

BOARD OF GOVERNORS

Executive Committee

Meeting Minutes – October 23, 2024

1055 West 7th Street, 1st Floor, Los Angeles, CA 90017



L.A. Care
HEALTH PLAN

Members

Alvaro Ballesteros, MBA, *Chairperson* *
 Ilan Shapiro MD, MBA, FAAP, FACHE,
Vice Chairperson
 Stephanie Booth, MD, *Treasurer*
 John G. Raffoul, *Secretary* *
 G. Michael Roybal, MD

Management/Staff

John Baackes, *Chief Executive Officer*
 Sameer Amin, MD, *Chief Medical Officer*
 Augustavia J. Haydel, Esq., *General Counsel*
 Todd Gower, *Interim Chief Compliance Officer*
 Linda Greenfeld, *Chief Products Officer*

Alex Li, MD, *Chief Health Equity Officer*
 Noah Paley, *Chief of Staff*
 Acacia Reed, *Chief Operating Officer*
 Afzal Shah, *Chief Financial Officer*

**Absent*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Ilan Shapiro, MD, <i>Vice Chairperson</i> , called to order at 2:00 pm the regular and special meetings of the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee. The meetings were held simultaneously. He welcomed everyone to the meetings. He provided information on how to submit public comments.	
APPROVE MEETING AGENDA	The Agenda for today’s meeting was approved.	Approved unanimously. 3 AYES (Booth, Roybal, and Shapiro)
PUBLIC COMMENT	There was no public comment.	
APPROVE MEETING MINUTES	The minutes of the September 25, 2024 meeting were approved.	Approved unanimously. 3 AYES
CHAIRPERSON’S REPORT	Vice Chairperson Shapiro reported that L.A. Care is preparing to welcome a new CEO soon. Officer elections usually are held in November or soon thereafter. He invited discussion for continuing with the current officers until the February 2025 meeting after the new CEO has settled in. Board Member Booth commented that current Officers should remain until there is confidence that the CEO transition is complete. Board	

APPROVED

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	<p>Member Roybal agreed. Board Member Booth suggested that the Executive Committee recommend to the Board of Governors that the officer elections are delayed.</p> <p>Vice Chairperson Shapiro reported that each member of the Board represents an important stakeholder category (members, providers including physicians, hospitals, clinics, and others). Terms in office for six Board seats are scheduled to end in October, 2024. He noted that the Temporary Transitional Executive Community Advisory Committee (TTECAC) voted at its last meeting to extend the terms for the two Board seats representing consumer Regional Community Advisory Committee (RCAC) members. At its June 2024 meeting, TTECAC members approved a timeline to hold election of the two consumer representatives in mid-2025. This will allow RCAC members time to establish the new structure and elect RCAC Chairpersons to serve on Executive Community Advisory Committee (ECAC). RCAC members will be very involved during the campaigns of the candidates for nomination to the Board so it is important that candidates can attend RCAC meetings to meet the RCAC members.</p> <p>There is a Board seat nominated by the Board of Governors (incumbent is Hector De La Torre). For continuity in leadership the Board could consider waiting until next year to nominate a representative for this seat (representing health care expertise).</p> <p>The three remaining seats are nominated by outside entities named in the enabling legislation. The nominations could be sent by the nominating entities to the Los Angeles County Executive Offices at any time. If the nominating entity sends a nomination, the nominee would be processed as usual through the Los Angeles County Executive Office.</p> <p>Traditionally, the incumbent in each of the 13 seats continues to represent the stakeholders until a new nominee is named and processed through the Los Angeles County Executive Office.</p> <p>Executive Committee members agreed by consensus to recommend to the Board of Governors at the November meeting, if he is willing to serve.</p>	
CHIEF EXECUTIVE OFFICER'S REPORT	<p>John Baackes, <i>Chief Executive Officer</i>, reported that the Los Angeles County Board of Supervisors approved a resolution earlier this year appropriating \$5 million for medical debt relief. It is estimated that medical debt is a burden for a tremendous number of families across the United States. The Board of Supervisors voted for Los Angeles County to help with this situation that affects the lives of so many people. One hundred</p>	

