

**BOARD OF GOVERNORS**  
**Executive Committee**  
**Meeting Minutes – January 27, 2020**  
 1055 West 7<sup>th</sup> Street, Los Angeles, CA 90017



**Members**

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

*\*Absent \*\* Via Teleconference*

**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*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	Hector De La Torre, <i>Board Chairperson</i> , called the meeting to order at 2:01 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.	
<b>APPROVE MEETING AGENDA</b>	The Agenda for today’s meeting was approved.	<b>Approved unanimously. 5 AYES (Booth, Curry, De La Torre, Gonzalez and Perez)</b>
<b>PUBLIC COMMENTS</b>	There were no public comments.	
<b>APPROVE MEETING MINUTES</b>	Member Booth noted corrections to the minutes. Her statement on the CHIF motion should read, “Member Booth noted that she had a productive discussion with Roland Palencia, <i>Senior Director, Community Benefits</i> . She explained that she feels the grant program is very worthwhile. She understands the work L.A. Care does to distribute grant money fairly and deservedly. She believes that follow-up reports from the grantees are important to the Board of Governors in demonstrating how the grant was used, and whether and how much it helped the community. Successful projects affirm that L.A. Care grant money is well spent. Member Booth added she believes follow-up reports provide an opportunity for data collection and analysis of which L.A. Care should take advantage. For example, when projects do not lead to expected results, that valuable	<b>Approved unanimously. 5 AYES</b>

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>information should be shared; and when aggregated with others' experiences, it might be useful in developing best practices.”</p> <p>The minutes of the November 18, 2019 meeting were approved as amended.</p>	
<b>CHAIRPERSON'S REPORT</b>		
<b>CHIEF EXECUTIVE OFFICER REPORT</b>	<p>John Baackes, <i>Chief Executive Officer</i>, reported:</p> <ul style="list-style-type: none"> <li>• On January 9, the California Court of Appeals decided in favor of L.A. Care and against Dignity that non-contracted hospitals should pay approved rates. They have until February 18 to appeal.</li> <li>• The Audit Committee met January 21. They reviewed and accepted the findings of the Deloitte &amp; Touche's audit of L.A. Care's financial statements for the Fiscal Year ended September 30, 2019, as presented. The report will be available at the February 6 meeting.</li> <li>• Mr. Baackes was invited by the California Surgeon General to be a member of the trauma committee. The Surgeon General is interested in promoting adverse childhood events screening (ACES). This intervention is beneficial, but a significant challenge is in not having sufficient resources for unlimited screening.</li> </ul> <p>Richard Seidman, MD, <i>Chief Medical Officer</i>, noted that the effort to increase awareness may lead to shortages in suitable providers to address the patient needs. Primary care physicians (PCPs) will do the initial screening to determine needs.</p> <ul style="list-style-type: none"> <li>• Mr. Baackes informed the Committee that L.A. Care's Vision Strategic Plan is updated annually. The 2020-21 plan includes 29 key activities. (A copy of the plan can be obtained by contacting Board Services.)</li> </ul> <p><i>(Member Ballesteros joined the meeting.)</i></p> <p>Member Booth commented that efforts to directly contract with physicians should be highlighted. She suggested new language for goal 2.2, including helping providers with care network, practice transformation and continuing education conferences. Mr. Baackes suggested that Wendy Schiffer, <i>Senior Director, Strategic Planning</i>, coordinate with Member Booth to incorporate her ideas in the strategic plan.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>In response to a question from Chairperson De La Torre about testing for lead levels in children, Dr. Seidman noted that all children are to be screened at age 1 and 2. In January the State Auditor released a report that found that fewer than half of the children statewide are screened for lead. L.A. Care has a rate of about 2/3 tested, and about 5% of those are positive for lead levels higher than the standard. L.A. Care plans to survey providers about testing for lead levels in children.</p>	
<p><b>Government Affairs Update</b></p> <p><b>California Governor's Budget Proposal January 2020</b></p>	<p>Cherie Compartore, Senior Director, Government Affairs, referred to the Governor's 2020 Budget Proposal January release included in the meeting material.</p> <ul style="list-style-type: none"> <li>• The change in Public Charge rule will impact enrollment in Medicaid and CalFresh. Staff will provide a more thorough update at the February 6 board meeting.</li> <li>• The federal administration will release a plan for states to use Medicaid block grants for expansion populations.</li> <li>• Healthy California for All (single payor) had an organizational meeting today.</li> </ul> <p>Member Perez asked if the new public charge rule will be applied retroactively. Ms. Compartore responded that it cannot be retroactive.</p> <p>In response to Member Curry as to when it will be applied, Ms. Compartore noted that she will confirm when the new rule will apply.</p>	
<p><b>Legal Services Policy LS-010</b></p>	<p>Augustavia J. Haydel, Esq., <i>General Counsel</i>, presented a motion requesting approval on the revisions to Legal Services Policy LS-010 (Delegation of Authority to Approve, Compromise, and/or Settle Certain Pre-Litigation Claims and Pending Litigation). The revision increases the CEO's delegated authority amount to \$250,000. The proposed change will improve efficiency, decrease the number of administrative items that are brought to the Executive Committee meetings for approval, and will allow staff to resolve certain matters more expeditiously. There were other non-substantive revisions to format.</p> <p>Member Booth asked how will be the Board become aware of settlements that do not go over the new limit. Ms. Haydel noted that the Board of Governors reviews a litigation report annually.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p><b><u>Motion EXE 100.0220</u></b>  <b>To approve revisions to LS-010 – Delegation of Authority to Approve, Compromise and/or Settle Certain Pre-Litigation Claims and Pending Litigation as attached and authorize General Counsel (or designee) to make any non-substantive changes that may be required to implement the approved changes.</b></p>	<p><b>Approved.</b>  <b>5 AYES (Ballesteros, Curry, De La Torre, Gonzalez and Perez)</b>  <b>1 ABSTENTION - Booth</b></p>
<p><b>Approve Consent Agenda for the Board of Governors Meeting</b></p>	<p>The Committee approved the following motions to be added to the Consent Agenda for the Board of Governors meeting on February 6, 2020:</p> <ul style="list-style-type: none"> <li>• Approve December 5, 2019 meeting minutes</li> <li>• Legal Services Policy LS-010 (Delegation of Authority to Approve, Compromise, and/or Settle Certain Pre-Litigation Claims and Pending Litigation)</li> <li>• Quarterly Investment Report</li> <li>• Information Technology Staff Augmentation Vendors</li> <li>• RCAC Members</li> </ul>	<p><b>Approved unanimously.</b>  <b>6 AYES (Ballesteros, Booth, Curry, De La Torre, Gonzalez and Perez)</b></p>
<p><b>PUBLIC COMMENTS</b></p>	<p>There were no public comments.</p>	
<p><b>ADJOURN TO CLOSED SESSION</b></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 2:40 p.m.</p> <p><b>CONTRACT RATES</b>  Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>• Plan Partner Rates</li> <li>• Provider Rates</li> <li>• DHCS Rates</li> </ul> <p><b>REPORT INVOLVING TRADE SECRET</b>  Pursuant to Welfare and Institutions Code Section 14087.38(n)  Discussion Concerning New Service, Program, Business Plan  Estimated date of public disclosure: <i>January 2022</i></p> <p><b>CONFERENCE WITH REAL PROPERTY NEGOTIATORS</b>  Pursuant to Section 54956.8 of the Ralph M. Brown Act  Property: 3570 Santa Anita Ave., El Monte, CA 91731  Agency Negotiator: John Baackes  Negotiating Parties: Positive Investment, Inc., Managing Agent for El Monte Santa Fe Plaza, LP</p>	

