY 2019-20

In 2000, the Board of Governors established the L.A. Care Community Health Investment Fund (CHIF) program to improve health care access and quality of care for underserved populations and to support the safety net that serves them. Since then, CHIF has funded 675 projects with an investment of over \$86 million, benefitting community clinics, social service organizations, and the Los Angeles County public health system.

On September 5, 2019, the Board of Governors approved a CHIF funding allocation of \$10 million as part of L.A. Care's fiscal year 2019-20 budget, matching the previous fiscal year allocation.

CHIF Priorities Align with L.A. Care's Strategic Vision

L.A. Care is unique among health plans as our mission explicitly includes support for the safety net. CHIF funding is integral to L.A. Care's Strategic Vision to achieve our mission, specifically Strategic Direction 4 which describes L.A. Care as a "Recognized leader in improving health outcomes for low income and vulnerable populations in Los Angeles County."

All funded projects will aim to have the following features: organizational or systemic change, financial and programmatic sustainability, and long-term impact to support the safety net to thrive in the evolving healthcare reform environment. About 60% of funds are expected to be allocated to address social determinant issues such as housing, poverty and food insecurity.

To best support L.A. Care's strategic vision, Community Benefits staff has developed four overarching CHIF priorities:

- (1) Support safety net clinics' infrastructure to provide high quality and coordinated services and help community-based clinics to 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 conditions that lead to poor health outcomes (recommended at \$2.0 million).
- (4) Additionally, \$4.0 million is recommended 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 funds will also support the goals of the Whole Person Care initiative under the 2016 California Medi-Cal waiver. Release of funds to Brilliant Corners is contingent upon fulfillment of previous fiscal year grant objectives.

To select these priorities, which also reflect the previous fiscal year priorities, Community Benefits staff has solicited input from L.A. Care management staff throughout the organization and consulted with a number of grantees as well as philanthropic partners that invest in the safety net. Within each priority area, CHIF funds will be distributed via a combination of initiatives that will require a request for applications (RFA) process and via community-initiated proposals by individual organizations (ad hocs) that do not fit into any of the initiatives but align with priority areas.

Proposed CHIF Priority Areas and Allocations for FY 2018-19

1. *Support Safety Net Clinics' infrastructure to provide high quality and coordinated services and help community-based clinics thrive in a managed care environment.*

This CHIF priority will support projects that address the infrastructure capacity needs of safety net providers in the context of the reforms arisen by the implementation of the Affordable Care Act (ACA) and the evolving demands on the safety net.

Examples of projects that could be funded under this priority area include:

- Projects that provide optimal physical clinical and non-clinical space at safety net clinics to expand access, improve quality of care, enhance workflow systems, care integration, and increase efficiency. In the past, this has also included adaptable and accessible exam equipment.
- Technology infrastructure improvements that include hardware and software, data gathering, data analytics, data flow and interpretation to promote evidence-based care to improve quality, enhance access and impact specific HEDIS measures. Also, equipping clinics to collect and use patient experience and utilization data to drive and improve quality of care.
- Development of patient engagement technology such as online patient portals, texting support, video visits (telemedicine) and online appointment scheduling.
- Workforce development to develop the clinical and medical personnel capacities of the safety net.
- Supporting share services efforts and integration of systems among safety net providers.

The recommended allocation for this goal priority is \$2.5 million, and the individual grant amount may range from \$25,000 to \$250,000. The funds may be distributed in the form of initiatives such as the Robert E. Tranquada, M.D. Safety Net infrastructure initiative or through community-initiated ad hocs requests that do not fit in any of the initiatives released under this priority, but meet CHIF priorities.

2. *Expand access to high-barrier services for low-income and vulnerable populations.*

This priority addresses the services that remain difficult for low-income and vulnerable populations to access, such as dental, mental health, substance use disorder treatment, and specialty care. This priority area also addresses gaps within and between clinical and other health-related high-barrier systems of care or sectors that directly impact the quality of care for low income patients. Activities in this priority area also aim to reduce fragmentation of care by connecting physical, mental, oral health, and substance use disorder services with one another. Projects may focus on particular underserved populations that face unique barriers to care, such as the developmentally disabled, foster care youth, or re-entry (formerly incarcerated) populations.

Examples of projects that could be funded under this priority area include:

- Expansion of oral health services in underserved areas (dental deserts), hard to reach populations, or target a specific service need as well as increasing the dental provider workforce.
- Partnerships between community clinics and social services agencies to integrate wrap-around services that address social needs such as housing, food and transportation.
- Expanded access to substance use disorder services and resources for planning, training and certification.

The recommended allocation for this goal priority is \$1.5 million. The individual grant amount may range from \$25,000 to \$250,000. The funds may be distributed in the form of initiatives such as care coordination, oral health, dental workforce expansion, and cross-sector partnership initiatives or through ad hocs requests that do not fit in any of the initiatives under this priority.

3. *Improve community health for underserved populations by addressing the social conditions that lead to poor health outcomes.*

This priority focuses on social determinants of health and supports community efforts designed to improve physical and social environments that enable individuals and communities to live in optimal health. Projects will engage in strategic partnerships to address the environmental and social conditions that impact health that go beyond, but could also include, healthcare services by partnering with sectors which sole focus might not directly address medical or health issues yet it promotes a comprehensive approach to community wellness and health.

Examples of projects that could be funded under this priority area include:

- Design and implement prevention and education activities in environments that are not exclusively clinical or even health focused but that address other social determinants that clearly impact health outcomes such as economic inequity and financial security, food security, environmental justice, preventing housing evictions, or promoting safe neighborhoods.
- Community-wide coalition efforts that seek to address larger systemic health, infrastructure or social determinant issues with a large impact on health, resulting in “one good solution that solves many problems”.
- Outreach, enrollment, and retention efforts for benefit programs that enhance economic security such as CalFresh and Earned Income Tax Credit.

The recommended allocation for this goal priority is \$2.0 million. The average individual grant amount may range from \$25,000 to \$250,000. The funds may be distributed in the form of initiatives such as community wellness initiatives or through ad hoc requests that do not fit in any of the initiatives under this priority.

4. *Housing for the Homeless*

An additional \$4 million to Brilliant Corners is recommended to address homelessness and to provide support services that complement Los Angeles County's Whole Person Care initiative under the California Medi-Cal waiver. Through the Department of Health Services' Flexible Housing Subsidy Pool fund, and Brilliant Corners serving as the fiscal agent and manager of this initiative, CHIF funds will help to secure housing and supportive services to homeless Medi-Cal beneficiaries. The program will also support the Los Angeles County's Whole Person Care initiative to create and deploy much needed community resources to address the social determinants of health that impact LA Care's ability to improve health outcomes of its frequent user and high-cost members. In partnership with L.A. Care's Safety Net Initiative department, we are creating a referral pathway to this program for L.A. Care members who will constitute at least 75% of the beneficiaries. Furthermore, this CHIF contribution helps Los Angeles County to leverage as much as \$90 million per year over the next four years through the Whole Person Care pilot.

As of early September 2019, a total of 301 households have been enrolled in the program and 251 of those have secured housing, and 190 of those housed (79%) are L.A. Care members. All enrolled participants have been connected to services through the Housing for Health (HFH) Division at the Los Angeles Department of Health Services (DHS).

Application and Approval Process

In the attached motion, staff is requesting the delegation of authority to the Chief Executive Officer (CEO) to implement these CHIF priorities and for CEO to approve grant investments of up to \$150,000 per applicant. As these categories are estimates, the motion also allows the CEO to adjust maximum or minimum categorical amounts to align with evolving community requests and needs. All grant requests above \$150,000 will be brought to the Board for final approval.

Staff will solicit applications and administratively select the grantees. Both initiative and ad hoc grants will be reviewed by committees composed of L.A. Care staff members and community subject matter experts. L.A. Care departments and offices that have participated in previous review committees have included Health Services, Communications, Strategic Planning, Finance, Health Information Technology, Safety Net Initiatives, Health Education & Cultural and Linguistic Services, and Provider Network Operations.

As in previous years, staff will submit an annual Community Health Investment Fund Summary for the previous fiscal year that highlights grant outcomes, areas of impact, media coverage and community-wide acknowledgements.

BOARD OF GOVERNORS

Executive Committee

Meeting Minutes – September 23, 2019

1055 West 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

Members

Hector De La Torre, *Chairperson*
Al Ballesteros, *Vice Chairperson*
Robert H. Curry, *Treasurer* **
Layla Gonzalez, *Secretary*
Stephanie Booth, MD
Hilda Perez **

Management/Staff

Augustavia J. Haydel, Esq., *General Counsel*
Dino Kasdagly, *Chief Operating Officer*
Marie Montgomery, *Chief Financial Officer*
Tom Schwaninger, *Chief Information Officer*
Richard Seidman, MD, MPH, *Chief Medical Officer*

*Absent ** Via Teleconference

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Hector De La Torre, <i>Board Chairperson</i> , called the meeting to order at 2:05 pm. He welcomed everyone to the meeting and invited the members of the Committee, staff and guests to introduce themselves. He announced that members of the public may address the Committee on each matter listed on the agenda before the Committee's consideration of the item, or on any other topic at the Public Comment section.	
APPROVE MEETING AGENDA	The Agenda for today's meeting was approved.	Approved unanimously by roll call. 6 AYES (Ballesteros, Booth, Curry, De La Torre, Gonzalez and Perez)
PUBLIC COMMENTS	There were no public comments.	
APPROVE MEETING MINUTES	The minutes of the August 26, 2019 meeting were approved as submitted.	Approved unanimously by roll call. 6 AYES
CHAIRPERSON'S REPORT	There was no Chairperson report.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CHIEF EXECUTIVE OFFICER REPORT	There was no CEO Report.	
Government Affairs Update	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported that the Legislature concluded the first year of the 2019-2020 session. Hundreds of bills have been sent to Governor Newsom for his consideration. He has until October 13 to take action on bills sent to him. Thus far, the Governor has focused on high profile bills and no major health bills have been signed or vetoed at this point.</p> <p>Legislature passed AB 115 which enacts a new version of the Managed Care Organization (MCO) tax. The health plan industry worked closely with Departments of Health Care Services and Finance over the past several months to help restructure the existing MCO tax. The new MCO tax requires federal approval. The MCO tax brings in approximately \$1.5-2 billion annually to the Medi-Cal program.</p>	
Regional Community Advisory Committee Membership	<p><u>Motion ECA 100.0919</u> To approve the following as members to the Regional Community Advisory Committee (RCAC), as reviewed by the September 11, 2019 meeting:</p> <ul style="list-style-type: none"> • Arcelia Sandoval, Consumer, RCAC 7 • Maritza Lebron, Consumer, RCAC 7 	Approved unanimously by roll call. 6 AYES
Approve Consent Agenda for the Board of Governors Meeting	<p>The Committee approved the following motions to be added to the Consent Agenda for the Board of Governors meeting on October 3, 2019:</p> <ul style="list-style-type: none"> • September 5, 2019 Board meeting minutes • CHCAC Membership 	Approved unanimously by roll call. 6 AYES
PUBLIC COMMENTS	There were no public comments.	
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 report anticipated from the closed session. The meeting adjourned to closed session at 2:15 p.m.</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 	

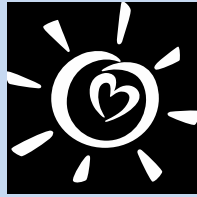
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: <i>September 2021</i>	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 2:17 pm. No reportable actions were taken during the closed session.	
ADJOURNMENT	The meeting adjourned at 2:17 pm.	

Respectfully submitted by:

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

APPROVED BY:


 Hector De La Torre, *Chair*
 Date: 10-18-19



L.A. Care
HEALTH PLAN®

Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. FIN 102.1219

Committee: Finance & Budget

Chairperson: Robert H. Curry

New Contract Amendment Sole Source RFP/RFQ was conducted

Issue: Acceptance of the Financial Reports.

Background: N/A

Member Impact: N/A

Budget Impact: N/A

Motion: To accept the Financial Report as submitted, for the period ended September 2019, as submitted.



L.A. Care
HEALTH PLAN®

Financial Performance
September 2019
(Unaudited)

Overall

The combined member months are 26.2 million year-to-date, which is 18,758 member months unfavorable to forecast. The year-to-date performance is a surplus of \$236.6 million or 3.0% of revenue and is \$33.3 million unfavorable to forecast.

MediCal Plan Partners

The member months are 11.9 million, which is 13,977 member months unfavorable to forecast. The performance is a surplus of \$104.4 million and is \$5.4 million unfavorable to forecast.

MediCal SPD-CCI

The member months are 2.6 million, which is 39 member months favorable to forecast. The performance is a surplus of \$20.6 million and is \$39.7 million unfavorable to forecast.

MediCal TANF-MCE

The member months are 9.9 million, which is 1,646 member months favorable to forecast. The performance is a surplus of \$80.0 million and is \$6.2 million unfavorable to forecast.

Cal MediConnect (CMC)

The member months are 194,337 which is 1,224 member months unfavorable to forecast. The performance is a surplus of \$20.0 million and is \$8.7 million favorable to forecast.

Commercial

L.A. Care Commercial consists of LACC and PASC-SEIU. The member months are 1.5 million, which is 5,242 member months unfavorable to forecast. The performance is a surplus of \$30.0 million and is \$7.2 million unfavorable to forecast.



Consolidated Operations Income Statement (\$ in thousands)

September 2019

Current Actual		Current Forecast		Fav<Unfav> Forecast		YTD Actual		YTD Forecast		Fav<Unfav> Forecast		
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	
2,171,636		2,174,176		(2,540)								
\$ 658,418	\$ 303.19	\$ 659,317	\$ 303.25	\$ (898)	\$ (0.06)							
\$ 658,418	\$ 303.19	\$ 659,317	\$ 303.25	\$ (898)	\$ (0.06)							
\$ 333,060	\$ 153.37	\$ 347,564	\$ 159.86	\$ 14,504	\$ 6.49							
\$ 101,688	\$ 46.83	\$ 79,246	\$ 36.45	\$ (22,442)	\$ (10.38)							
\$ 67,518	\$ 31.09	\$ 58,525	\$ 26.92	\$ (8,993)	\$ (4.17)							
\$ 64,551	\$ 29.72	\$ 51,505	\$ 23.69	\$ (13,047)	\$ (6.04)							
\$ 50,281	\$ 23.15	\$ 57,272	\$ 26.34	\$ 6,991	\$ 3.19							
\$ (8,281)	\$ (3.81)	\$ 5,922	\$ 2.72	\$ 14,203	\$ 6.54							
\$ 7,119	\$ 3.28	\$ 5,361	\$ 2.47	\$ (1,758)	\$ (0.81)							
\$ 615,935	\$ 283.63	\$ 605,394	\$ 278.45	\$ (10,542)	\$ (5.18)							
93.5%		91.8%		-1.7%								
\$ 42,483	\$ 19.56	\$ 53,923	\$ 24.80	\$ (11,440)	\$ (5.24)							
\$ 32,393	\$ 14.92	\$ 32,010	\$ 14.72	\$ (383)	\$ (0.19)							
4.9%		4.9%		-0.1%								
\$ 10,090	\$ 4.65	\$ 21,913	\$ 10.08	\$ (11,823)	\$ (5.43)							
\$ (8,571)	\$ (3.95)	\$ (15,987)	\$ (7.35)	\$ 7,415	\$ 3.41							
\$ 3,466	\$ 1.60	\$ 2,393	\$ 1.10	\$ 1,073	\$ 0.50							
\$ 38	\$ 0.02	\$ -	\$ -	\$ 38	\$ 0.02							
\$ (1,180)	\$ (0.54)	\$ (533)	\$ (0.25)	\$ (647)	\$ (0.30)							
\$ (6,247)	\$ (2.88)	\$ (14,127)	\$ (6.50)	\$ 7,880	\$ 3.62							
\$ 3,843	\$ 1.77	\$ 7,786	\$ 3.58	\$ (3,943)	\$ (1.81)							
0.6%		1.2%		-0.6%								
						Membership						
						Member Months	26,210,375		26,229,133		(18,758)	
						Revenue						
						Capitation	\$ 7,901,970	\$ 301.48	\$ 7,888,679	\$ 300.76	\$ 13,291	\$ 0.72
						Total Revenues	\$ 7,901,970	\$ 301.48	\$ 7,888,679	\$ 300.76	\$ 13,291	\$ 0.72
						Healthcare Expenses						
						Capitation	\$ 4,169,129	\$ 159.06	\$ 4,170,984	\$ 159.02	\$ 1,855	\$ (0.04)
						Inpatient Claims	\$ 994,262	\$ 37.93	\$ 929,608	\$ 35.44	\$ (64,653)	\$ (2.49)
						Outpatient Claims	\$ 667,663	\$ 25.47	\$ 670,003	\$ 25.54	\$ 2,340	\$ 0.07
						Skilled Nursing Facility	\$ 659,690	\$ 25.17	\$ 624,513	\$ 23.81	\$ (35,177)	\$ (1.36)
						Pharmacy	\$ 661,929	\$ 25.25	\$ 674,037	\$ 25.70	\$ 12,109	\$ 0.44
						Provider Incentives and Shared Risk	\$ 67,205	\$ 2.56	\$ 79,015	\$ 3.01	\$ 11,810	\$ 0.45
						Medical Administrative Expenses	\$ 63,077	\$ 2.41	\$ 61,823	\$ 2.36	\$ (1,254)	\$ (0.05)
						Total Healthcare Expenses	\$ 7,282,954	\$ 277.87	\$ 7,209,984	\$ 274.88	\$ (72,970)	\$ (2.98)
						MCR(%)	92.2%		91.4%		-0.8%	
						Operating Margin	\$ 619,016	\$ 23.62	\$ 678,695	\$ 25.88	\$ (59,679)	\$ (2.26)
						Total Operating Expenses	\$ 415,719	\$ 15.86	\$ 418,705	\$ 15.96	\$ 2,985	\$ 0.10
						Admin Ratio(%)	5.3%		5.3%		0.0%	
						Income (Loss) from Operations	\$ 203,296	\$ 7.76	\$ 259,990	\$ 9.91	\$ (56,694)	\$ (2.16)
						Other Income/(Expense), net	\$ (19,445)	\$ (0.74)	\$ (36,019)	\$ (1.37)	\$ 16,574	\$ 0.63
						Interest Income, net	\$ 39,270	\$ 1.50	\$ 35,718	\$ 1.36	\$ 3,552	\$ 0.14
						Realized Gain / Loss	\$ (116)	\$ (0.00)	\$ (237)	\$ (0.01)	\$ 120	\$ 0.00
						Unrealized Gain / Loss	\$ 13,624	\$ 0.52	\$ 10,452	\$ 0.40	\$ 3,172	\$ 0.12
						Total Non-Operating Income (Expense)	\$ 33,333	\$ 1.27	\$ 9,915	\$ 0.38	\$ 23,418	\$ 0.89
						Net Surplus (Deficit)	\$ 236,629	\$ 9.03	\$ 269,905	\$ 10.29	\$ (33,276)	\$ (1.26)
						Margin(%)	3.0%		3.4%		-0.4%	