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	<p>million people in the United States are saddled with medical debt. In Los Angeles, there has been coverage about medical bills pushing families into poverty.</p> <p>Medi-Cal members also have occasionally incurred medical debt. According to the Board of Supervisors, medical debt burden affects approximately 785,000 adults in Los Angeles County. Much of the medical debt affects individuals with incomes below the federal poverty level. The total amount of debt rose during the pandemic from \$2.6 billion to over \$3 billion. Many L.A. Care member grievances are related to financial disputes and co-pay related issues with out of network or private ambulance billing. The Los Angeles County Department of Public Health (DPH) led a Los Angeles County medical debt coalition consisting of community based organizations, hospitals, public agencies, and provider groups. The coalition met throughout 2023 and 2024; Alexander Li, MD, <i>Chief Health Equity Officer</i>, participated representing L.A. Care.</p> <p>In September 2024, Los Angeles County adopted an ordinance that would require hospitals to report on medical debt and financial assistance provided to residents. DPH contracted with a national nonprofit, Undue Medical Debt, to manage the retirement of debt with collection agencies. The coalition aims to raise \$24 million, which will relieve \$2 billion in medical debt. Undue Medical Debt acts as an agency and negotiates with the hospitals to accept a lower amount to satisfy the debt.</p> <p>Dr. Li commented that this has a tremendous impact for those with medical debt, many of whom are L.A. Care members, future members or past members, and medical debt is a leading cause of bankruptcy.</p> <p>Mr. Baackes was contacted by Barbara Ferrer, PhD, MPH, MEd., Director of DPH, asking L.A. Care to support the medical debt coalition with \$2 million, in addition to the \$5 million appropriated by the Board of Supervisors. Mr. Baackes spoke to George Greene, President and CEO of the Hospital Association of Southern California (HASC). There is language in the original legislation that a goal is to identify software technology to help patients qualify for programs that will reduce or cancel medical debts.</p> <p>L.A. Care staff recommends the Board's consideration of a proposal to agree to fund up to \$2 million, with a priority to identify and purchase software technology that will help patients qualify for programs. That would produce dividends over a long period, whereas the part of money just to reduce or buy down the debt will be exhausted at some point. If the board is willing to fund up to \$2 million, the remaining balance left after the cost of the software technology would support medical debt relief for L.A.</p>	

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	<p>Care members. Mr. Baackes noted this funding would not be eligible to be paid out of the enforcement action settlement and it does not fit into the Elevating the Safety Net reserves. He recommended funding this new project from unassigned reserves.</p> <p>Afzal Shah, <i>Chief Financial Officer</i>, agreed with the approach.</p> <p>Board Member Booth asked if the funding fits in with the new community investment requirements from California Department of Health Care Services (DHCS). Dr. Li responded those requirements will apply in 2026.</p> <p>Board Member Booth asked if funding could be prioritized to help people that are really trying to stay out of poverty or keep from losing their home, etc; people who are working and trying to make things happen for themselves, and for whom being in debt really seems to be a burden. In the same way that programs help physicians, she suggested providing incremental support over time. This would help people who would deeply appreciate help with paying their debt and who are not able to receive help most of the time.</p> <p>Board Member Roybal commented that the recommendation makes sense especially given L.A. Care’s mission. He supports making sure that L.A. Care is doing everything possible to ensure members avail themselves of support and services to which they are entitled. He has patients that are afraid to call the ambulance because they will be charged for the ambulance. He wonders if that is covered with Medi-Cal or other insurance. He would like to know L.A. Care is doing everything possible to make sure that patients are not getting into medical debt when they are not fully informed by the healthcare provider or even being misled. He thinks that is one part of this. For those who are not L.A. Care members should be part of this too. Some people do not have somebody to advocate for them so that they can take full advantage of all that insurance is supposed to pay for, they might need a navigator to understand how services are covered before incurring costs. People can be sometimes desperate for care and they may really need is an insurance navigator to work with them on what services are covered and how they can get needed care without incurring unnecessary debt.</p> <p>Mr. Baackes responded that is part of presumptive eligibility technology, which can link members to other resources available rather than have the funds go into a pot of money and used negotiate through the third party. L.A. Care would invest in technology for the DPH that would provide exactly that kind of service. When members call for an appeal and grievance about coverage, L.A. Care can review what is currently done and look for</p>	

