

BOARD OF GOVERNORS

Executive Committee

Meeting Minutes – May 26, 2020

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

John Baackes, *Chief Executive Officer*

Terry Brown, *Chief Human Resources Officer*

Augustavia J. Haydel, Esq., *General Counsel*

Marie Montgomery, *Chief Financial Officer*

Richard Seidman, MD, MPH, *Chief Medical Officer*

**Absent*

California Governor issued Executive Order No. N-29-20, which among other provisions amends the Ralph M. Brown Act. Members of the public can listen to this meeting via teleconference.

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	<p>Hector De La Torre, <i>Chairperson</i>, called the meetings to order for L.A. Care Executive Committee and L.A. Care's Joint Powers Authority Executive Committee at 2:05 p.m. The meetings were held simultaneously.</p> <p>He welcomed everyone to the meetings and invited the members of the Committees, staff and guests to introduce themselves.</p> <p>Chair De La Torre summarized the process for this teleconference meetings as reflected on the meeting agenda.</p> <ul style="list-style-type: none">• Public comments received by voicemail, email or text received by 2:00 p.m. today were provided in writing to the Executive Committee members. Public comments will be read for 3 minutes during the meeting.• Once the meeting has started, emails and texts for public comment should be submitted before the item is called by the meeting Chair. If you wish to submit public comment on an item, you must submit it at any time prior to the time the Chair starts consideration of the item. The Chair will ask for public comment and will announce the item. The Chair will announce when public comment period is over.	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
APPROVE MEETING AGENDA	The Agenda for today's meeting was approved.	Approved unanimously by roll call. 4 AYES (Booth, Curry, De La Torre, and Perez)
PUBLIC COMMENTS	There were no public comments.	
APPROVE MEETING MINUTES	The minutes of the April 27, 2020 meeting were approved, as submitted.	Approved unanimously by roll call. 4 AYES
CHAIRPERSON'S REPORT	<p>Chair De La Torre clarified that Health and Human Services programs are funded by discretionary funding so that is among the first places the Legislature cuts costs to balance a budget. This year there is a rainy day fund to use but there will be a funding shortfall for a few years.</p> <p><i>(Member Gonzalez joined the meeting.)</i></p>	
CHIEF EXECUTIVE OFFICER REPORT	<p>John Baackes, <i>Chief Executive Officer</i>, reported:</p> <ul style="list-style-type: none"> • Received information about the Medi-Cal cuts for the new budget revisions. • In anticipation, staff has scheduled a series of town hall meetings to talk with a variety of providers to review budget proposals <p><i>(Member Ballesteros joined the meeting.)</i></p> <p>Highlights of the Governor's Budget May Revise include:</p> <ul style="list-style-type: none"> • The State has projected a \$54 billion deficit. • Expecting volatility in member enrollment. • 1.5% cut across all programs. Does not affect maternal, behavioral and Coordinated Care Initiative (CCI) categories. There will not be claw backs for providers. • Beginning 2021 Medi-Cal plans will be limited to underwriting gain of 1.5%. <ul style="list-style-type: none"> ○ Changes to rates for hospitals are under consideration regarding the APR-DRG. ○ Does not apply to county or UC hospitals. ○ No impact on directed payments or governmental transfers. • Proposition 56 supplemental programs will end (\$1.2 billion). Those funds will be used for home health and Medi-Cal expansion. • Some specialty services will be eliminated. 	

APPROVED

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> • In-Home Support Services (IHSS) hours will be cut. • Community Based Adult Services (CBAS) and Multipurpose Senior Services (MSSP) Programs will be eliminated. • Elimination of Adult optional benefits. • Legislators are working to get a budget approved for signature of the Governor by the end of this week. • No information is available about prioritization of triggered cuts that may be restored. <p>Member Booth asked if Proposition 56 funds will continue to support health programs. Chair De La Torre noted that Proposition 56 was negotiated between California Medical Association (CMA) and the Governor.</p> <p>Member Perez asked if there will be written CEO report. Mr. Baackes noted that a written report will be included in the Board Meeting materials for June 4.</p> <p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, noted that a summary of the May Budget Revise is included in the meeting packet.</p>	
<p>COVID-19 Medicaid Relief Leadership Letter</p>	<p>Mr. Baackes reviewed the four items requested in the COVID-19 Medicaid Relief letter by health plan leadership that is included in the meeting material. <i>(A copy of the letter may be requested by contacting Board Services.)</i> L.A. Care is taking a lead role of advocacy for members and for providers.</p> <p>The four items were:</p> <ul style="list-style-type: none"> • Stable Medicaid Funding. Increase the federal share of Medicaid spending and to commit to at least two-year period of Medicaid funding for states. • Medicaid Fiscal Accountability Proposed Rule (MFAR). MFAR must not be finalized during the COVID-19 crisis. Due to the devastating financial impact on states that the Rule would have, it was proposed that the rule be suspended until more analysis is done by Centers for Medicaid and Medicare Services (CMS) to understand the policy and financial impacts the proposed rule would have on states and in particular, the Medicaid delivery system and beneficiaries. • Cease Implementation of the Public Charge Rule. The Public Charge Rule should be fully suspended until the COVID-19 emergency has subsided. 	