MediCal Plan Partners Income Statement (\$ in thousands)

September 2019

Current Actual		Current Forecast		Fav<Unfav> Forecast		YTD Actual		YTD Forecast		Fav<Unfav> Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
976,311		979,083		(2,772)							
Membership											
Member Months											
						11,905,493		11,919,470		(13,977)	
Revenue											
Capitation											
\$ 237,851	\$ 243.62	\$ 242,934	\$ 248.12	\$ (5,084)	\$ (4.50)	\$ 2,889,882	\$ 242.74	\$ 2,898,501	\$ 243.17	\$ (8,618)	\$ (0.44)
\$ 237,851	\$ 243.62	\$ 242,934	\$ 248.12	\$ (5,084)	\$ (4.50)	\$ 2,889,882	\$ 242.74	\$ 2,898,501	\$ 243.17	\$ (8,618)	\$ (0.44)
Total Revenues											
Healthcare Expenses											
Capitation											
\$ 222,878	\$ 228.29	\$ 224,749	\$ 229.55	\$ 1,872	\$ 1.27	\$ 2,710,784	\$ 227.69	\$ 2,710,994	\$ 227.44	\$ 211	\$ (0.25)
\$ (0)	\$ (0.00)	\$ -	\$ -	\$ 0	\$ 0.00	\$ 7	\$ 0.00	\$ 7	\$ 0.00	\$ 0	\$ 0.00
\$ (0)	\$ (0.00)	\$ -	\$ -	\$ 0	\$ 0.00	\$ 246	\$ 0.02	\$ 519	\$ 0.04	\$ 273	\$ 0.02
\$ 2,339	\$ 2.40	\$ 2,319	\$ 2.37	\$ (21)	\$ (0.03)	\$ 28,145	\$ 2.36	\$ 27,789	\$ 2.33	\$ (356)	\$ (0.03)
\$ 856	\$ 0.88	\$ 766	\$ 0.78	\$ (89)	\$ (0.09)	\$ 8,782	\$ 0.74	\$ 8,703	\$ 0.73	\$ (80)	\$ (0.01)
\$ 226,073	\$ 231.56	\$ 227,834	\$ 232.70	\$ 1,762	\$ 1.14	\$ 2,747,964	\$ 230.81	\$ 2,748,012	\$ 230.55	\$ 48	\$ (0.27)
95.0%		93.8%		-1.3%		95.1%		94.8%		-0.3%	
\$ 11,778	\$ 12.06	\$ 15,100	\$ 15.42	\$ (3,322)	\$ (3.36)	\$ 141,919	\$ 11.92	\$ 150,489	\$ 12.63	\$ (8,570)	\$ (0.71)
Operating Margin											
\$ 5,982	\$ 6.13	\$ 5,438	\$ 5.55	\$ (544)	\$ (0.57)	\$ 62,019	\$ 5.21	\$ 61,954	\$ 5.20	\$ (65)	\$ (0.01)
2.5%		2.2%		-0.3%		2.1%		2.1%		0.0%	
Total Operating Expenses											
<i>Admin Ratio(%)</i>											
\$ 5,796	\$ 5.94	\$ 9,662	\$ 9.87	\$ (3,867)	\$ (3.93)	\$ 79,900	\$ 6.71	\$ 88,535	\$ 7.43	\$ (8,635)	\$ (0.72)
Income (Loss) from Operations											
\$ 1,047	\$ 1.07	\$ 775	\$ 0.79	\$ 272	\$ 0.28	\$ 24,475	\$ 2.06	\$ 21,208	\$ 1.78	\$ 3,267	\$ 0.28
Total Non-Operating Income (Expense)											
Net Surplus (Deficit)											
<i>Margin(%)</i>											
\$ 6,843	\$ 7.01	\$ 10,437	\$ 10.66	\$ (3,595)	\$ (3.65)	\$ 104,375	\$ 8.77	\$ 109,743	\$ 9.21	\$ (5,368)	\$ (0.44)
2.9%		4.3%		-1.4%		3.6%		3.8%		-0.2%	



MediCal SPD-CCI Income Statement (\$ in thousands)

September 2019

Current Actual		Current Forecast		Fav<Unfav> Forecast	
\$	PMPM	\$	PMPM	\$	PMPM
220,535		219,918		617	
\$ 159,299	\$ 722.33	\$ 157,046	\$ 714.11	\$ 2,252	\$ 8.22
\$ 159,299	\$ 722.33	\$ 157,046	\$ 714.11	\$ 2,252	\$ 8.22
\$ 13,248	\$ 60.07	\$ 16,260	\$ 73.94	\$ 3,012	\$ 13.87
\$ 42,819	\$ 194.16	\$ 30,441	\$ 138.42	\$ (12,378)	\$ (55.74)
\$ 37,268	\$ 168.99	\$ 30,664	\$ 139.44	\$ (6,603)	\$ (29.55)
\$ 58,735	\$ 266.33	\$ 45,646	\$ 207.56	\$ (13,089)	\$ (58.77)
\$ 16,118	\$ 73.09	\$ 18,101	\$ 82.31	\$ 1,983	\$ 9.22
\$ 2,180	\$ 9.88	\$ (665)	\$ (3.02)	\$ (2,844)	\$ (12.91)
\$ 1,885	\$ 8.55	\$ 1,751	\$ 7.96	\$ (134)	\$ (0.59)
\$ 172,252	\$ 781.07	\$ 142,198	\$ 646.60	\$ (30,054)	\$ (134.47)
108.1%		90.5%		-17.6%	
\$ (12,954)	\$ (58.74)	\$ 14,848	\$ 67.52	\$ (27,801)	\$ (126.25)
\$ 12,863	\$ 58.33	\$ 13,130	\$ 59.71	\$ 267	\$ 1.38
8.1%		8.4%		0.3%	
\$ (25,817)	\$ (117.06)	\$ 1,718	\$ 7.81	\$ (27,534)	\$ (124.87)
\$ 621	\$ 2.82	\$ 554	\$ 2.52	\$ 67	\$ 0.30
\$ (25,196)	\$ (114.25)	\$ 2,271	\$ 10.33	\$ (27,467)	\$ (124.58)
-15.8%		1.4%		-17.3%	

	YTD Actual		YTD Forecast		Fav<Unfav> Forecast	
	\$	PMPM	\$	PMPM	\$	PMPM
Membership						
Member Months	2,635,215		2,635,176		39	
Revenue						
Capitation	\$ 1,918,441	\$ 728.00	\$ 1,901,166	\$ 721.46	\$ 17,275	\$ 6.54
Total Revenues	\$ 1,918,441	\$ 728.00	\$ 1,901,166	\$ 721.46	\$ 17,275	\$ 6.54
Healthcare Expenses						
Capitation	\$ 187,529	\$ 71.16	\$ 192,220	\$ 72.94	\$ 4,690	\$ 1.78
Inpatient Claims	\$ 396,120	\$ 150.32	\$ 363,763	\$ 138.04	\$ (32,357)	\$ (12.28)
Outpatient Claims	\$ 353,764	\$ 134.24	\$ 351,718	\$ 133.47	\$ (2,046)	\$ (0.77)
Skilled Nursing Facility	\$ 610,475	\$ 231.66	\$ 575,667	\$ 218.45	\$ (34,809)	\$ (13.21)
Pharmacy	\$ 203,669	\$ 77.29	\$ 208,516	\$ 79.13	\$ 4,847	\$ 1.84
Provider Incentives and Shared Risk	\$ 4,207	\$ 1.60	\$ 680	\$ 0.26	\$ (3,527)	\$ (1.34)
Medical Administrative Expenses	\$ 19,716	\$ 7.48	\$ 19,800	\$ 7.51	\$ 84	\$ 0.03
Total Healthcare Expenses	\$ 1,775,481	\$ 673.75	\$ 1,712,364	\$ 649.81	\$ (63,117)	\$ (23.94)
MCR(%)	92.5%		90.1%		-2.5%	
Operating Margin	\$ 142,960	\$ 54.25	\$ 188,802	\$ 71.65	\$ (45,842)	\$ (17.40)
Total Operating Expenses	\$ 136,948	\$ 51.97	\$ 141,413	\$ 53.66	\$ 4,465	\$ 1.70
Admin Ratio(%)	7.1%		7.4%		0.3%	
Income (Loss) from Operations	\$ 6,012	\$ 2.28	\$ 47,389	\$ 17.98	\$ (41,377)	\$ (15.70)
Total Non-Operating Income (Expense)	\$ 14,637	\$ 5.55	\$ 13,001	\$ 4.93	\$ 1,636	\$ 0.62
Net Surplus (Deficit)	\$ 20,649	\$ 7.84	\$ 60,390	\$ 22.92	\$ (39,741)	\$ (15.08)
Margin(%)	1.1%		3.2%		-2.1%	



MediCal TANF-MCE Income Statement (\$ in thousands)

September 2019

Current Actual		Current Forecast		Fav<Unfav> Forecast		YTD Actual		YTD Forecast		Fav<Unfav> Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
830,075		827,051		3,024							
Membership											
Member Months											
						9,933,053		9,931,407		1,646	
Revenue											
Capitation											
\$ 192,458	\$ 231.86	\$ 191,660	\$ 231.74	\$ 798	\$ 0.12	\$ 2,328,484	\$ 234.42	\$ 2,325,832	\$ 234.19	\$ 2,652	\$ 0.23
\$ 192,458	\$ 231.86	\$ 191,660	\$ 231.74	\$ 798	\$ 0.12	\$ 2,328,484	\$ 234.42	\$ 2,325,832	\$ 234.19	\$ 2,652	\$ 0.23
Total Revenues											
Healthcare Expenses											
Capitation											
\$ 66,260	\$ 79.82	\$ 73,978	\$ 89.45	\$ 7,718	\$ 9.62	\$ 880,537	\$ 88.65	\$ 884,309	\$ 89.04	\$ 3,771	\$ 0.39
\$ 47,524	\$ 57.25	\$ 40,221	\$ 48.63	\$ (7,303)	\$ (8.62)	\$ 496,184	\$ 49.95	\$ 469,736	\$ 47.30	\$ (26,448)	\$ (2.65)
\$ 26,366	\$ 31.76	\$ 23,934	\$ 28.94	\$ (2,432)	\$ (2.82)	\$ 272,307	\$ 27.41	\$ 276,836	\$ 27.87	\$ 4,529	\$ 0.46
\$ 4,021	\$ 4.84	\$ 4,378	\$ 5.29	\$ 357	\$ 0.45	\$ 27,941	\$ 2.81	\$ 29,593	\$ 2.98	\$ 1,652	\$ 0.17
\$ 28,266	\$ 34.05	\$ 32,148	\$ 38.87	\$ 3,882	\$ 4.82	\$ 381,983	\$ 38.46	\$ 389,314	\$ 39.20	\$ 7,331	\$ 0.74
\$ (1,381)	\$ (1.66)	\$ 1,997	\$ 2.41	\$ 3,378	\$ 4.08	\$ 26,166	\$ 2.63	\$ 27,813	\$ 2.80	\$ 1,646	\$ 0.17
\$ 4,093	\$ 4.93	\$ 2,524	\$ 3.05	\$ (1,569)	\$ (1.88)	\$ 28,927	\$ 2.91	\$ 27,748	\$ 2.79	\$ (1,178)	\$ (0.12)
\$ 175,149	\$ 211.00	\$ 179,181	\$ 216.65	\$ 4,032	\$ 5.65	\$ 2,114,045	\$ 212.83	\$ 2,105,349	\$ 211.99	\$ (8,696)	\$ (0.84)
91.0%		93.5%		2.5%		90.8%		90.5%		-0.3%	
\$ 17,309	\$ 20.85	\$ 12,479	\$ 15.09	\$ 4,830	\$ 5.76	\$ 214,439	\$ 21.59	\$ 220,483	\$ 22.20	\$ (6,044)	\$ (0.61)
Operating Margin											
\$ 15,019	\$ 18.09	\$ 13,042	\$ 15.77	\$ (1,977)	\$ (2.32)	\$ 149,682	\$ 15.07	\$ 147,668	\$ 14.87	\$ (2,014)	\$ (0.20)
7.8%		6.8%		-1.0%		6.4%		6.3%		-0.1%	
\$ 2,290	\$ 2.76	\$ (563)	\$ (0.68)	\$ 2,853	\$ 3.44	\$ 64,757	\$ 6.52	\$ 72,816	\$ 7.33	\$ (8,059)	\$ (0.81)
\$ 647	\$ 0.78	\$ 534	\$ 0.65	\$ 113	\$ 0.13	\$ 15,269	\$ 1.54	\$ 13,407	\$ 1.35	\$ 1,862	\$ 0.19
Total Non-Operating Income (Expense)											
Net Surplus (Deficit)											
\$ 2,937	\$ 3.54	\$ (28)	\$ (0.03)	\$ 2,965	\$ 3.57	\$ 80,026	\$ 8.06	\$ 86,222	\$ 8.68	\$ (6,197)	\$ (0.63)
1.5%		0.0%		1.5%		3.4%		3.7%		-0.3%	
Margin(%)											



CMC Income Statement (\$ in thousands)