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	<p>opportunities to increase support through the appeals and grievance process in advising members who might be on the verge of a medical debt situation. The technology being suggested for investment and that the hospital association recommends would address this for everybody. Mr. Baackes suggests that operationally L.A. Care can tighten up on the appeals and grievance process to be more alert to medical debt avoidance.</p> <p>Board Member Roybal agreed the technology is important. Eventually what will help people the most is a navigator to help manage the situation so members avoid medical debt. Undue Medical Debt may be able to provide that service. It is a really important component, in addition to the technology that could be developed and implemented. Mr. Baackes noted that L.A. Care will participate in the coalition. If L.A. Care proceeds with funding, it can recommend to the coalition that, based on guidance from the Board of Governors, there are further actions to pursue.</p> <p>Dr. Li noted that the \$5 million investment from Los Angeles County includes criteria for assisting those with the heaviest burden in addition to financial qualifications. Board Member Booth made a great point with regard to debt relief assistance programs. Board Member Roybal also had a great point about doing more for patients. Many of the private hospitals are referring members to other resources, but not consistently. Having both the resources and technology as well as staff training will really tighten up the safety net in many ways for the many different individuals that use the safety net hospital system. He noted this prevention effort is for the hospital setting, and does not include outpatient settings.</p> <p>Sameer Amin, MD, <i>Chief Medical Officer</i>, noted that as Dr. Li outlined, a majority of medical debt is accumulated on the inpatient side and is of particular concern as people are leaving the hospital. He mentioned at the last Compliance & Quality Committee meeting and he will provide more detail during the Board of Governor's meeting that L.A. Care is realigning strategy in the Health Services department to consolidate transitions of care to minimize transactions among utilization management, care management, and Managed Long Term Supportive Services so one person acts as care coordinator. There will be a staff person from discharge planning through lower levels of care, such as a skilled nursing facility and on to home. He will talk with team members to determine whether a component for medical debt should be added. This could include a conversation with members leaving the hospital about what services are covered to provide some comfort in knowing what to expect. Particularly for Medi-Cal</p>	

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	<p>members, who should not be getting a surprise bill, it is important to help them with the documents received from the hospital that can be hard to understand.</p> <p>Mr. Baackes commented that when Dr. Ferrer called him, he asked who else has contributed in response to her request. She responded that she wanted to start with L.A. Care to “prime the pump.” Mr. Baackes wanted to point out that L.A. Care is, as cynics might say, viewed as an easy touch. He thinks L.A. Care is seen as having a mission compatible with this effort, if the Board agrees that \$2 million in funding is acceptable, some guardrails are placed on it, such as investing in technology and directing the balance of whatever is left over after the technology and assisting L.A. Care members who are in debt. Hopefully other funders would follow suit. L.A. Care was asked first, and that is a compliment to how well the mission of L.A. Care is understood.</p> <p>Board Member Booth commented that people at the lowest levels of poverty, may find their situation too overwhelming to be concerned whether the doctor's bills or hospital bill is paid. It will be the people who are earning something, who feel like they need to pay and are trying to pay their bills, who would be helped the most. That is the population she would like to help. If chosen just because they have the highest debt or because they are at the lowest level of poverty, the payment of their medical debt may only amount to giving the hospitals money; donors lose the chance to help those who'd most deeply appreciate the gift of medical debt relief.</p> <p>Mr. Baackes agreed with Board Member Booth, and he noted the high level of sophistication that would be required to determine who fits the criteria outlined, which could be very helpful, but is not something L.A. Care could take on. He suggested that L.A. Care fund the Coalition and not take on more administrative tasks. By participating in the Coalition, L.A. Care could hopefully encourage the right action.</p> <p>Board Member Shapiro asked about the cost for the software and if the funding would this be a onetime thing or require additional rounds of funding?</p> <p>Dr. Li suggested the answer could be provided at a future meeting as further investigation is needed. L.A. Care has asked the HASc to help identify vendors and potential costs.</p> <p>Board Member Shapiro commented that support is needed to help members with medical debt. He praised the idea of not just giving money but doing something tangible by providing software to support those who have a medical debt burden, and bringing support to L.A. Care members that need extra help. He thinks that the safety</p>	