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Under Negotiation: Price and Terms of Payment</p> <p>PEER REVIEW Welfare &amp; Institutions Code Section 14087.38(n)</p> <p>CONFERENCE WITH LEGAL COUNSEL –EXISTING LITIGATION Section 54956.9(d)(1) of Ralph M. Brown Act: Names of cases:</p> <ul style="list-style-type: none"> <li>• Dignity Health and Northridge Hospital Medical Center v. L.A Care Health Plan et al. (BC583522); Appeal No. B288886</li> <li>• Dignity Health and Northridge Hospital Medical Center v. L.A Care Health Plan et al. (BS172353)</li> <li>• California Hospital Medical Center et al (Dignity) v. L.A. Care (JAMS. 1220056913)</li> </ul> <p>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d) (2) of Ralph M. Brown Act Two Potential Cases</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of Ralph M. Brown Act: Name of Case: Sandoval v. L.A. Care (Case No. 18STCV08898) ED: explained details of the case to board members. L.A. Care has some vulnerabilities. Feel this is a fair settlement. M/Booth, S/Curry. 6 auyes.</p> <p>CONFERENCE WITH LABOR NEGOTIATOR Section 54957.6 of the Ralph M. Brown Act Agency Negotiator: Hector De La Torre Unrepresented Employee: Chief Executive Officer</p>	
<b>RECONVENE IN OPEN SESSION</b>	The meeting reconvened in open session at 3:35 pm. No reportable actions were taken during the closed session.	
<b>ADJOURNMENT</b>	The meeting adjourned at 3:36 pm.	

Respectfully submitted by:

APPROVED BY:

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

\_\_\_\_\_  
Hector De La Torre, *Chair*  
Date: \_\_\_\_\_

**APPROVED**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Under Negotiation: Price and Terms of Payment</p> <p>PEER REVIEW Welfare &amp; Institutions Code Section 14087.38(n)</p> <p>CONFERENCE WITH LEGAL COUNSEL –EXISTING LITIGATION Section 54956.9(d)(1) of Ralph M. Brown Act: Names of cases:</p> <ul style="list-style-type: none"> <li>• Dignity Health and Northridge Hospital Medical Center v. L.A Care Health Plan et al. (BC583522); Appeal No. B288886</li> <li>• Dignity Health and Northridge Hospital Medical Center v. L.A Care Health Plan et al. (BS172353)</li> <li>• California Hospital Medical Center et al (Dignity) v. L.A. Care (JAMS. 1220056913)</li> </ul> <p>CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d) (2) of Ralph M. Brown Act Two Potential Cases</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of Ralph M. Brown Act: Name of Case: Sandoval v. L.A. Care (Case No. 18STCV08898) ED: explained details of the case to board members. L.A. Care has some vulnerabilities. Feel this is a fair settlement. M/Booth, S/Curry. 6 auyes.</p> <p>CONFERENCE WITH LABOR NEGOTIATOR Section 54957.6 of the Ralph M. Brown Act Agency Negotiator: Hector De La Torre Unrepresented Employee: Chief Executive Officer</p>	
<b>RECONVENE IN OPEN SESSION</b>	The meeting reconvened in open session at 3:35 pm. No reportable actions were taken during the closed session.	
<b>ADJOURNMENT</b>	The meeting adjourned at 3:36 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: 2-24-20

**APPROVED**