September 2019

Current Actual		Current Forecast		Fav<Unfav> Forecast		YTD Actual		YTD Forecast		Fav<Unfav> Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
15,913		16,531		(618)		194,337		195,561		(1,224)	
Membership											
Member Months											
Revenue											
Capitation											
\$ 22,694	\$ 1,426.15	\$ 21,010	\$ 1,270.95	\$ 1,684	\$ 155.20	\$ 255,861	\$ 1,316.58	\$ 257,328	\$ 1,315.84	\$ (1,467)	\$ 0.74
\$ 22,694	\$ 1,426.15	\$ 21,010	\$ 1,270.95	\$ 1,684	\$ 155.20	\$ 255,861	\$ 1,316.58	\$ 257,328	\$ 1,315.84	\$ (1,467)	\$ 0.74
Total Revenues											
Healthcare Expenses											
Capitation											
\$ 8,214	\$ 516.20	\$ 10,105	\$ 611.26	\$ 1,890	\$ 95.06	\$ 116,348	\$ 598.69	\$ 118,616	\$ 606.54	\$ 2,268	\$ 7.85
\$ 5,599	\$ 351.83	\$ 4,221	\$ 255.33	\$ (1,378)	\$ (96.50)	\$ 52,728	\$ 271.32	\$ 47,443	\$ 242.60	\$ (5,285)	\$ (28.72)
\$ 1,674	\$ 105.21	\$ 1,787	\$ 108.08	\$ 112	\$ 2.86	\$ 18,686	\$ 96.15	\$ 18,681	\$ 95.53	\$ (5)	\$ (0.63)
\$ 1,577	\$ 99.10	\$ 1,481	\$ 89.58	\$ (96)	\$ (9.53)	\$ 20,112	\$ 103.49	\$ 18,606	\$ 95.14	\$ (1,506)	\$ (8.35)
\$ 282	\$ 17.70	\$ 1,281	\$ 77.51	\$ 1,000	\$ 59.81	\$ 12,390	\$ 63.75	\$ 12,257	\$ 62.68	\$ (133)	\$ (1.08)
\$ (13,632)	\$ (856.64)	\$ 328	\$ 19.83	\$ 13,959	\$ 876.47	\$ (4,755)	\$ (24.47)	\$ 8,805	\$ 45.03	\$ 13,560	\$ 69.49
\$ 202	\$ 12.71	\$ 300	\$ 18.17	\$ 98	\$ 5.46	\$ 3,726	\$ 19.17	\$ 3,995	\$ 20.43	\$ 269	\$ 1.26
\$ 3,916	\$ 246.12	\$ 19,502	\$ 1,179.74	\$ 15,586	\$ 933.62	\$ 219,236	\$ 1,128.12	\$ 228,404	\$ 1,167.94	\$ 9,169	\$ 39.82
17.3%		92.8%		75.6%		85.7%		88.8%		3.1%	
\$ 18,778	\$ 1,180.03	\$ 1,508	\$ 91.22	\$ 17,270	\$ 1,088.82	\$ 36,625	\$ 188.46	\$ 28,923	\$ 147.90	\$ 7,702	\$ 40.56
\$ 1,472	\$ 92.52	\$ 1,795	\$ 108.60	\$ 323	\$ 16.08	\$ 16,997	\$ 87.46	\$ 17,938	\$ 91.73	\$ 941	\$ 4.26
6.5%		8.5%		2.1%		6.6%		7.0%		0.3%	
\$ 17,306	\$ 1,087.51	\$ (287)	\$ (17.39)	\$ 17,593	\$ 1,104.90	\$ 19,628	\$ 101.00	\$ 10,985	\$ 56.17	\$ 8,643	\$ 44.83
\$ 14	\$ 0.87	\$ (4)	\$ (0.22)	\$ 17	\$ 1.09	\$ 327	\$ 1.68	\$ 242	\$ 1.23	\$ 86	\$ 0.45
\$ 17,320	\$ 1,088.39	\$ (291)	\$ (17.60)	\$ 17,611	\$ 1,105.99	\$ 19,955	\$ 102.68	\$ 11,227	\$ 57.41	\$ 8,729	\$ 45.28
76.3%		-1.4%		77.7%		7.8%		4.4%		3.4%	
Net Surplus (Deficit)											
Margin(%)											
Total Operating Expenses											
Admin Ratio(%)											
Income (Loss) from Operations											
Total Non-Operating Income (Expense)											



Commercial Income Statement (\$ in thousands)

September 2019

Current Actual		Current Forecast		Fav<Unfav> Forecast		YTD Actual		YTD Forecast		Fav<Unfav> Forecast	
\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM	\$	PMPM
128,802		131,592		(2,790)		1,542,277		1,547,519		(5,242)	
\$ 46,117	\$ 358.05	\$ 46,666	\$ 354.62	\$ (549)	\$ 3.42	\$ 509,301	\$ 330.23	\$ 505,852	\$ 326.88	\$ 3,449	\$ 3.35
\$ 46,117	\$ 358.05	\$ 46,666	\$ 354.62	\$ (549)	\$ 3.42	\$ 509,301	\$ 330.23	\$ 505,852	\$ 326.88	\$ 3,449	\$ 3.35
\$ 22,461	\$ 174.38	\$ 22,473	\$ 170.78	\$ 12	\$ (3.61)	\$ 273,931	\$ 177.61	\$ 264,845	\$ 171.14	\$ (9,086)	\$ (6.47)
\$ 5,746	\$ 44.61	\$ 4,363	\$ 33.15	\$ (1,384)	\$ (11.46)	\$ 49,222	\$ 31.92	\$ 48,659	\$ 31.44	\$ (564)	\$ (0.47)
\$ 2,210	\$ 17.16	\$ 2,140	\$ 16.26	\$ (71)	\$ (0.90)	\$ 22,661	\$ 14.69	\$ 22,250	\$ 14.38	\$ (411)	\$ (0.32)
\$ 218	\$ 1.70	\$ -	\$ -	\$ (218)	\$ (1.70)	\$ 1,161	\$ 0.75	\$ 647	\$ 0.42	\$ (514)	\$ (0.33)
\$ 5,615	\$ 43.59	\$ 5,741	\$ 43.63	\$ 126	\$ 0.04	\$ 63,887	\$ 41.42	\$ 63,950	\$ 41.32	\$ 64	\$ (0.10)
\$ 2,212	\$ 17.18	\$ 1,943	\$ 14.77	\$ (269)	\$ (2.41)	\$ 13,441	\$ 8.71	\$ 13,928	\$ 9.00	\$ 487	\$ 0.29
\$ 82	\$ 0.64	\$ 18	\$ 0.14	\$ (64)	\$ (0.50)	\$ 1,926	\$ 1.25	\$ 1,577	\$ 1.02	\$ (349)	\$ (0.23)
\$ 38,545	\$ 299.26	\$ 36,678	\$ 278.72	\$ (1,868)	\$ (20.54)	\$ 426,229	\$ 276.36	\$ 415,856	\$ 268.72	\$ (10,373)	\$ (7.64)
83.6%		78.6%		-5.0%		83.7%		82.2%		-1.5%	
\$ 7,572	\$ 58.79	\$ 9,988	\$ 75.90	\$ (2,416)	\$ (17.12)	\$ 83,073	\$ 53.86	\$ 89,996	\$ 58.16	\$ (6,924)	\$ (4.29)
\$ 3,333	\$ 25.88	\$ 3,859	\$ 29.32	\$ 525	\$ 3.44	\$ 47,891	\$ 31.05	\$ 47,651	\$ 30.79	\$ (240)	\$ (0.26)
7.2%		8.3%		1.0%		9.4%		9.4%		0.0%	
\$ 4,238	\$ 32.91	\$ 6,129	\$ 46.58	\$ (1,891)	\$ (13.67)	\$ 35,182	\$ 22.81	\$ 42,346	\$ 27.36	\$ (7,164)	\$ (4.55)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (5,222)	\$ (3.39)	\$ (5,222)	\$ (3.37)	\$ -	\$ (0.01)
\$ 4,238	\$ 32.91	\$ 6,129	\$ 46.58	\$ (1,891)	\$ (13.67)	\$ 29,960	\$ 19.43	\$ 37,124	\$ 23.99	\$ (7,164)	\$ (4.56)
9.2%		13.1%		-3.9%		5.9%		7.3%		-1.5%	

Membership
Member Months

Revenue
Capitation

Total Revenues

Healthcare Expenses

Capitation
Inpatient Claims
Outpatient Claims
Skilled Nursing Facility
Pharmacy
Provider Incentives and Shared Risk
Medical Administrative Expenses
Total Healthcare Expenses

MCR(%)

Operating Margin

Total Operating Expenses

Admin Ratio(%)

Income (Loss) from Operations

Total Non-Operating Income (Expense)

Net Surplus (Deficit)

Margin(%)



Comparative Balance Sheet

September 2019

(Dollars in thousands)

ASSETS

CURRENT ASSETS

Total Current Assets	4,015,955	3,828,181	4,745,141	4,300,236	4,308,965	4,253,716	4,982,969
Capitalized Assets - net	105,599	108,055	110,451	110,109	110,730	112,215	112,322

NON-CURRENT ASSETS

	1,721	1,902	2,578	2,207	2,890	2,753	2,716
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TOTAL ASSETS

	Sep-18	Dec-18	Mar-19	Jun-19	Jul-19	Aug-19	Sep-19
TOTAL ASSETS	\$4,123,276	\$3,938,138	\$4,858,170	\$4,412,552	\$4,422,585	\$4,368,683	\$5,098,007

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Total Current Liability	3,302,934	3,059,560	3,838,394	3,348,126	3,349,878	3,314,945	4,040,311
Long Term Liability	2,855	2,767	2,742	3,576	3,521	3,466	3,581

Total Liabilities

Total Liabilities	\$3,305,790	\$3,062,327	\$3,841,136	\$3,351,701	\$3,353,399	\$3,318,411	\$4,043,892
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FUND EQUITY

Invested in Capital Assets, net of related debt	105,599	108,055	110,451	110,109	110,730	112,215	112,322
Restricted Equity	300	300	300	300	300	300	300
Minimum Tangible Net Equity	174,088	164,287	161,811	160,633	159,816	160,986	168,236
Board Designated Funds	35,992	63,795	73,720	69,535	65,340	61,640	59,580
Unrestricted Net Assets	501,506	539,373	670,753	720,273	732,999	715,131	713,677

Total Fund Equity

Total Fund Equity	\$817,486	\$875,810	\$1,017,034	\$1,060,850	\$1,069,186	\$1,050,272	\$1,054,115
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TOTAL LIABILITIES AND FUND EQUITY

TOTAL LIABILITIES AND FUND EQUITY	\$4,123,276	\$3,938,138	\$4,858,170	\$4,412,552	\$4,422,585	\$4,368,683	\$5,098,007
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Solvency Ratios

Working Capital Ratio	1.22	1.25	1.24	1.28	1.29	1.28	1.23
Cash to Claims Ratio	0.51	0.45	0.85	0.62	0.63	0.64	0.86
Tangible Net Equity Ratio	4.70	5.33	6.29	6.60	6.69	6.52	6.27



Cash Flows Statement (\$ in thousands)

September 2019

	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	YTD
Cash Flows from Operating Activities:													
Capitation Revenue	\$ 638,407	\$ 406,972	\$ 596,708	\$ 713,150	\$ 745,293	\$ 926,643	\$ 562,020	\$ 587,654	\$ 619,894	\$ 641,806	\$ 713,426	\$ 612,281	\$ 7,764,254
Other Income (Expense), net	\$ 3,682	\$ (90)	\$ 241	\$ 1,254	\$ 2,286	\$ 3,149	\$ 4,228	\$ 2,762	\$ 724	\$ 2,321	\$ 5,357	\$ (3,104)	\$ 22,810
Healthcare Expenses	\$ (566,253)	\$ (640,460)	\$ (462,734)	\$ (615,151)	\$ (508,155)	\$ (547,646)	\$ (518,545)	\$ (556,697)	\$ (604,108)	\$ (586,277)	\$ (717,576)	\$ (580,866)	\$ (6,904,468)
Operating Expenses	\$ (32,471)	\$ (41,276)	\$ (38,812)	\$ (29,411)	\$ (30,246)	\$ (29,377)	\$ (31,819)	\$ (35,500)	\$ (32,385)	\$ (31,504)	\$ (34,274)	\$ (20,709)	\$ (387,784)
Net Cash Provided By Operating Activities	\$ 43,365	\$ (274,854)	\$ 95,403	\$ 69,842	\$ 209,178	\$ 352,769	\$ 15,884	\$ (1,780)	\$ (15,875)	\$ 26,346	\$ (33,067)	\$ 7,602	\$ 494,813
Cash Flows from Investing Activities													
Purchase of investments - Net	\$ 149,067	\$ (179,656)	\$ 52,077	\$ 13,073	\$ 26,570	\$ 66,471	\$ (3,779)	\$ 1,289	\$ (252,475)	\$ 25,985	\$ (37)	\$ (8,667)	\$ (110,082)
Purchase of Capital Assets	\$ (4,355)	\$ (1,591)	\$ (1,984)	\$ (2,892)	\$ (1,319)	\$ (4,347)	\$ (1,855)	\$ (2,373)	\$ (1,997)	\$ (2,808)	\$ (3,650)	\$ (3,160)	\$ (32,331)
Net Cash Provided By Investing Activities	\$ 144,712	\$ (181,247)	\$ 50,093	\$ 10,181	\$ 25,251	\$ 62,124	\$ (5,634)	\$ (1,084)	\$ (254,472)	\$ 23,177	\$ (3,687)	\$ (11,827)	\$ (142,413)
Cash Flows from Financing Activities:													
Gross Premium Tax (MCO Sales Tax) - Net	\$ (26,802)	\$ 11,908	\$ 11,770	\$ (26,959)	\$ 11,719	\$ 11,998	\$ (26,337)	\$ 16,846	\$ 12,083	\$ (26,646)	\$ 150	\$ 72	\$ (30,198)
Pass through transactions (AB 85, IGT, etc.)	\$ -	\$ -	\$ -	\$ -	\$ (92)	\$ 587,558	\$ (190,372)	\$ (271,251)	\$ (106,984)	\$ 1,747	\$ 3,321	\$ 689,841	\$ 713,768
Net Cash Provided By Financing Activities	\$ (26,802)	\$ 11,908	\$ 11,770	\$ (26,959)	\$ 11,627	\$ 599,556	\$ (216,709)	\$ (254,404)	\$ (94,901)	\$ (24,899)	\$ 3,471	\$ 689,913	\$ 683,571
Net Increase in Cash and Cash Equivalents	\$ 161,275	\$ (444,193)	\$ 157,266	\$ 53,064	\$ 246,055	\$ 1,014,449	\$ (206,459)	\$ (257,268)	\$ (365,248)	\$ 24,625	\$ (33,282)	\$ 685,687	\$ 1,035,971
Cash and Cash Equivalents, Beginning	\$ 598,403	\$ 759,678	\$ 315,485	\$ 472,751	\$ 525,815	\$ 771,870	\$ 1,786,319	\$ 1,579,860	\$ 1,322,592	\$ 957,344	\$ 981,969	\$ 948,687	\$ 598,403
Cash and Cash Equivalents, Ending	\$ 759,678	\$ 315,485	\$ 472,751	\$ 525,815	\$ 771,870	\$ 1,786,319	\$ 1,579,860	\$ 1,322,592	\$ 957,344	\$ 981,969	\$ 948,687	\$ 1,634,374	\$ 1,634,374
Reconciliation of Income from Operations to Net Cash Provided By (Used In) Operating Activities:													
Excess of Revenues over Expenses	\$ 14,215	\$ (802)	\$ 44,912	\$ 49,906	\$ 62,725	\$ 28,592	\$ 14,986	\$ (2,601)	\$ 31,431	\$ 8,335	\$ (18,913)	\$ 3,843	\$ 236,629
Adjustments to Excess of Revenues Over Expenses:													
Depreciation	\$ 1,789	\$ 1,494	\$ 2,191	\$ 1,822	\$ 2,216	\$ 2,124	\$ 2,125	\$ 2,168	\$ 2,274	\$ 2,187	\$ 2,165	\$ 3,053	\$ 25,608
Realized and Unrealized (Gain)/Loss on Investments	\$ 639	\$ 7	\$ (2,567)	\$ (2,259)	\$ (334)	\$ (2,489)	\$ (73)	\$ (2,250)	\$ (2,487)	\$ 815	\$ (3,651)	\$ 1,141	\$ (13,508)
Deferred Rent	\$ (62)	\$ (71)	\$ 45	\$ (120)	\$ 63	\$ 32	\$ 22	\$ 90	\$ 721	\$ (55)	\$ (54)	\$ 115	\$ 726
Gross Premium Tax provision	\$ 263	\$ 768	\$ 577	\$ 419	\$ 577	\$ 576	\$ (187)	\$ (265)	\$ 577	\$ -	\$ -	\$ (5)	\$ 3,300
Total Adjustments to Excess of Revenues over Expenses	\$ 2,629	\$ 2,198	\$ 246	\$ (138)	\$ 2,522	\$ 243	\$ 1,887	\$ (256)	\$ 1,085	\$ 2,947	\$ (1,540)	\$ 4,304	\$ 16,127
Changes in Operating Assets and Liabilities:													
Capitation Receivable	\$ 1,122	\$ (12,349)	\$ (39,884)	\$ 77,849	\$ (13,645)	\$ 275,361	\$ (117,451)	\$ (49,349)	\$ (9,253)	\$ (14,700)	\$ 19,417	\$ (24,793)	\$ 92,325
Interest and Non-Operating Receivables	\$ 1,325	\$ (406)	\$ (1,068)	\$ (1,062)	\$ 91	\$ (460)	\$ 35	\$ 372	\$ (1,202)	\$ 59	\$ (1,448)	\$ 1,028	\$ (2,736)
Prepaid and Other Current Assets	\$ (3,196)	\$ (2,402)	\$ 99,860	\$ (14,521)	\$ (10,600)	\$ (9,817)	\$ 48,455	\$ (1,025)	\$ (1,665)	\$ (3,061)	\$ 1,107	\$ (8,567)	\$ 94,567
Accounts Payable and Accrued Liabilities	\$ 3,602	\$ (5,923)	\$ (7,631)	\$ 7,420	\$ 1,022	\$ (7,273)	\$ 2,524	\$ 88	\$ (121)	\$ 5,558	\$ (675)	\$ 7,578	\$ 6,169
Subcapitation Payable	\$ 23,118	\$ (39,060)	\$ 30,434	\$ (38,957)	\$ 121,337	\$ 22,025	\$ 55,261	\$ 31,054	\$ 36,253	\$ 29,543	\$ (51,989)	\$ 22,596	\$ 241,615
MediCal Adult Expansion Payable	\$ (5,829)	\$ (244,519)	\$ (18,702)	\$ (4,221)	\$ 70,388	\$ 10,133	\$ 3,623	\$ 13,180	\$ (10,524)	\$ (927)	\$ (22,308)	\$ 9,960	\$ (199,746)
Deferred Capitation Revenue	\$ 1,894	\$ 13,256	\$ (17,419)	\$ (1,761)	\$ (896)	\$ 1,398	\$ 5,111	\$ 23,958	\$ (28,078)	\$ (104)	\$ 20,158	\$ (21,344)	\$ (3,827)
Accrued Medical Expenses	\$ 7,611	\$ 441	\$ 4,411	\$ 2,455	\$ (1,667)	\$ 5,006	\$ 3,783	\$ 5,447	\$ (24,901)	\$ 16,162	\$ 7,744	\$ (12,014)	\$ 14,478
Reserve for Claims	\$ 1,236	\$ 24,664	\$ 18,110	\$ (6,994)	\$ (20,490)	\$ 27,161	\$ (15,479)	\$ (25,476)	\$ (11,988)	\$ (25,434)	\$ 5,901	\$ 19,825	\$ (8,964)
Reserve for Provider Incentives	\$ (4,177)	\$ (10,567)	\$ (17,643)	\$ (46)	\$ (10)	\$ 400	\$ 13,055	\$ 3,283	\$ 3,315	\$ 6,021	\$ 7,913	\$ 4,211	\$ 5,755
Grants Payable	\$ (185)	\$ 615	\$ (223)	\$ (88)	\$ (1,599)	\$ -	\$ 94	\$ (456)	\$ (227)	\$ 1,947	\$ 1,566	\$ 976	\$ 2,420
Net Changes in Operating Assets and Liabilities	\$ 26,521	\$ (276,250)	\$ 50,245	\$ 20,074	\$ 143,931	\$ 323,934	\$ (989)	\$ 1,077	\$ (48,391)	\$ 15,064	\$ (12,614)	\$ (544)	\$ 242,057
Net Cash Provided By Operating Activities	\$ 43,365	\$ (274,854)	\$ 95,403	\$ 69,842	\$ 209,178	\$ 352,769	\$ 15,884	\$ (1,780)	\$ (15,875)	\$ 26,346	\$ (33,067)	\$ 7,603	\$ 494,813