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	<p>nets will be key, and noted that the navigation and educational components are important. He suggested pitching the project to the California Health Foundation for additional funding.</p> <p>Mr. Baackes noted that he did not want L.A. Care to take on an administrative burden. One issue for L.A. Care’s budget is that the administrative costs are rising as it has addressed the many new CalAIM regulations a lot of staff was added over recent years and it has resolved enforcement matters. L.A. Care would like to bring that cost down and increase efficiency with the administrative staff. He recommended not taking on tasks that would increase administrative costs; it would be irresponsible.</p> <p>Board Member Roybal noted that sustainability will be important as the Coalition develops. Hopefully the program will prevent people from getting into medical debt in the first place, by using existing resources. Mr. Baackes recommends that L.A. Care specify that the first priority for funding would be to invest in the technology and make to support sustainability.</p> <p>Dr. Li noted that, in addition to DPH, Los Angeles County also has a Department of Consumer Affairs, and county counsel is involved. To the point about sustainability, the initial effort to tighten the belts among safety net hospitals and broaden knowledge of resources available, there are other departments that will take a more active role. There is also state and federal legislations under consideration.</p> <p>Mr. Baackes noted he is taking direction from the Executive Committee as a motion is prepared for Board consideration at the next meeting.</p>	
<ul style="list-style-type: none"> Government Affairs Update 	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported that the state legislative session is over and the legislators have gone back to their districts. The next legislative session will begin on December 2 and newly elected legislators will be sworn in, then promptly go back to their districts until the new year. After the elections in November there will likely be changes in committee leadership. L.A. Care staff will reach out to committee leadership and members, and to newly elected officials, between December and January.</p> <p>During this interim period, the L.A. Care Government Affairs team is preparing for next year, meeting with elected officials, staff, and with budget and health committee staff to continue conversations on Medi-Cal reimbursement.</p>	

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	<p>The Government Affairs team has continued reaching out to elected officials in the districts where L.A. Care has community resource centers (CRC), offering tours so they can see what services are offered and what goes on at the CRCs. The feedback has been extremely positive so far. Thus far staff has met with Assembly Member Tina McKinnor at the Inglewood CRC, Senator Bob Archuleta toured the Norwalk Center, Assembly Member Juan Carrillo toured Palmdale CRC, and all three elected officials were very impressed. They interacted with CRC staff, took lots of photos and interacted with the public during the visits. CRC staff in Palmdale reached out with news that Assembly Member Juan Carrillo contacted them about a turkey handout at the CRC with Partners In Health, which is affiliated with AT&T. AT&T is very interested in helping the CRC distribute turkeys. The details are being worked out. Two additional community resource center tours are scheduled with Senator Lena Gonzalez in the Inglewood CRC as well as Senator Maria Elena Durazo in the Los Angeles Metro CRC. Staff will continue the outreach and after the November election, staff will reach out to all new Los Angeles Congressional Legislators to inform them about L.A. Care over the next few months.</p> <p>Mr. Baackes added that he has been at all three of the meetings with local elected officials and will continue to participate. The visits are eye-opening for the representatives who may not understand about L.A. Care. Assemblyman Carrillo was a freshman in this term and he noted that now he knows why he sees lines of people outside the CRC when he drives by. Mr. Baackes found that refreshing and he is glad staff is doing this. The grand opening of the South LA CRC was held a week ago. It was a very successful event. That is now the 13th CRC, and the grand opening for the 14th will be held in December in Lincoln Heights.</p> <p>Noah Paley, <i>Chief of Staff</i>, attended the CRC events. He thinks it was important for the Assembly Persons to hear the breadth of services that are available at the CRCs and that the services are available to members and nonmembers, and to understand the extent of nonmember utilization. It is truly a resource for the communities and not just for L.A. Care members.</p>	
COMMITTEE ISSUES		
Human Resources Policies HR-213 (Personnel Records Access), HR-310 (Per Diem	Terry Brown, <i>Chief Human Resources Officer</i> , presented a motion to revise HR policies. Most revisions are very minor adjustments to the policies. The personnel record access has been changed to reference a changed to recognize records are now electronic. The	