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	<ul style="list-style-type: none"> Presumptive Eligibility (PE). Extend PE to all applicants that appear to be Medicaid eligible (based on initial income screening by a qualified entity); expand the types of entities qualified to perform PE screening; allow qualified entities to utilize online/telephonic applications and online/telephonic signatures for PE applications; and disallow any maximum limitation amounts that would prohibit a person from applying for PE more than once in a twelve-month period. <p>Ms. Compartore noted that L.A. Care is continuing to work on preserving access and benefits for plan members.</p> <p>Mr. Baackes noted that America's Health Insurance Plans (AHIP) expects nothing to pass until early July.</p>	
<ul style="list-style-type: none"> 2020-21 Governor's May Budget Revise Summary 	<p>See CEO report. <i>(A copy of the summary may be requested by contacting Board Services.)</i></p>	
<p>Government Affairs Update</p>	<p>Ms. Compartore reported:</p> <ul style="list-style-type: none"> The legislature continues to work through the issues on the budget. The State assembly will hear reports from California departments on the budget. There will not be a conference committee meeting on the budget. The process and potential revisions are unclear at this time. <p>Member Booth asked about bills on the legislative matrix. Ms. Compartore noted that any particular bill that concerns healthcare and access, that staff is monitoring the bills and will provide updates as they become available. Member Booth asked about legislation related to Nurse Practitioner scope of practice and expansion of roles. Ms. Compartore offered to provide additional information to Member Booth.</p>	
<p>Revised Human Resources Policy HR 114 (Paid Time Off)</p>	<p>Terry Brown, <i>Chief Human Resources Officer</i>, presented a motion to revise Human Resources Policy HR 114-Paid Time Off (PTO). On April 2, 2020, the Board approved motion EXE 102.0420 to provide the use of emergency PTO for certain COVID-19 related circumstances to mitigate potentially severe financial impacts on employees who would suffer a loss of income if they were unable to work, and to incorporate the paid sick leave requirements under the Families First Coronavirus Response Act.</p>	

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	<p>He received an inquiry from staff about PTO pay out in the event of an unforeseeable financial emergency during a natural disaster such as a pandemic. He recognized that employees may experience an unforeseen and severe financial hardship resulting from their circumstances. Staff is proposing additional revisions to HR-114, as presented, to provide financial relief through the payment of accrued, unused PTO in the event of an unforeseeable emergency.</p> <p><u>Motion EXE A.0520</u> To approve the Human Resources Policy & Procedure HR-114, as presented.</p>	<p>Approved unanimously by roll call. 6 AYES</p>
<p>Approve the Consent Agenda for June 4, 2020 Board of Governors meeting</p>	<ul style="list-style-type: none"> • Minutes of May 7, 2020 Board of Governors meeting • Edifecs Contract Amendment • Change Healthcare Contract Amendment • Cognizant Contract Amendment 	<p>Approved unanimously by roll call. 6 AYES</p>
<p>PUBLIC COMMENTS</p>	<p>There were no public comments.</p>	
<p>ADJOURN TO CLOSED SESSION</p>	<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 2:42 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 • Plan Partner Services Agreement <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>May 2022</i></p> <p>CONFERENCE WITH LABOR NEGOTIATOR Pursuant to Section 54957.6 of the Ralph M. Brown Act Agency Designated Representative: John Baackes Unrepresented Employee: All L.A. Care Employees</p>	

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	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	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 3:12 pm. No reportable actions were taken during the closed session.	
ADJOURNMENT	The meeting adjourned at 3:12 p.m.	

Respectfully submitted by:

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

APPROVED BY:


 Hector De La Torre, *Chair*
 Date: 6-22-20

APPROVED