DATE: November 18, 2019
TO: Finance & Budget Committee
FROM: Marie Montgomery, *Chief Financial Officer*

SUBJECT: Monthly Investment Transaction Report for September 2019

To keep the Committee apprised of L.A. Care's investment portfolios and to comply with California Government Code Section 53607, attached are the monthly investment transaction details from September 1 to September 30, 2019.

L.A. Care's investment market value as of September 30, 2019 was \$2.5 billion. This includes our funds invested with the government pooled funds. L.A. Care has approximately \$61 million invested with the statewide Local Agency Investment Fund (LAIF), and approximately \$105 million invested with the Los Angeles County Pooled Investment Fund (LACPIF).

The remainder as of September 30, 2019, of \$2.3 billion is managed by two independent asset managers, 1) Payden & Rygel and 2) New England Asset Management (NEAM) and is divided into three portfolios based on investment style,

1. Payden & Rygel - Short-term portfolio
2. Payden & Rygel - Extended term portfolio
3. New England Asset Management - Corporate notes extended term portfolio

The transactions within these three portfolios are included in the attached reports.

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN
Account Number:

09/01/2019
through 09/30/2019

Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/09/19	09/10/19	Buy	40,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn	912796SJ9	(39,980,475.00)		0.00	0.00	(39,980,475.00)
09/13/19	09/13/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	(49,991,041.67)		0.00	0.00	(49,991,041.67)
09/13/19	09/13/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	(49,991,041.67)		0.00	0.00	(49,991,041.67)
09/13/19	09/13/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	(49,991,041.67)		0.00	0.00	(49,991,041.67)
09/13/19	09/13/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	(49,991,041.67)		0.00	0.00	(49,991,041.67)
09/13/19	09/13/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	(49,991,041.67)		0.00	0.00	(49,991,041.67)
09/13/19	09/13/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	(49,991,041.67)		0.00	0.00	(49,991,041.67)
09/13/19	09/13/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	(49,991,041.67)		0.00	0.00	(49,991,041.67)
09/13/19	09/13/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	(49,991,041.67)		0.00	0.00	(49,991,041.67)
09/13/19	09/13/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	(49,991,041.67)		0.00	0.00	(49,991,041.67)
09/12/19	09/13/19	Buy	5,000,000.000	SKANDINAV ENSKILDA BK YCD FR MAT 03/13/20 Cpn 2.24	83050PEF2	(5,000,000.00)		0.00	0.00	(5,000,000.00)
09/13/19	09/16/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/15/19 Cpn	912796VZ9	(49,921,861.11)		0.00	0.00	(49,921,861.11)
09/13/19	09/16/19	Buy	30,000,000.000	U.S. TREASURY BILL MAT 10/15/19 Cpn	912796VZ9	(29,953,116.67)		0.00	0.00	(29,953,116.67)
09/13/19	09/16/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/22/19 Cpn	912796WA3	(49,903,900.00)		0.00	0.00	(49,903,900.00)

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Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/13/19	09/16/19	Buy	30,000,000.000	U.S. TREASURY BILL MAT 10/22/19 Cpn	912796WA3	(29,942,340.00)		0.00	0.00	(29,942,340.00)
09/16/19	09/16/19	Buy	30,000,000.000	U.S. TREASURY BILL MAT 10/24/19 Cpn	912796SP5	(29,938,883.33)		0.00	0.00	(29,938,883.33)
09/16/19	09/16/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/29/19 Cpn	912796WB1	(49,882,257.64)		0.00	0.00	(49,882,257.64)
09/16/19	09/16/19	Buy	30,000,000.000	U.S. TREASURY BILL MAT 10/29/19 Cpn	912796WB1	(29,929,354.58)		0.00	0.00	(29,929,354.58)
09/16/19	09/16/19	Buy	30,000,000.000	U.S. TREASURY BILL MAT 11/21/19 Cpn	912796ST7	(29,893,987.50)		0.00	0.00	(29,893,987.50)
09/16/19	09/16/19	Buy	20,000,000.000	U.S. TREASURY BILL MAT 11/05/19 Cpn	912796WC9	(19,946,111.11)		0.00	0.00	(19,946,111.11)
09/16/19	09/16/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 11/05/19 Cpn	912796WC9	(49,865,277.78)		0.00	0.00	(49,865,277.78)
09/13/19	09/16/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn	912796SJ9	(49,992,083.33)		0.00	0.00	(49,992,083.33)
09/13/19	09/16/19	Buy	10,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn	912796SJ9	(9,998,416.67)		0.00	0.00	(9,998,416.67)
09/13/19	09/16/19	Buy	40,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn	912796SJ9	(39,993,666.67)		0.00	0.00	(39,993,666.67)
09/13/19	09/16/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 09/24/19 Cpn	912796VW6	(49,977,494.44)		0.00	0.00	(49,977,494.44)
09/13/19	09/16/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 09/24/19 Cpn	912796VW6	(49,977,494.44)		0.00	0.00	(49,977,494.44)
09/13/19	09/16/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 09/24/19 Cpn	912796VW6	(49,977,494.44)		0.00	0.00	(49,977,494.44)

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Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/13/19	09/16/19	Buy	30,000,000.000	U.S. TREASURY BILL MAT 09/24/19 Cpn	912796VW6	(29,986,496.67)		0.00	0.00	(29,986,496.67)
09/16/19	09/16/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/17/19 Cpn	313384LV9	(49,996,805.56)		0.00	0.00	(49,996,805.56)
09/16/19	09/16/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/17/19 Cpn	313384LV9	(49,996,805.56)		0.00	0.00	(49,996,805.56)
09/16/19	09/16/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/17/19 Cpn	313384LV9	(49,996,805.56)		0.00	0.00	(49,996,805.56)
09/16/19	09/16/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/17/19 Cpn	313384LV9	(49,996,805.56)		0.00	0.00	(49,996,805.56)
09/16/19	09/17/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 11/12/19 Cpn	912796WD7	(49,847,516.67)		0.00	0.00	(49,847,516.67)
09/16/19	09/17/19	Buy	30,000,000.000	U.S. TREASURY BILL MAT 11/12/19 Cpn	912796WD7	(29,908,510.00)		0.00	0.00	(29,908,510.00)
09/16/19	09/17/19	Buy	50,000,000.000	FAMC DISCOUNT NOTE MAT 09/18/19 Cpn	31315KLW8	(49,997,083.33)		0.00	0.00	(49,997,083.33)
09/16/19	09/17/19	Buy	50,000,000.000	FAMC DISCOUNT NOTE MAT 09/18/19 Cpn	31315KLW8	(49,997,083.33)		0.00	0.00	(49,997,083.33)
09/16/19	09/17/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 11/18/19 Cpn	313384PK9	(49,830,791.67)		0.00	0.00	(49,830,791.67)
09/16/19	09/17/19	Buy	20,000,000.000	FHLB DISCOUNT NOTE MAT 11/18/19 Cpn	313384PK9	(19,932,316.67)		0.00	0.00	(19,932,316.67)
09/10/19	09/18/19	Buy	6,020,000.000	BMW 2019-A A1 CAR MAT 09/25/20 Cpn 2.11	05588CAA0	(6,020,000.00)		0.00	0.00	(6,020,000.00)
09/17/19	09/18/19	Buy	5,000,000.000	BANK OF NOVA SCOTIA YCD MAT 03/18/20 Cpn 2.06	06417MCB9	(5,000,000.00)		0.00	0.00	(5,000,000.00)

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09/17/19	09/18/19	Buy	25,000,000.000	U.S. TREASURY FRN MAT 10/31/20 Cpn 1.96 9128285H9	(24,960,640.29)	(68,463.89)	0.00	0.00	(25,029,104.18)
09/19/19	09/19/19	Buy	35,000,000.000	U.S. TREASURY BILL MAT 03/19/20 Cpn 912796TL3	(34,669,113.89)		0.00	0.00	(34,669,113.89)
09/19/19	09/19/19	Buy	35,000,000.000	U.S. TREASURY BILL MAT 09/10/20 Cpn 912796TJ8	(34,374,902.92)		0.00	0.00	(34,374,902.92)
09/19/19	09/20/19	Buy	5,000,000.000	CANADIAN IMPERIAL BANK YCD FR MAT 05/01/20 Cpn 2.27 13606BX68	(4,998,300.20)	(5,357.36)	0.00	0.00	(5,003,657.56)
09/23/19	09/23/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/03/19 Cpn 912796SL4	(49,975,472.22)		0.00	0.00	(49,975,472.22)
09/24/19	09/24/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/17/19 Cpn 912796SNO	(49,945,694.44)		0.00	0.00	(49,945,694.44)
09/24/19	09/24/19	Buy	25,000,000.000	U.S. TREASURY BILL MAT 10/17/19 Cpn 912796SNO	(24,972,847.22)		0.00	0.00	(24,972,847.22)
09/23/19	09/24/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/03/19 Cpn 912796SL4	(49,977,468.75)		0.00	0.00	(49,977,468.75)
09/18/19	09/25/19	Buy	2,560,000.000	MERCEDES 2019-1 A2A CAR MAT 06/15/22 Cpn 2.04 58769TAB1	(2,559,755.26)		0.00	0.00	(2,559,755.26)
09/26/19	09/26/19	Buy	40,000,000.000	U.S. TREASURY BILL MAT 10/17/19 Cpn 912796SNO	(39,961,640.00)		0.00	0.00	(39,961,640.00)
09/26/19	09/26/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/03/19 Cpn 912796SL4	(49,985,222.22)		0.00	0.00	(49,985,222.22)
09/26/19	09/26/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/03/19 Cpn 912796SL4	(49,985,222.22)		0.00	0.00	(49,985,222.22)
09/26/19	09/26/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/03/19 Cpn 912796SL4	(49,985,222.22)		0.00	0.00	(49,985,222.22)

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09/26/19	09/26/19	Buy	50,000,000.000	U.S. TREASURY BILL MAT 10/03/19 Cpn 912796SL4	(49,985,222.22)		0.00	0.00	(49,985,222.22)
09/26/19	09/26/19	Buy	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/27/19 Cpn 313384MF3	(49,997,902.78)		0.00	0.00	(49,997,902.78)
09/26/19	09/26/19	Buy	10,000,000.000	FHLB DISCOUNT NOTE MAT 09/27/19 Cpn 313384MF3	(9,999,580.56)		0.00	0.00	(9,999,580.56)
09/26/19	09/27/19	Buy	50,000,000.000	FNMA DISCOUNT NOTE MAT 09/30/19 Cpn 313588MJ1	(49,992,958.33)		0.00	0.00	(49,992,958.33)
09/26/19	09/27/19	Buy	10,000,000.000	FNMA DISCOUNT NOTE MAT 09/30/19 Cpn 313588MJ1	(9,998,591.67)		0.00	0.00	(9,998,591.67)
09/25/19	09/27/19	Buy	4,787,584.190	NGN 2010-R2 2A 1MOFRN NCUA G MAT 11/05/20 Cpn 2.53 62888UAB6	(4,796,186.88)	(7,058.00)	0.00	0.00	(4,803,244.88)
09/30/19	09/30/19	Buy	44,000,000.000	FAMC DISCOUNT NOTE MAT 10/01/19 Cpn 31315KMK3	(43,997,922.22)		0.00	0.00	(43,997,922.22)
			2,242,367,584.190		(2,239,629,435.16)	(80,879.25)	0.00	0.00	(2,239,710,314.41)
09/04/19	09/04/19	Coupon		CA LOS ANGELES METRO TRANS MAT 09/04/19 Cpn 2.20 54531HAL1		6,991.78	0.00	0.00	6,991.78
09/06/19	09/06/19	Coupon		NGN 2010-R1 1A 1MOFRN NCUA G MAT 10/07/20 Cpn 2.51 62888VAA6		4,295.43	0.00	0.00	4,295.43
09/06/19	09/06/19	Coupon		NGN 2010-R3 2A 1MOFRN NCUA G MAT 12/08/20 Cpn 2.62 62888WAB2		6,006.28	0.00	0.00	6,006.28
09/06/19	09/06/19	Coupon		NGN 2011-R1 1A 1MOFRN NCUA G MAT 01/08/20 Cpn 2.51 62888YAA0		2,483.27	0.00	0.00	2,483.27
09/09/19	09/09/19	Coupon		STATE STREET BANK CD FRN MAT 10/07/19 Cpn 2.14 8574P1MB9		6,388.25	0.00	0.00	6,388.25