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<p>Employment Status), HR-314 (Separation of Employment, HR-401 (Drug Free Workplace) (EXE A)</p>	<p>separation of employment to indicate that once an employee separation is entered into employee central, all of the appropriate parties are notified to eliminate human error and ensure that former employees are deactivated in all areas upon their separation. We also removed job abandonment from employee separation, because abandonment will lead to employee separation, job abandonment is addressed in the progressive discipline policy and the attendance and punctuality policy. The revision to the drug free workplace policy clarifies that even outside of work hours, certain levels of behavior are expected and violating those standards of professionalism could lead to discipline. For employment status, there is a new law that requires employers to provide mandatory, sick leave to individuals in certain categories that may not be eligible for PTO. The per diem employee is was adjusted to be compliant with current legal requirements.</p> <p>Board Member Booth commented that in relation to the drug and alcohol policy, she would like to make sure everybody has a really low threshold for taking people to the emergency room or calling an ambulance. It is important not to miss a stroke when someone behaving strangely. Mr. Brown noted this is a valid point and he will make sure it is added to education in this area.</p> <p>The revised policy is written to comply with changes to Regulatory, Legislative and Judicial changes, and reflect changes in L.A. Care’s practices.</p> <table border="1" data-bbox="495 862 1577 1370"> <thead> <tr> <th>Policy Number</th> <th>Policy</th> <th>Section</th> <th>Description of Modification</th> </tr> </thead> <tbody> <tr> <td>HR-213</td> <td>Personnel Records Access</td> <td>Employee Relations</td> <td>Transferred into new policy template, and minor changes</td> </tr> <tr> <td>HR-310</td> <td>Per Diem Employment Status</td> <td>Employment</td> <td>Transferred into new policy template, and minor changes</td> </tr> <tr> <td>HR-315</td> <td>Separation of Employment</td> <td>Employment</td> <td>Transferred into new policy template. Removed one definition and updated Procedure section</td> </tr> <tr> <td>HR-401</td> <td>Drug Free Workplace</td> <td>Health & Safety</td> <td>Definition added, suspicious behavior added, and other minor edits</td> </tr> </tbody> </table> <p><u>Motion EXE A.1024</u></p>	Policy Number	Policy	Section	Description of Modification	HR-213	Personnel Records Access	Employee Relations	Transferred into new policy template, and minor changes	HR-310	Per Diem Employment Status	Employment	Transferred into new policy template, and minor changes	HR-315	Separation of Employment	Employment	Transferred into new policy template. Removed one definition and updated Procedure section	HR-401	Drug Free Workplace	Health & Safety	Definition added, suspicious behavior added, and other minor edits	<p>Approved unanimously.</p>
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	To approve the Human Resources Policies HR-213 (Personnel Records Access), HR-310 (Per Diem Employment Status), HR-314 (Separation of Employment, HR-401 (Drug Free Workplace), as presented.	3 AYES
Approve Consent Agenda	<p>Approve the list of items that will be considered on a Consent Agenda for November 7, 2024 Board of Governors Meeting.</p> <ul style="list-style-type: none"> • October 3, 2024 meeting minutes • Annual Review of Investment Policy AFS 008 • Revised Compliance & Quality Committee Charter • Children’s Health Consultant Advisory Committee Membership • Regional Community Advisory Committee Membership 	Approved unanimously. 3 AYES
PUBLIC COMMENTS ON CLOSED SESSION ITEMS	There were no public comments.	
ADJOURN TO CLOSED SESSION	<p>The Joint Powers Authority Executive Committee meeting adjourned at 2:45 pm.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i> announced the items for discussion in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 2:45 pm.</p> <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>October 2026</i></p> <p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> • Plan Partner Rates • Provider Rates • DHCS Rates <p>THREAT TO PUBLIC SERVICES OR FACILITIES Government Code Section 54957 Consultation with: Tom MacDougall, <i>Chief Information & Technology Officer</i>, and Gene Magerr, <i>Chief Information Security Officer</i></p>	

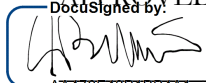
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	<p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant Exposure (3 cases) Pursuant to paragraph 4 of subdivision (d) of Section 54956.9 of the Ralph M. Brown Act</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act HRRP Garland, LLC v. Local Initiative Health Authority for Los Angeles County L.A.S.C. Case No. 21STCV47250</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable)</p> <p>PUBLIC EMPLOYEE PERFORMANCE EVALUATION, PUBLIC EMPLOYMENT and CONFERENCE WITH LABOR NEGOTIATOR Sections 54957 and 54957.6 of the Ralph M. Brown Act Title: Chief Executive Officer Agency Designated Representative: Alvaro Ballesteros, MBA Unrepresented Employee: John Baackes</p>	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 2:59 pm. No reportable actions were taken during the closed session.	
ADJOURNMENT	The meeting adjourned at 2:59 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:

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AA470E43B1BB4A1...
 Alvaro Ballesteros, MBA, *Board Chairperson*
 Date: 2/10/2025 | 11:44 AM PST

APPROVED