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09/15/19	09/15/19	Coupon		AMEX 2017-1 A CDT MAT 09/15/22 Cpn 1.93 02587AAJ3		1,954.13	0.00	0.00	1,954.13
09/15/19	09/15/19	Coupon		AMEX 2017-1 A CDT MAT 09/15/22 Cpn 1.93 02587AAJ3		8,041.67	0.00	0.00	8,041.67
09/15/19	09/15/19	Coupon		BACCT 2017-A1 A1 CDT MAT 08/15/22 Cpn 1.95 05522RCW6		4,208.75	0.00	0.00	4,208.75
09/15/19	09/15/19	Coupon		BACCT 2017-A1 A1 CDT MAT 08/15/22 Cpn 1.95 05522RCW6		430.63	0.00	0.00	430.63
09/15/19	09/15/19	Coupon		BACCT 2017-A1 A1 CDT MAT 08/15/22 Cpn 1.95 05522RCW6		3,250.00	0.00	0.00	3,250.00
09/15/19	09/15/19	Coupon		BACCT 2017-A1 A1 CDT MAT 08/15/22 Cpn 1.95 05522RCW6		812.50	0.00	0.00	812.50
09/15/19	09/15/19	Coupon		BACCT 2017-A1 A1 CDT MAT 08/15/22 Cpn 1.95 05522RCW6		6,500.00	0.00	0.00	6,500.00
09/15/19	09/15/19	Coupon		CAPITAL ONE 2017-A1 A1 CDT MAT 01/17/23 Cpn 2.00 14041NFK2		8,125.00	0.00	0.00	8,125.00
09/15/19	09/15/19	Coupon		CAPITAL ONE 2017-A1 A1 CDT MAT 01/17/23 Cpn 2.00 14041NFK2		4,833.33	0.00	0.00	4,833.33
09/15/19	09/15/19	Coupon		CAPITAL ONE 2017-A1 A1 CDT MAT 01/17/23 Cpn 2.00 14041NFK2		2,853.33	0.00	0.00	2,853.33
09/15/19	09/15/19	Coupon		DRYROCK 2015-1 A CDT MAT 12/15/22 Cpn 2.20 06742LAH6		9,166.67	0.00	0.00	9,166.67
09/15/19	09/15/19	Coupon		HONDA 2017-2 A3 CAR MAT 08/16/21 Cpn 1.68 43811BAC8		463.06	0.00	0.00	463.06
09/15/19	09/15/19	Coupon		HONDA 2017-2 A3 CAR MAT 08/16/21 Cpn 1.68 43811BAC8		397.27	0.00	0.00	397.27

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09/15/19	09/15/19	Coupon		HONDA 2019-3 A2 CAR MAT 04/15/22 Cpn 1.90 43815NAB0		4,142.00	0.00	0.00	4,142.00
09/15/19	09/15/19	Coupon		HARLEY 2019-A A2 CYCLE MAT 05/15/22 Cpn 2.37 41284WAB6		9,875.00	0.00	0.00	9,875.00
09/15/19	09/15/19	Coupon		JOHN DEERE 2017-B A3 EQP MAT 10/15/21 Cpn 1.82 47788BAD6		2,692.87	0.00	0.00	2,692.87
09/15/19	09/15/19	Coupon		JOHN DEERE 2018-A A3 EQP MAT 04/18/22 Cpn 2.66 47788CAC6		2,881.67	0.00	0.00	2,881.67
09/15/19	09/15/19	Coupon		MERCEDES 2018-A A4 LEASE MAT 10/16/23 Cpn 2.51 58772QAE6		1,568.75	0.00	0.00	1,568.75
09/15/19	09/15/19	Coupon		MERCEDES 2018-A A4 LEASE MAT 10/16/23 Cpn 2.51 58772QAE6		2,583.21	0.00	0.00	2,583.21
09/15/19	09/15/19	Coupon		MERCEDES 2019-A A2 LEASE MAT 02/16/21 Cpn 3.01 58772TAB6		5,439.75	0.00	0.00	5,439.75
09/15/19	09/15/19	Coupon		MERCEDES 2019-A A2 LEASE MAT 02/16/21 Cpn 3.01 58772TAB6		941.95	0.00	0.00	941.95
09/15/19	09/15/19	Coupon		MERCEDES 2019-A A2 LEASE MAT 02/16/21 Cpn 3.01 58772TAB6		2,472.61	0.00	0.00	2,472.61
09/15/19	09/15/19	Coupon		MERCEDES 2019-A A2 LEASE MAT 02/16/21 Cpn 3.01 58772TAB6		3,767.79	0.00	0.00	3,767.79
09/15/19	09/15/19	Coupon		NISSAN 2018-A A2A LEASE MAT 02/16/21 Cpn 3.03 65478BAB7		3,697.99	0.00	0.00	3,697.99
09/15/19	09/15/19	Coupon		NISSAN 2018-A A2A LEASE MAT 02/16/21 Cpn 3.03 65478BAB7		2,222.84	0.00	0.00	2,222.84
09/15/19	09/15/19	Coupon		NISSAN 2019-A A2A LEASE MAT 07/15/21 Cpn 2.71 65479PAB5		7,129.56	0.00	0.00	7,129.56

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09/15/19	09/15/19	Coupon		NISSAN 2019-A A2A LEASE MAT 07/15/21 Cpn 2.71 65479PAB5		9,259.17	0.00	0.00	9,259.17
09/15/19	09/15/19	Coupon		NISSAN 2019-A A2A CAR MAT 01/18/22 Cpn 2.82 65479KAB6		12,363.35	0.00	0.00	12,363.35
09/15/19	09/15/19	Coupon		TOYOTA 2018-A A2A CAR MAT 10/15/20 Cpn 2.10 89238BAB8		2,943.82	0.00	0.00	2,943.82
09/15/19	09/15/19	Coupon		TOYOTA 2018-A A3 CAR MAT 05/16/22 Cpn 2.35 89238BAD4		7,269.33	0.00	0.00	7,269.33
09/15/19	09/15/19	Coupon		TOYOTA 2019-A A2A CAR MAT 10/15/21 Cpn 2.83 89239AAB9		2,735.67	0.00	0.00	2,735.67
09/15/19	09/15/19	Coupon		TOYOTA 2019-A A2A CAR MAT 10/15/21 Cpn 2.83 89239AAB9		4,256.79	0.00	0.00	4,256.79
09/15/19	09/15/19	Coupon		TOYOTA 2019-C A2A CAR MAT 04/15/22 Cpn 2.00 89238UAB6		5,321.67	0.00	0.00	5,321.67
09/15/19	09/15/19	Coupon		USAA 2017-1 A3 CAR MAT 05/17/21 Cpn 1.70 90290AAC1		2,345.16	0.00	0.00	2,345.16
09/15/19	09/15/19	Coupon		USAA 2019-1 A2 CAR MAT 02/15/22 Cpn 2.26 90290EAB5		4,463.50	0.00	0.00	4,463.50
09/16/19	09/16/19	Coupon		CHASE 2017-A1 A CDT 1MOFRN MAT 01/15/22 Cpn 2.33 161571HJ6		4,835.01	0.00	0.00	4,835.01
09/16/19	09/16/19	Coupon		FIFTH THIRD 2019-1 A1 CAR MAT 05/15/20 Cpn 2.58 31680YAA5		1,251.05	0.00	0.00	1,251.05
09/16/19	09/16/19	Coupon		INTER-AMERICAN DEVELOPMENT MAT 03/15/22 Cpn 2.15 45818WCM		19,604.04	0.00	0.00	19,604.04
09/16/19	09/16/19	Coupon		JOHN DEERE 2019-A A1 EQP MAT 03/16/20 Cpn 2.63 47789JAA4		1,816.76	0.00	0.00	1,816.76

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Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/16/19	09/16/19	Coupon		NISSAN 2019-A A1 LEASE MAT 04/15/20 Cpn 2.60 65479PAA7		748.36	0.00	0.00	748.36
09/16/19	09/16/19	Coupon		NISSAN 2019-B A2B LEASE 1MOFR MAT 10/15/21 Cpn 2.30 65478LAC3		7,494.00	0.00	0.00	7,494.00
09/16/19	09/16/19	Coupon		NISSAN 2019-A A1 CAR MAT 02/18/20 Cpn 2.71 65479KAA8		842.23	0.00	0.00	842.23
09/16/19	09/16/19	Coupon		STATE STREET BANK CD FRN MAT 11/15/19 Cpn 2.12 8574P1ME3		3,960.89	0.00	0.00	3,960.89
09/18/19	09/18/19	Coupon		BNP PARIBAS YCD FRN MAT 09/18/19 Cpn 05586FYA9		3,637.80	0.00	0.00	3,637.80
09/18/19	09/18/19	Coupon		HONDA 2017-3 A3 CAR MAT 09/20/21 Cpn 1.79 43814PAC4		762.77	0.00	0.00	762.77
09/18/19	09/18/19	Coupon		HONDA 2017-3 A3 CAR MAT 09/20/21 Cpn 1.79 43814PAC4		2,984.27	0.00	0.00	2,984.27
09/20/19	09/20/19	Coupon		BMW 2018-1 A3 LEASE MAT 07/20/21 Cpn 3.26 05586CAC8		7,688.17	0.00	0.00	7,688.17
09/20/19	09/20/19	Coupon		BMW 2018-1 A3 LEASE MAT 07/20/21 Cpn 3.26 05586CAC8		624.83	0.00	0.00	624.83
09/20/19	09/20/19	Coupon		BMW 2019-1 A2 LEASE MAT 03/22/21 Cpn 2.79 05586VAB8		3,766.50	0.00	0.00	3,766.50
09/20/19	09/20/19	Coupon		CANADIAN IMPERIAL BANK YCD FR MAT 09/20/19 Cpn 13606BUG9		14,293.89	0.00	0.00	14,293.89
09/01/19	09/25/19	Coupon		FHMS K504 A2 CMBS MAT 09/25/20 Cpn 2.57 3137BMLC8		2,752.78	0.00	0.00	2,752.78
09/25/19	09/25/19	Coupon		FHMS KI03 A 1MOFRN CMBS MAT 02/25/23 Cpn 2.34 3137FJXN4		3,079.57	0.00	0.00	3,079.57

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09/25/19	09/25/19	Coupon		FHMS KI03 A 1MOFRN CMBS MAT 02/25/23 Cpn 2.34 3137FJXN4		1,264.24	0.00	0.00	1,264.24
09/25/19	09/25/19	Coupon		FHMS KI04 A 1MOFRN CMBS MAT 07/25/24 Cpn 2.45 3137FNAV2		12,562.33	0.00	0.00	12,562.33
09/25/19	09/25/19	Coupon		FHMS Q009 A 1MOFRN CMBS MAT 04/25/24 Cpn 2.55 3137FMTW		10,941.49	0.00	0.00	10,941.49
						<u>282,486.78</u>	<u>0.00</u>	<u>0.00</u>	<u>282,486.78</u>
09/01/19	09/01/19	Income	77.920	ADJ NET P&I MAT Cpn USD		77.92	0.00	0.00	77.92
09/01/19	09/01/19	Income	87,457.200	STIF INT MAT Cpn USD		87,457.20	0.00	0.00	87,457.20
			<u>87,535.120</u>			<u>87,535.12</u>	<u>0.00</u>	<u>0.00</u>	<u>87,535.12</u>
09/12/19	09/12/19	Contributn	270,000,000.000	NM MAT Cpn USD	270,000,000.00		0.00	0.00	270,000,000.00
09/13/19	09/13/19	Contributn	1,000,000,000.000	NM MAT Cpn USD	1,000,000,000.00		0.00	0.00	1,000,000,000.00
			<u>1,270,000,000.000</u>		<u>1,270,000,000.00</u>		<u>0.00</u>	<u>0.00</u>	<u>1,270,000,000.00</u>
09/06/19	09/09/19	Sell Long	50,000,000.000	U.S. TREASURY BILL MAT 09/10/19 Cpn 912796VU0	49,915,416.67	81,805.55	(138.89)	0.00	49,997,222.22
09/06/19	09/09/19	Sell Long	10,000,000.000	U.S. TREASURY BILL MAT 09/10/19 Cpn 912796VU0	9,983,083.33	16,361.11	(27.78)	0.00	9,999,444.44

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09/20/19	09/23/19	Sell Long	50,000,000.000	U.S. TREASURY BILL MAT 09/24/19 Cpn 912796VW6	49,977,807.64	19,692.36	313.20	0.00	49,997,500.00
09/20/19	09/23/19	Sell Long	50,000,000.000	U.S. TREASURY BILL MAT 09/24/19 Cpn 912796VW6	49,977,807.64	19,692.36	313.20	0.00	49,997,500.00
			<u>160,000,000.000</u>		<u>159,854,115.27</u>	<u>137,551.39</u>	<u>459.72</u>	<u>0.00</u>	<u>159,991,666.66</u>
09/06/19	09/06/19	Pay Princpl	63,643.662	NGN 2010-R1 1A 1MOFRN NCUA G MAT 10/07/20 Cpn 2.51 62888VAA6	63,643.66		(81.74)	0.00	63,643.66
09/06/19	09/06/19	Pay Princpl	30,269.491	NGN 2010-R3 2A 1MOFRN NCUA G MAT 12/08/20 Cpn 2.62 62888WAB2	30,269.49		(61.10)	0.00	30,269.49
09/06/19	09/06/19	Pay Princpl	49,626.256	NGN 2011-R1 1A 1MOFRN NCUA G MAT 01/08/20 Cpn 2.51 62888YAA0	49,626.26		(12.39)	0.00	49,626.26
09/15/19	09/15/19	Pay Princpl	28,900.083	HONDA 2017-2 A3 CAR MAT 08/16/21 Cpn 1.68 43811BAC8	28,900.08		76.11	0.00	28,900.08
09/15/19	09/15/19	Pay Princpl	24,794.060	HONDA 2017-2 A3 CAR MAT 08/16/21 Cpn 1.68 43811BAC8	24,794.06		75.78	0.00	24,794.06
09/15/19	09/15/19	Pay Princpl	124,381.066	JOHN DEERE 2017-B A3 EQP MAT 10/15/21 Cpn 1.82 47788BAD6	124,381.07		357.22	0.00	124,381.07
09/15/19	09/15/19	Pay Princpl	198,518.864	MERCEDES 2019-A A2 LEASE MAT 02/16/21 Cpn 3.01 58772TAB6	198,518.86		0.86	0.00	198,518.86
09/15/19	09/15/19	Pay Princpl	34,375.561	MERCEDES 2019-A A2 LEASE MAT 02/16/21 Cpn 3.01 58772TAB6	34,375.56		(56.60)	0.00	34,375.56
09/15/19	09/15/19	Pay Princpl	90,235.847	MERCEDES 2019-A A2 LEASE MAT 02/16/21 Cpn 3.01 58772TAB6	90,235.85		(175.12)	0.00	90,235.85
09/15/19	09/15/19	Pay Princpl	137,502.243	MERCEDES 2019-A A2 LEASE MAT 02/16/21 Cpn 3.01 58772TAB6	137,502.24		(251.37)	0.00	137,502.24

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09/15/19	09/15/19	Pay Princpl	125,711.601	NISSAN 2018-A A2A LEASE MAT 02/16/21 Cpn 3.03 65478BAB7	125,711.60		1.15	0.00	125,711.60
09/15/19	09/15/19	Pay Princpl	75,564.350	NISSAN 2018-A A2A LEASE MAT 02/16/21 Cpn 3.03 65478BAB7	75,564.35		(227.26)	0.00	75,564.35
09/15/19	09/15/19	Pay Princpl	556,887.480	TOYOTA 2018-A A2A CAR MAT 10/15/20 Cpn 2.10 89238BAB8	556,887.48		0.00	5.32	556,887.48
09/15/19	09/15/19	Pay Princpl	277,743.455	USAA 2017-1 A3 CAR MAT 05/17/21 Cpn 1.70 90290AAC1	277,743.46		0.00	6.65	277,743.46
09/16/19	09/16/19	Pay Princpl	262,808.875	FIFTH THIRD 2019-1 A1 CAR MAT 05/15/20 Cpn 2.58 31680YAA5	262,808.88		0.00	0.00	262,808.88
09/16/19	09/16/19	Pay Princpl	261,214.142	JOHN DEERE 2019-A A1 EQP MAT 03/16/20 Cpn 2.63 47789JAA4	261,214.14		(0.00)	0.00	261,214.14
09/16/19	09/16/19	Pay Princpl	125,255.180	NISSAN 2019-A A1 LEASE MAT 04/15/20 Cpn 2.60 65479PAA7	125,255.18		0.00	0.00	125,255.18
09/16/19	09/16/19	Pay Princpl	321,859.990	NISSAN 2019-A A1 CAR MAT 02/18/20 Cpn 2.71 65479KAA8	321,859.99		0.00	0.00	321,859.99
09/18/19	09/18/19	Pay Princpl	42,444.562	HONDA 2017-3 A3 CAR MAT 09/20/21 Cpn 1.79 43814PAC4	42,444.56		109.76	0.00	42,444.56
09/18/19	09/18/19	Pay Princpl	166,060.475	HONDA 2017-3 A3 CAR MAT 09/20/21 Cpn 1.79 43814PAC4	166,060.48		372.24	0.00	166,060.48
09/01/19	09/25/19	Pay Princpl	1,451.396	FHMS K504 A2 CMBS MAT 09/25/20 Cpn 2.57 3137BMLC8	1,451.40		5.26	0.00	1,451.40
09/25/19	09/25/19	Pay Princpl	191,776.345	FHMS KI03 A 1MOFRN CMBS MAT 02/25/23 Cpn 2.34 3137FJXN4	191,776.34		(0.00)	0.00	191,776.34

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Fixed Income - cont.									
09/25/19	09/25/19	Pay Princpl	78,729.236	FHMS KI03 A 1MOFRN CMBS MAT 02/25/23 Cpn 2.34 3137FJXN4	78,729.24		107.61	0.00	78,729.24
			3,269,754.219		3,269,754.23		240.40	11.97	3,269,754.23
09/03/19	09/03/19	Mature Long	15,000,000.000	U.S. TREASURY BILL MAT 09/03/19 Cpn 912796VT3	14,953,680.21	46,319.79	0.00	0.00	15,000,000.00
09/03/19	09/03/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/03/19 Cpn 912796VT3	49,931,302.08	68,697.92	0.00	0.00	50,000,000.00
09/03/19	09/03/19	Mature Long	10,000,000.000	U.S. TREASURY BILL MAT 09/03/19 Cpn 912796VT3	9,986,260.42	13,739.58	0.00	0.00	10,000,000.00
09/04/19	09/04/19	Mature Long	4,000,000.000	CA LOS ANGELES METRO TRANS MAT 09/04/19 Cpn 2.20 54531HAL1	4,000,000.00		0.00	0.00	4,000,000.00
09/04/19	09/04/19	Mature Long	5,000,000.000	CT YALE UNIVERSITY CP-TXBL MAT 09/04/19 Cpn 98459SW46	4,991,440.00	8,560.00	0.00	0.00	5,000,000.00
09/10/19	09/10/19	Mature Long	40,000,000.000	U.S. TREASURY BILL MAT 09/10/19 Cpn 912796VU0	39,932,444.45	67,555.55	0.00	0.00	40,000,000.00
09/10/19	09/10/19	Mature Long	3,000,000.000	KAISER FOUNDATION CP MAT 09/10/19 Cpn 48306BWA9	2,980,357.50	19,642.50	0.00	0.00	3,000,000.00
09/16/19	09/16/19	Mature Long	50,000,000.000	CASH MGMT BILL MAT 09/16/19 Cpn 912796XK0	49,894,444.44	105,555.56	0.00	0.00	50,000,000.00
09/16/19	09/16/19	Mature Long	50,000,000.000	CASH MGMT BILL MAT 09/16/19 Cpn 912796XK0	49,894,444.44	105,555.56	0.00	0.00	50,000,000.00
09/16/19	09/16/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn 313384LU1	49,991,041.67	8,958.33	0.00	0.00	50,000,000.00

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09/16/19	09/16/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	49,991,041.67	8,958.33	0.00	0.00	50,000,000.00
09/16/19	09/16/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	49,991,041.67	8,958.33	0.00	0.00	50,000,000.00
09/16/19	09/16/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	49,991,041.67	8,958.33	0.00	0.00	50,000,000.00
09/16/19	09/16/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	49,991,041.67	8,958.33	0.00	0.00	50,000,000.00
09/16/19	09/16/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	49,991,041.67	8,958.33	0.00	0.00	50,000,000.00
09/16/19	09/16/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	49,991,041.67	8,958.33	0.00	0.00	50,000,000.00
09/16/19	09/16/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/16/19 Cpn	313384LU1	49,991,041.67	8,958.33	0.00	0.00	50,000,000.00
09/17/19	09/17/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/17/19 Cpn	313384LV9	49,996,805.56	3,194.44	0.00	0.00	50,000,000.00
09/17/19	09/17/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/17/19 Cpn	313384LV9	49,996,805.56	3,194.44	0.00	0.00	50,000,000.00
09/17/19	09/17/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/17/19 Cpn	313384LV9	49,996,805.56	3,194.44	0.00	0.00	50,000,000.00
09/17/19	09/17/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/17/19 Cpn	313384LV9	49,996,805.56	3,194.44	0.00	0.00	50,000,000.00
09/18/19	09/18/19	Mature Long	1,880,000.000	BNP PARIBAS YCD FRN MAT 09/18/19 Cpn	05586FYA9	1,880,000.00		0.00	0.00	1,880,000.00
09/18/19	09/18/19	Mature Long	50,000,000.000	FAMC DISCOUNT NOTE MAT 09/18/19 Cpn	31315KLW8	49,997,083.33	2,916.67	0.00	0.00	50,000,000.00

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09/18/19	09/18/19	Mature Long	50,000,000.000	FAMC DISCOUNT NOTE MAT 09/18/19 Cpn 31315KLW8	49,997,083.33	2,916.67	0.00	0.00	50,000,000.00
09/18/19	09/18/19	Mature Long	5,000,000.000	NESTLE FINANCE INTL CP MAT 09/18/19 Cpn 64105SWJ3	4,981,875.00	18,125.00	0.00	0.00	5,000,000.00
09/19/19	09/19/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn 912796SJ9	49,725,520.83	274,479.17	0.00	0.00	50,000,000.00
09/19/19	09/19/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn 912796SJ9	49,725,520.83	274,479.17	0.00	0.00	50,000,000.00
09/19/19	09/19/19	Mature Long	40,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn 912796SJ9	39,980,475.00	19,525.00	0.00	0.00	40,000,000.00
09/19/19	09/19/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn 912796SJ9	49,992,083.33	7,916.67	0.00	0.00	50,000,000.00
09/19/19	09/19/19	Mature Long	10,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn 912796SJ9	9,998,416.67	1,583.33	0.00	0.00	10,000,000.00
09/19/19	09/19/19	Mature Long	40,000,000.000	U.S. TREASURY BILL MAT 09/19/19 Cpn 912796SJ9	39,993,666.67	6,333.33	0.00	0.00	40,000,000.00
09/20/19	09/20/19	Mature Long	2,000,000.000	CANADIAN IMPERIAL BANK YCD FR MAT 09/20/19 Cpn 13606BUG9	2,000,000.00		0.00	0.00	2,000,000.00
09/24/19	09/24/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/24/19 Cpn 912796VW6	49,977,494.44	22,505.56	0.00	0.00	50,000,000.00
09/24/19	09/24/19	Mature Long	30,000,000.000	U.S. TREASURY BILL MAT 09/24/19 Cpn 912796VW6	29,986,496.67	13,503.33	0.00	0.00	30,000,000.00
09/26/19	09/26/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/26/19 Cpn 912796SK6	49,780,972.22	219,027.78	0.00	0.00	50,000,000.00
09/26/19	09/26/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/26/19 Cpn 912796SK6	49,780,972.22	219,027.78	0.00	0.00	50,000,000.00

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09/26/19	09/26/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/26/19 Cpn	912796SK6	49,780,972.22	219,027.78	0.00	0.00	50,000,000.00
09/26/19	09/26/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/26/19 Cpn	912796SK6	49,780,972.22	219,027.78	0.00	0.00	50,000,000.00
09/26/19	09/26/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/26/19 Cpn	912796SK6	49,780,972.22	219,027.78	0.00	0.00	50,000,000.00
09/26/19	09/26/19	Mature Long	50,000,000.000	U.S. TREASURY BILL MAT 09/26/19 Cpn	912796SK6	49,780,972.22	219,027.78	0.00	0.00	50,000,000.00
09/26/19	09/26/19	Mature Long	36,000,000.000	U.S. TREASURY BILL MAT 09/26/19 Cpn	912796SK6	35,842,300.00	157,700.00	0.00	0.00	36,000,000.00
09/27/19	09/27/19	Mature Long	50,000,000.000	FHLB DISCOUNT NOTE MAT 09/27/19 Cpn	313384MF3	49,997,902.78	2,097.22	0.00	0.00	50,000,000.00
09/27/19	09/27/19	Mature Long	10,000,000.000	FHLB DISCOUNT NOTE MAT 09/27/19 Cpn	313384MF3	9,999,580.56	419.44	0.00	0.00	10,000,000.00
09/30/19	09/30/19	Mature Long	50,000,000.000	FNMA DISCOUNT NOTE MAT 09/30/19 Cpn	313588MJ1	49,992,958.33	7,041.67	0.00	0.00	50,000,000.00
09/30/19	09/30/19	Mature Long	10,000,000.000	FNMA DISCOUNT NOTE MAT 09/30/19 Cpn	313588MJ1	9,998,591.67	1,408.33	0.00	0.00	10,000,000.00
			1,711,880,000.000			1,709,232,811.90	2,647,188.11	0.00	0.00	1,711,880,000.00
09/01/19	09/01/19	Withdrawal	(3,499.340)	CUSTODY FEE MAT Cpn USD		(3,499.34)		(3,499.34)	0.00	(3,499.34)
09/03/19	09/03/19	Withdrawal	(50,000,000.000)	WD MAT Cpn USD		(50,000,000.00)		(50,000,000.00)	0.00	(50,000,000.00)
09/09/19	09/09/19	Withdrawal	(30,000,000.000)	WD MAT Cpn USD		(30,000,000.00)		(30,000,000.00)	0.00	(30,000,000.00)

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN
Account Number:

09/01/2019
through 09/30/2019

Tr Date	St Date	Transaction Type	Units	Description		Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/16/19	09/16/19	Withdrawal	(60,000,000.000)	WD MAT	Cpn USD	(60,000,000.00)		(60,000,000.00)	0.00	(60,000,000.00)
09/19/19	09/19/19	Withdrawal	(210,000,000.000)	WD MAT	Cpn USD	(210,000,000.00)		(210,000,000.00)	0.00	(210,000,000.00)
09/23/19	09/23/19	Withdrawal	(80,000,000.000)	WD MAT	Cpn USD	(80,000,000.00)		(80,000,000.00)	0.00	(80,000,000.00)
09/25/19	09/25/19	Withdrawal	(30,000,000.000)	WD MAT	Cpn USD	(30,000,000.00)		(30,000,000.00)	0.00	(30,000,000.00)
09/26/19	09/26/19	Withdrawal	(30,000,000.000)	WD MAT	Cpn USD	(30,000,000.00)		(30,000,000.00)	0.00	(30,000,000.00)
09/30/19	09/30/19	Withdrawal	(40,000,000.000)	WD MAT	Cpn USD	(40,000,000.00)		(40,000,000.00)	0.00	(40,000,000.00)
			<u>(530,003,499.340)</u>			<u>(530,003,499.34)</u>		<u>(530,003,499.34)</u>	<u>0.00</u>	<u>(530,003,499.34)</u>

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT
 Account Number:

09/01/2019
 through 09/30/2019

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/05/19	09/06/19	Buy	990,000.000	FNMA MAT 09/06/22 Cpn 1.38 3135G0W33	(986,554.80)		0.00	0.00	(986,554.80)
09/16/19	09/17/19	Buy	1,780,000.000	U.S. TREASURY NOTE MAT 08/31/21 Cpn 1.50 912828YC8	(1,770,682.81)	(1,246.98)	0.00	0.00	(1,771,929.79)
09/10/19	09/18/19	Buy	550,000.000	BMW 2019-A A3 CAR MAT 01/25/24 Cpn 1.92 05588CAC6	(549,926.08)		0.00	0.00	(549,926.08)
09/20/19	09/26/19	Buy	1,220,000.000	CA BAY AREA TOLL AUTH TOLL BR MAT 04/01/24 Cpn 2.25 072024WP3	(1,220,000.00)		0.00	0.00	(1,220,000.00)
09/30/19	10/02/19	Buy	715,000.000	U.S. TREASURY NOTE MAT 09/30/21 Cpn 1.50 912828YJ3	(713,278.68)	(58.61)	0.00	0.00	(713,337.29)
09/25/19	10/16/19	Buy	395,000.000	CA GARDEN GROVE USD GO/ULT T MAT 08/01/24 Cpn 1.97 365298Y51	(395,000.00)		0.00	0.00	(395,000.00)
09/27/19	10/17/19	Buy	640,000.000	CA LOS ALTOS SCH DIST GO BANS MAT 08/01/23 Cpn 2.14 544290JC4	(640,000.00)		0.00	0.00	(640,000.00)
			6,290,000.000		(6,275,442.37)	(1,305.59)	0.00	0.00	(6,276,747.96)
09/01/19	09/01/19	Coupon		CA STATE GO/ULT-TXBL BABS MAT 03/01/22 Cpn 6.65 13063BFS6		12,635.00	0.00	0.00	12,635.00
09/01/19	09/01/19	Coupon		CA HESPERIA REDEV AGY SUCCE MAT 09/01/23 Cpn 3.13 42806KAS2		12,343.75	0.00	0.00	12,343.75
09/01/19	09/01/19	Coupon		CA OAKLAND REDEV AGY TXB MAT 09/01/22 Cpn 3.78 67232TAT2		8,606.33	0.00	0.00	8,606.33
09/01/19	09/01/19	Coupon		CA RIALTO REDEV AGENCY TAB-T MAT 09/01/22 Cpn 4.00 76246PBC1		13,200.00	0.00	0.00	13,200.00
09/01/19	09/01/19	Coupon		CA SANTA ANA CMNTY REDEV AG MAT 09/01/23 Cpn 3.57 801096AR9		8,025.75	0.00	0.00	8,025.75

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT
 Account Number:

09/01/2019
 through 09/30/2019

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/15/19	09/15/19	Coupon		AMEX 2017-1 A CDT MAT 09/15/22 Cpn 1.93 02587AAJ3		2,412.50	0.00	0.00	2,412.50
09/15/19	09/15/19	Coupon		BACCT 2017-A1 A1 CDT MAT 08/15/22 Cpn 1.95 05522RCW6		1,950.00	0.00	0.00	1,950.00
09/15/19	09/15/19	Coupon		CAPITAL ONE 2016-A6 A6 CDT MAT 09/15/22 Cpn 1.82 14041NFH9		1,506.05	0.00	0.00	1,506.05
09/15/19	09/15/19	Coupon		FIFTH THIRD 2019-1 A3 CAR MAT 12/15/23 Cpn 2.64 31680YAD9		704.00	0.00	0.00	704.00
09/15/19	09/15/19	Coupon		HONDA 2019-3 A3 CAR MAT 08/15/23 Cpn 1.78 43815NAC8		373.80	0.00	0.00	373.80
09/15/19	09/15/19	Coupon		JOHN DEERE 2017-A A3 EQP MAT 04/15/21 Cpn 1.78 47787XAC1		529.08	0.00	0.00	529.08
09/15/19	09/15/19	Coupon		NISSAN 2017-B A3 LEASE MAT 09/15/20 Cpn 2.05 65479BAD2		426.77	0.00	0.00	426.77
09/15/19	09/15/19	Coupon		NISSAN 2017-B A3 LEASE MAT 09/15/20 Cpn 2.05 65479BAD2		576.72	0.00	0.00	576.72
09/15/19	09/15/19	Coupon		NISSAN 2018-A A3 LEASE MAT 09/15/21 Cpn 3.25 65478BAD3		893.75	0.00	0.00	893.75
09/15/19	09/15/19	Coupon		NISSAN 2018-C A3 CAR MAT 06/15/23 Cpn 3.22 65478NAD7		2,012.50	0.00	0.00	2,012.50
09/15/19	09/15/19	Coupon		NISSAN 2019-A A3 CAR MAT 10/16/23 Cpn 2.90 65479KAD2		1,305.00	0.00	0.00	1,305.00
09/15/19	09/15/19	Coupon		NY STATE URBAN DEV CORP TXB MAT 03/15/22 Cpn 2.10 6500354S4		1,785.00	0.00	0.00	1,785.00
09/15/19	09/15/19	Coupon		TOYOTA 2017-A A3 CAR MAT 02/16/21 Cpn 1.73 89238MAD0		345.75	0.00	0.00	345.75

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT
 Account Number:

09/01/2019
 through 09/30/2019

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/15/19	09/15/19	Coupon		TOYOTA 2017-B A3 CAR MAT 07/15/21 Cpn 1.76 89190BAD0		775.52	0.00	0.00	775.52
09/15/19	09/15/19	Coupon		TOYOTA 2018-A A3 CAR MAT 05/16/22 Cpn 2.35 89238BAD4		822.50	0.00	0.00	822.50
09/15/19	09/15/19	Coupon		TOYOTA 2019-A A3 CAR MAT 07/17/23 Cpn 2.91 89239AAD5		1,358.00	0.00	0.00	1,358.00
09/15/19	09/15/19	Coupon		TOYOTA 2019-C A3 CAR MAT 09/15/23 Cpn 1.91 89238UAD2		690.78	0.00	0.00	690.78
09/15/19	09/15/19	Coupon		USAA 2017-1 A3 CAR MAT 05/17/21 Cpn 1.70 90290AAC1		141.77	0.00	0.00	141.77
09/25/19	09/25/19	Coupon		BMW 2016-A A3 CAR MAT 11/25/20 Cpn 1.16 05582QAD9		49.64	0.00	0.00	49.64
09/01/19	09/25/19	Coupon		FHMS J22F A1 CMBS MAT 05/25/23 Cpn 3.45 3137FJYA1		1,351.54	0.00	0.00	1,351.54
09/01/19	09/25/19	Coupon		FHMS K020 A2 CMBS MAT 05/25/22 Cpn 2.37 3137ATRW		613.03	0.00	0.00	613.03
09/01/19	09/25/19	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		664.00	0.00	0.00	664.00
09/01/19	09/25/19	Coupon		FHMS K029 A2 CMBS MAT 02/25/23 Cpn 3.32 3137B36J2		1,051.33	0.00	0.00	1,051.33
09/01/19	09/25/19	Coupon		FHMS K504 A2 CMBS MAT 09/25/20 Cpn 2.57 3137BMLC8		989.56	0.00	0.00	989.56
09/01/19	09/25/19	Coupon		FHMS K725 AM CMBS MAT 02/25/24 Cpn 3.10 3137BWWE		2,095.20	0.00	0.00	2,095.20
09/01/19	09/25/19	Coupon		FHMS K726 AM CMBS MAT 04/25/24 Cpn 2.99 3137BYPR5		1,417.88	0.00	0.00	1,417.88

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT
 Account Number:

09/01/2019
 through 09/30/2019

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/01/19	09/25/19	Coupon		FHMS KJ06 A CMBS MAT 01/25/23 Cpn 2.27 3137BQR90		795.20	0.00	0.00	795.20
09/25/19	09/25/19	Coupon		FMPRE 2017-KT01 A 1MOFRN CMB MAT 02/25/20 Cpn 2.36 30258EAA3		1,456.06	0.00	0.00	1,456.06
09/01/19	09/25/19	Coupon		FNA 2011-M5 A2 CMBS MAT 07/25/21 Cpn 2.94 3136A07H4		346.69	0.00	0.00	346.69
09/30/19	09/30/19	Coupon		U.S. TREASURY NOTE MAT 09/30/22 Cpn 1.88 9128282W9		12,796.88	0.00	0.00	12,796.88
09/30/19	09/30/19	Coupon		U.S. TREASURY NOTE MAT 09/30/22 Cpn 1.88 9128282W9		10,171.88	0.00	0.00	10,171.88
09/30/19	09/30/19	Coupon		U.S. TREASURY NOTE MAT 03/31/24 Cpn 2.13 912828W71		15,300.00	0.00	0.00	15,300.00
09/30/19	09/30/19	Coupon		U.S. TREASURY NOTE MAT 03/31/24 Cpn 2.13 912828W71		27,784.38	0.00	0.00	27,784.38
09/30/19	09/30/19	Coupon		U.S. TREASURY NOTE MAT 03/31/24 Cpn 2.13 912828W71		9,243.75	0.00	0.00	9,243.75
09/30/19	09/30/19	Coupon		U.S. TREASURY NOTE MAT 09/30/21 Cpn 1.13 912828T34		5,625.00	0.00	0.00	5,625.00
						165,172.34	0.00	0.00	165,172.34
09/01/19	09/01/19	Income	704.530	STIF INT MAT Cpn USD		704.53	0.00	0.00	704.53

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT
 Account Number:

09/01/2019
 through 09/30/2019

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/06/19	09/06/19	Call	440,000.000	FHLMC C 9/6/19 Q MAT 06/06/22 Cpn 2.63 3134GTRY1	440,000.00	2,887.50	0.00	0.00	442,887.50
09/05/19	09/06/19	Sell Long	245,000.000	U.S. TREASURY NOTE MAT 07/31/21 Cpn 1.75 9128287F1	246,014.45	431.08	1,559.60	0.00	246,445.53
09/05/19	09/06/19	Sell Long	745,000.000	U.S. TREASURY NOTE MAT 07/31/21 Cpn 1.75 9128287F1	748,084.77	1,310.84	853.11	0.00	749,395.61
09/10/19	09/12/19	Sell Long	550,000.000	U.S. TREASURY NOTE MAT 07/31/21 Cpn 1.75 9128287F1	550,343.75	1,124.66	(1,289.54)	0.00	551,468.41
09/17/19	09/17/19	Sell Long	140,000.000	U.S. TREASURY NOTE MAT 05/31/21 Cpn 2.13 9128286V7	140,727.34	886.00	172.64	0.00	141,613.34
09/17/19	09/17/19	Sell Long	1,100,000.000	U.S. TREASURY NOTE MAT 05/31/21 Cpn 2.13 9128286V7	1,105,714.85	6,961.40	1,238.40	0.00	1,112,676.25
09/19/19	09/20/19	Sell Long	1,140,000.000	U.S. TREASURY NOTE MAT 03/31/24 Cpn 2.13 912828W71	1,161,375.00	11,450.61	29,415.20	0.00	1,172,825.61
			<u>4,360,000.000</u>		<u>4,392,260.16</u>	<u>25,052.09</u>	<u>31,949.42</u>	<u>0.00</u>	<u>4,417,312.25</u>
09/15/19	09/15/19	Pay Princpl	47,538.930	JOHN DEERE 2017-A A3 EQP MAT 04/15/21 Cpn 1.78 47787XAC1	47,538.93		0.00	57.90	47,538.93
09/15/19	09/15/19	Pay Princpl	59,853.407	NISSAN 2017-B A3 LEASE MAT 09/15/20 Cpn 2.05 65479BAD2	59,853.41		0.00	2.15	59,853.41
09/15/19	09/15/19	Pay Princpl	80,882.982	NISSAN 2017-B A3 LEASE MAT 09/15/20 Cpn 2.05 65479BAD2	80,882.98		0.00	(42.89)	80,882.98
09/15/19	09/15/19	Pay Princpl	35,717.891	TOYOTA 2017-A A3 CAR MAT 02/16/21 Cpn 1.73 89238MAD0	35,717.89		0.00	0.70	35,717.89
09/15/19	09/15/19	Pay Princpl	50,290.728	TOYOTA 2017-B A3 CAR MAT 07/15/21 Cpn 1.76 89190BAD0	50,290.73		0.00	1.09	50,290.73

TRANSACTIONS BY TYPE

Account Name: L.A. CARE HEALTH PLAN-LOW DURATION PORT
 Account Number:

09/01/2019
 through 09/30/2019

Tr Date	St Date	Transaction Type	Units	Description	Proceeds / (Cost)	Accrued Interest (Purch) or Sold	G/L < 1 Yr Amort Cost	G/L > 1 Yr Amort Cost	Total Amount
09/15/19	09/15/19	Pay Princpl	16,790.536	USAA 2017-1 A3 CAR MAT 05/17/21 Cpn 1.70 90290AAC1	16,790.54		0.00	0.41	16,790.54
09/25/19	09/25/19	Pay Princpl	33,518.233	BMW 2016-A A3 CAR MAT 11/25/20 Cpn 1.16 05582QAD9	33,518.23		0.00	15.71	33,518.23
09/01/19	09/25/19	Pay Princpl	59,573.613	FHMS J22F A1 CMBS MAT 05/25/23 Cpn 3.45 3137FJYA1	59,573.61		1.33	0.00	59,573.61
09/01/19	09/25/19	Pay Princpl	521.744	FHMS K504 A2 CMBS MAT 09/25/20 Cpn 2.57 3137BMLC8	521.74		0.00	0.15	521.74
09/01/19	09/25/19	Pay Princpl	10,597.010	FNA 2011-M5 A2 CMBS MAT 07/25/21 Cpn 2.94 3136A07H4	10,597.01		40.07	0.00	10,597.01
			<u>395,285.074</u>		<u>395,285.07</u>		<u>41.39</u>	<u>35.21</u>	<u>395,285.07</u>

LA CARE
Cash Activity by Transaction Type GAAP Basis
Accounting Period From 09/01/2019 To 09/30/2019

Cash Date	Trade/Ex-Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/Withdrawals	Total Amount
BUY										
09/06/19	09/03/19	09/06/19	BKAMER19	904764AX5	UNILEVER CAPITAL CORP	1,250,000.00	(10,923.61)	(1,287,437.50)	0.00	(1,298,361.11)
09/20/19	09/20/19	09/20/19	BKAMER19	09248U718	BLACKROCK TREASURY TRUST	7,687,408.18	0.00	(7,687,408.18)	0.00	(7,687,408.18)
09/23/19	09/19/19	09/23/19	BKAMER19	38141GXE9	GOLDMAN SACHS GROUP INC	7,000,000.00	(23,260.42)	(7,317,940.00)	0.00	(7,341,200.42)
TOTAL BUY						15,937,408.18	(34,184.03)	(16,292,785.68)	0.00	(16,326,969.71)
DIVIDEND										
09/01/19	09/01/19	09/01/19	BKAMER19	09248U718	BLACKROCK TREASURY TRUST	2,350,831.56	4,782.53	0.00	0.00	4,782.53
TOTAL DIVIDEND						2,350,831.56	4,782.53	0.00	0.00	4,782.53
INTEREST										
09/01/19	09/01/19	09/01/19	BKAMER19	20030NBJ9	COMCAST CORP	0.00	18,000.00	0.00	0.00	18,000.00
09/01/19	09/01/19	09/01/19	BKAMER19	46625HQJ2	JPMORGAN CHASE & CO	0.00	31,875.00	0.00	0.00	31,875.00
09/01/19	09/01/19	09/01/19	BKAMER19	741531FA0	PRICOA GLOBAL FUNDING 1	0.00	94,875.00	0.00	0.00	94,875.00
09/03/19	09/03/19	09/03/19	BKAMER19	0258M0EG0	AMERICAN EXPRESS CREDIT	0.00	87,750.00	0.00	0.00	87,750.00
09/05/19	09/05/19	09/05/19	BKAMER19	06051GHF9	BANK OF AMERICA CORP	0.00	124,250.00	0.00	0.00	124,250.00
09/07/19	09/07/19	09/07/19	BKAMER19	14913Q2N8	CATERPILLAR FINL SERVICE	0.00	27,562.50	0.00	0.00	27,562.50
09/07/19	09/07/19	09/07/19	BKAMER19	857477AG8	STATE STREET CORP	0.00	109,375.00	0.00	0.00	109,375.00
09/07/19	09/07/19	09/07/19	BKAMER19	904764BF3	UNILEVER CAPITAL CORP	0.00	22,500.00	0.00	0.00	22,500.00
09/08/19	09/08/19	09/08/19	BKAMER19	44932HAC7	IBM CREDIT LLC	0.00	55,000.00	0.00	0.00	55,000.00
09/15/19	09/15/19	09/15/19	BKAMER19	26442CAV6	DUKE ENERGY CAROLINAS	0.00	76,250.00	0.00	0.00	76,250.00
09/15/19	09/15/19	09/15/19	BKAMER19	585055BR6	MEDTRONIC INC	0.00	30,933.00	0.00	0.00	30,933.00
09/20/19	09/20/19	09/20/19	BKAMER19	17275RBJ0	CISCO SYSTEMS INC	0.00	46,250.00	0.00	0.00	46,250.00
09/21/19	09/21/19	09/21/19	BKAMER19	74153WCN7	PRICOA GLOBAL FUNDING 1	0.00	61,250.00	0.00	0.00	61,250.00
09/22/19	09/22/19	09/22/19	BKAMER19	904764BA4	UNILEVER CAPITAL CORP	0.00	78,125.00	0.00	0.00	78,125.00
TOTAL INTEREST						0.00	863,995.50	0.00	0.00	863,995.50
SELL										
09/20/19	09/20/19	09/20/19	BKAMER19	09248U718	BLACKROCK TREASURY TRUST	2,350,831.56	0.00	2,350,831.56	0.00	2,350,831.56
09/23/19	09/19/19	09/23/19	BKAMER19	38141GWW5	GOLDMAN SACHS GROUP INC	5,000,000.00	31,055.56	5,004,850.00	0.00	5,035,905.56
09/23/19	09/19/19	09/23/19	BKAMER19	90331HNG4	US BANK NA CINCINNATI	8,000,000.00	68,333.33	8,003,840.00	0.00	8,072,173.33
TOTAL SELL						15,350,831.56	99,388.89	15,359,521.56	0.00	15,458,910.45

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LA CARE
Cash Activity by Transaction Type GAAP Basis
Accounting Period From 09/01/2019 To 09/30/2019

Cash Date	Trade/Ex-Date	Settle/Pay Date	Custodian	Cusip	Description	Quantity	Income Amount	Principal Amount	Contributions/Withdrawals	Total Amount
WITHDRAW										
09/09/19	09/09/19	09/09/19	BKAMER19	CASHCASH6	C-04 BANK FEE	0.00	0.00	0.00	(718.77)	(718.77)
TOTAL WITHDRAW						0.00	0.00	0.00	(718.77)	(718.77)
GRAND TOTAL						33,639,071.30	933,982.89	(933,264.12)	(718.77)	0.00
Avg Date 21										

BOARD OF GOVERNORS

Finance & Budget Committee

Meeting Minutes – September 23, 2019

1055 W. 7th Street, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

Members

Robert H. Curry, *Chairperson* **
Stephanie Booth, MD
Hector De La Torre
Hilda Perez **
G. Michael Roybal, MD **

Management/Staff

Augustavia J. Haydel, Esq., *General Counsel*
Dino Kasdagly, *Chief Operating Officer*
Marie Montgomery, *Chief Financial Officer*
Tom Schwanger, *Chief Information Officer*
Richard Seidman, MD, MPH, *Chief Medical Officer*

*Absent ** Via Teleconference

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Hector De La Torre, <i>Board Chairperson</i> , called the meeting to order at 1:01 p.m. He welcomed everyone to the meeting and 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	The Agenda for today's meeting was approved.	Approved unanimously by roll call. 5 AYES (Booth, Curry, De La Torre, Perez, and Roybal)
PUBLIC COMMENTS	There were no public comments.	
APPROVE MEETING MINUTES	The minutes of the August 26, 2019 meeting were approved as submitted.	Approved unanimously by roll call. 5 AYES
CHAIRPERSON'S REPORT	There was no report from the Chairperson.	
CHIEF EXECUTIVE OFFICER'S REPORT	There was no report from the CEO.	

APPROVED

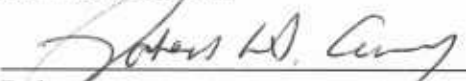
AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
COMMITTEE ITEMS		
Chief Financial Officer's Report Financial Performance Update	<p>Marie Montgomery, <i>Chief Financial Officer</i>, provided an update on the financial performance for August, 2019. <i>(A copy of her presentation may be requested by contacting Board Services.)</i></p> <ul style="list-style-type: none"> • The August 2019 Financial Reports will be presented at the next meeting. • Membership for August, 2019 is 2,168,416, about 8,000 members unfavorable to forecast, mainly due to decreases in membership with Plan Partners and LACC. • Administrative expenses are favorable to forecast by over \$3 million mainly due to timing of spending for advertisement, promotions and contracted services. <p>Member Booth asked for a report by department on administrative costs exceeding budget. Chair De La Torre noted that a report would be used to understand the costs, not point to any department that is over budget.</p>	
Investment Monthly Transactions Report Marie Montgomery	<p>Ms. Montgomery referred to a report on investment transactions included in the meeting materials for Committee member review. <i>(A copy of the report can be obtained by contacting Board Services.)</i></p> <ul style="list-style-type: none"> • As of August 31, 2019, L.A. Care's total investment market value was \$1.7 billion <ul style="list-style-type: none"> ○ \$1.6 billion managed by Payden & Rygel ○ \$61 million in Local Agency Investment Fund ○ \$104 million in Los Angeles County Pooled Investment Fund 	
Toney Health Care Contract amendment	<p>Richard Seidman, MD, MPH, <i>Chief Medical Officer</i>, presented a motion asking for approval to amend the contract with Toney Health.</p> <p>L.A. Care's contracts with the California Department of Health Care Services (DHCS) and Cal MediConnect (CMC) require that beneficiaries receive care management (CM) services:</p> <ol style="list-style-type: none"> 1) completion of a health risk assessment questionnaire; 2) creation and update of a care plan based on available and newly available information; 3) facilitation of an inter-disciplinary care team case conference (ICT) lead by a CM staff. <p>These CM services are required for every Medi-Cal SPD and CMC member, except for the ICTs, unless the member or staff requests an ICT. The CM services are repeated annually and when transitions of care issues occur for every enrolled CM enrolled member.</p> <p>L.A. Care de-delegated and contracted with Toney HealthCare Consulting (THCC) for the CM activities for a provider with persistent poor performance. L.A. Care's Sanctions Committee determined that the underperformance posed too great a risk.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>The de-delegated CM activities were urgent and of unknown duration when L.A. Care took them on in July. THCC currently provides a team of seasoned nurses and management support to perform CM activities in the L.A. Care CM platform, and are currently engaging with CMC members enrolled in CM. Audits of the THCC work shows that performance meets CMS requirements.</p> <p>L.A. Care will return the delegated CM activities to the provider in January 2020 if compliance with performance expectations is adequately demonstrated. L.A. Care anticipates that CM resources may be needed for other activities. THCC CM nurses will continue to serve as a bridge in services as L.A. Care either hires staff or transitions CM activities to a third party. The THCC contract allows L.A. Care to reduce staffing or terminate services at any time without cause.</p> <p>The existing contract is in effect through December 31, 2019, with total fees not to exceed \$800,000. The current monthly cost for the THCC CM nurses is approximately \$300,000. This motion is to request approval to extend the contract through June 30, 2020 for \$2.7 million, for a total cost not to exceed \$3.5 million.</p> <p><i>(There were discussions held later in Closed Session and the motion was considered in open session at the end of the meeting.)</i></p>	
Renewal of VMware Software Products and Services	<p>Tom Schwaninger, <i>Chief Information Officer</i>, presented a motion requesting approval for renewal of VMware software products and services.</p> <p>VMware is L.A. Care’s virtual computing solution. This product allows the install, monitoring, and segregation of virtual machines. This approach replaces the traditional physical server/equipment solution, allows staff to meet demand much more efficiently, and ensures that L.A. Care is compliant with security and state guidelines.</p> <p>While ePlus has been the preferred reseller for VMware products and services, a Request for Quotes (RFQ) is currently being conducted with VMware, ePlus and Carahsoft to ensure we are getting the best pricing for the product. Based on the preliminary bids, IT staff does not anticipate this purchase to exceed \$4 million for a 3-year term. This includes the co-terming of all VMware products and added security features through 2022.</p> <p><u>Motion FIN 101.1019</u> To authorize staff to renew VMware software products and services to continue to support L.A. Care’s virtual computing solution for a three-year term in an amount not to exceed \$4 million.</p>	Approved unanimously by roll call. 5 AYES

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
ADJOURN TO CLOSED SESSION	<p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, announced the items that the Committee will discuss in closed session. There was no public comment on the Closed Session items, and the meeting adjourned to closed session at 1:35 pm.</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>REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n) Discussion Concerning new Service, Program, Technology, Business Plan Estimated date of public disclosure: <i>September 2021</i></p> <p>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 of the Ralph M. Brown Act, One potential cases</p>	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 1:42 pm. No reportable actions were taken during the closed session.	
Toney Health Care Contract amendment	<p><u>Motion FIN 100.1019</u> To authorize an amendment extending the current contract with Toney HealthCare Consulting through June 30, 2020 in an additional amount not to exceed \$2,700,000 (for a total cost not to exceed \$3,500,000).</p>	Approved unanimously by roll call. 5 AYES
ADJOURNMENT	The meeting was adjourned at 1:44 pm.	

Respectfully submitted by:
Linda Merkens, *Senior Manager, Board Services*
Malou Balones, *Board Specialist III, Board Services*
Victor Rodriguez, *Board Specialist II, Board Services*

APPROVED BY:



Robert H. Curry, *Chair*
Date Signed 11/18/19

BOARD OF GOVERNORS

Compliance & Quality Committee Meeting

Meeting Minutes – September 19, 2019



L.A. Care
HEALTH PLAN

L.A. Care Health Plan CR 100, 1055 W. Seventh Street, Los Angeles, CA 90017

Members

Stephanie Booth, MD, *Chairperson*
 Al Ballesteros, MBA *
 Christina R. Ghaly, MD
 Hilda Perez
 Ilan Shapiro, MD

Management

Richard Seidman, MD, MPH *Chief Medical Officer*
 Augustavia J. Haydel, *General Counsel*
 Thomas Mapp, *Chief Compliance Officer*
 James Kyle, MD, *Medical Director, Quality, Quality Improvement*
 Elysse Palomo, *Director, Regulatory Affairs, Compliance*
 Sylvona Boler, *Senior Manager, Risk Management, Compliance*
 * *Absent* ** *Teleconference*

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Stephanie Booth, MD, <i>Committee Chairperson</i> , called the meeting to order at 2:10 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.	
APPROVAL OF MEETING AGENDA	The Agenda was approved as submitted.	Approved unanimously. 3 AYES (Booth, Perez, and Shapiro)
PUBLIC COMMENT	There was no public comment.	
APPROVAL OF MEETING MINUTES	The August 15, 2019 meeting minutes were approved as submitted. <i>At the November 7, 2019 Board of Governors’ meeting, Chairperson Booth made a correction to page 3 of the August 15, 2019 minutes:</i> Chairperson Booth noted that L.A. Care pays for the vaccine but does not update the California Immunization Registry. Dr. Seidman stated that as an entity that administers the registry, L.A. Care does not populate the registry, rather, the individuals that actually administer the immunization are responsible. There is a lot of detailed information that is necessary to populate the registry, which is why providers may elect not to adopt it.	Approved unanimously. 3 AYES

APPROVED

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CHAIRPERSON REPORT	Chairperson Booth attended a meeting on health care policy. She stated a discussion on Social Determinants of Health was very interesting. Health plans are looking at ways to increase cooperation with providers. L.A. Care is doing well in this area.	
CHIEF MEDICAL OFFICER REPORT	<p>Richard Seidman, MD, MPH, <i>Chief Medical Officer</i>, referred to his written report (<i>a copy of the report can be requested from Board Services</i>):</p> <p><u>Care Management/Health Homes</u> The program was launched on July 1 and by September 9, L.A. Care had over 500 enrollees. That number has now reached 700 and does not include plan partners. The program targets the top 3-5% of members with the costliest complex needs, and should ultimately demonstrate cost savings as we proactively manage their care.</p> <p><u>Quality Improvement</u> L.A. Care retained “Commendable” status from the National Committee for Quality Assurance (NCQA) for the Medi-Cal line of business. L.A. Care and Molina are the only two health plans participating in Los Angeles County to achieve “Commendable” status. It is very difficult to achieve an “Excellent” rating. Other health plans are evaluated on their statewide services, while L.A. Care serves only one county. Various interventions are being worked on to improve colorectal, cervical and breast cancer screenings. Some contracted Independent Physician Associations (IPAs) and medical groups are requiring a prior authorization for routine mammogram screenings. This creates a barrier for members who need this service.</p> <p>L.A. Care’s Quality Performance Management staff are conducting Practitioner Outreach visits with the goal of reaching providers that serve a large portion of members across all lines of business to provide education on priority Health Effectiveness Data and Information Set (HEDIS) measures and to increase awareness of L.A. Care incentive programs and other resources to support their practices. L.A. Care hopes to improve quality scores and gain percentage points for auto-assignment of Medi-Cal members.</p> <p><u>Pharmacy Update</u> The pharmacy team is reaching out to members with diabetes for the diabetes disease management program to help educate members with diabetes, optimize medication and answer any questions they may have. So far, we have successfully lowered average hemoglobin A1C levels from 11.3% to 9.1% for L.A. Care Covered members.</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<i>(The Committee discussed the immunization registry)</i>	
CHIEF COMPLIANCE OFFICER REPORT	<p>Thomas Mapp, <i>Chief Compliance Officer</i>, presented his written report included in the meeting materials. <i>(A copy of his written report can be requested from Board Services).</i></p> <p>Elysse Palomo, <i>Director, Regulatory Affairs, Compliance</i> reported on the following:</p> <p><u>Centers for Medicaid and Medicare Services (CMS) Validation Audit</u> From September 16-18 auditors conducted live case file reviews for: clinical decision making; Part C Utilization Management (UM) denial letter language; timeliness of expedited UM service authorization requests; classification and initiation of member calls as appeals, grievances, service authorization requests, coverage determinations and redeterminations; timeliness of standard Part C appeals, standard Part C & D grievances and expedited Part C grievances; accurate and complete grievance resolution letters, indication of full investigation of grievances and provision of redetermination denial and approval letters to providers. Compliance is now preparing for a care coordination audit. Compliance is also increasing the frequency of internal monitoring by conducting weekly monitoring with delegates, reviewing care plans and care teams. The Care Coordination and Quality Improvement Program Effectiveness audit will take place in December 2019 and L.A. Care will receive the audit report in January 2020. L.A. Care was also audited and received 100% on data validation of health risk assessments and care plan data. L.A. Care has seen great improvement in the accuracy of our data.</p> <p>Sylvona Boler, <i>Senior Manager, Risk Management, Compliance</i>, informed the Committee that L.A. Care is currently working on an annual review of organizational risk. Compliance will present a report at a future Compliance and Quality meeting.</p> <p><u>Business Continuity and Disaster Recovery Planning</u> 2018 Program Accomplishments – KPMG, LLP was engaged in 2018, to conduct a Business Impact Analysis for nine critical areas. The report includes 2019 Business Continuity Initiatives. Information Technology department policies focus on Disaster Recovery and processes. L.A. Care will be conducting an annual business impact analysis. Compliance has implemented a new Business Unit Resumption Plan template and is now reviewing performance for 14 critical business units. A training video was released to L.A. Care staff this week. The 2019 Disaster Recovery test is scheduled for October 19. Future initiatives include oversight of vendors business continuity and</p>	

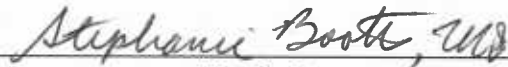
AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN												
Michael Devine	<p>disaster recovery processes, as well as business continuity plans for the Family Resource Centers.</p> <p>Chairperson Booth asked about a legal requirement for ensuring that all delegates are complying. Ms. Boler responded that risk management analysis has started with vendors, and they have not yet gotten to Participating Physicians Groups (PPG) and other contracted entities.</p> <p>Mr. Mapp noted that as a health plan, L.A. Care has to ensure the continuity of all business operations in case of a disaster.</p> <p>Michael Devine, <i>Director, Special Investigations Unit, Payment Integrity</i>, reported on:</p> <p><u>Fraud, waste and abuse</u></p> <ol style="list-style-type: none"> 1. Savings and Recoveries <table border="0" style="margin-left: 20px;"> <tr> <td>August recoveries</td> <td>\$971,991</td> <td>FY Recoveries</td> <td>\$3,870,225</td> </tr> <tr> <td>August savings</td> <td>\$733,819</td> <td>FY Savings</td> <td>\$4,579,527</td> </tr> <tr> <td>August total</td> <td>\$1,705,730</td> <td>FY Total</td> <td>\$8,449,752</td> </tr> </table> 2. Law Enforcement <ul style="list-style-type: none"> ▪ 9 Undercover operations ▪ 8 Arrests and 10 additional arrests are pending 3. Activities <ul style="list-style-type: none"> ▪ Sale of prescriptions by providers ▪ Prescribing Opioid/Benzo/muscle relaxer – Oxycodone/Xanax/Soma ▪ High priced drugs requiring prior authorizations ▪ Promethazine with Codeine ▪ Hospice Care ▪ Unwarranted genetic testing <p>Member Shapiro asked how L.A. Care made such a significant improvement and what are the lessons for the future. Mr. Devine responded that the biggest impact has been hiring new staff as investigators. The biggest success his unit had so far are the findings pertaining to pharmacy and medication.</p>	August recoveries	\$971,991	FY Recoveries	\$3,870,225	August savings	\$733,819	FY Savings	\$4,579,527	August total	\$1,705,730	FY Total	\$8,449,752	
August recoveries	\$971,991	FY Recoveries	\$3,870,225											
August savings	\$733,819	FY Savings	\$4,579,527											
August total	\$1,705,730	FY Total	\$8,449,752											
<p>HEDIS 2019</p> <p>James Kyle, MD</p>	<p>James Kyle, MD, <i>Medical Director, Quality Improvement</i> presented on L.A. Care's 2019 HEDIS scores (<i>A copy of his written report can be requested from Board Services</i>).</p>													

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>HEDIS results can affect revenue, membership growth, and market competition. Compliance with regulatory requirements for annual HEDIS and standardized performance metrics reporting is vital. He noted that L.A. Care is among the highest rated health plans in the country with 4.0 star rating from NCQA. Plan partners, PPGs, and practitioners can take part in L.A. Care's incentive programs that reward improvement in HEDIS scores. This year's HEDIS involved more than 200 measures spanning domains of care, in areas such as effectiveness of care, access and availability, and utilization of services.</p> <p><i>(Member Christina R. Ghaly, M.D. joined the meeting.)</i></p> <p>Member Shapiro asked if the American Academy of Pediatrics and their partners are involved to improve the metrics for children's care. Dr. Kyle responded that he is not sure if an invitation has been extended, and it is a great idea. L.A. Care works with many different types of medical practices to get feedback.</p> <p>Member Ghaly noted that L.A. Care's rating on two of the three metrics that pertain to children's behavioral health disorders lie below the 25th percentile. She would like to know what L.A. Care is doing to improve those ratings. Dr. Kyle responded that L.A. Care met with representatives from L.A. County Department of Mental Health to collaborate more closely in this area and more meetings are planned.</p>	
ADJOURN TO CLOSED SESSION	<p>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 of the Ralph M. Brown Act, Two potential cases</p> <p>PEER REVIEW Welfare & Institutions Code Section 14087.38(o)</p>	
ADJOURNMENT	The meeting was adjourned at 3:55 p.m.	

Respectfully submitted by:

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

APPROVED BY:


Stephanie Booth, MD, *Chairperson*
Date Signed: 11/21/2019



L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: December 5, 2019

Motion No. EXE 101.1219

Committee: Executive

Chairperson: Hector De La Torre

Issue: Approve the disbursement of funds for the Annual Incentive Plan, based on the results of individual performance goals and organizational targets for FY 2018-19.

Background:

Currently employees are eligible to participate based upon job classification, and under one of the following components of the Annual Incentive Program:

- Monthly Production Incentives Program based on pre-determined criteria;
- Individual Annual Incentives Program based on pre-determined goals; and,

The Production Incentive Program was budgeted and paid monthly according to policy.

This request is for authorization to payout for the Annual Incentives Program, not to exceed \$7,200,000.

Budget Impact: The Annual Incentive Program budget previously approved by the Board of Governors for FY 2018-19 was no more than 3.5% of Payroll. The projected amount for a potential incentive for the Chief Executive Officer has a separate budget.

Motion: To authorize the disbursement of funds up to \$7,200,000.00 for the Individual Annual Incentive Program, based on the completion of pre-determined individual goals and targets in support of L.A. Care's FY 2018-19 Organizational Goals. Distribution of the annual incentive payout shall be guided by Human Resource Policy No. 602, Annual Organizational Incentive Program.