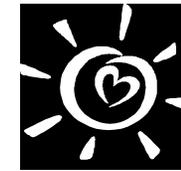


BOARD OF GOVERNORS
Executive Committee

Meeting Minutes – March 22, 2021

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*
 Linda Greenfeld, *Chief Product Officer*
 Augustavia J. Haydel, Esq., *General Counsel*
 Tom MacDougall, *Chief Information & Technology Officer*
 Marie Montgomery, *Chief Financial Officer*
 Francisco Oaxaca, *Chief of Communications & Community Relations*
 Noah Paley, *Chief of Staff*
 Acacia Reed, *Chief Operating Officer*
 Richard Seidman, MD, MPH, *Chief Medical Officer*

California Governor issued Executive Order No. N-25-20 and N-29-20, which among other provisions amend 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 to order the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee meetings at 2:17 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings.</p> <ul style="list-style-type: none"> • For those who provided public comment for this meeting by voice message or in writing, we are really glad that you provided input today. The Committee will hear your comments and we also have to finish the business on our Agenda today. • If you have access to the internet, the materials for today’s meeting are available at the lacare.org website. If you need information about how to locate the meeting materials, please let us know. • Information for public comment is on the Agenda available on the web site. Staff will read the comment from each person for up to three minutes. • The Chairperson will invite public comment before the Committee starts to discuss the item. If the comment is not on a specific agenda item, it will be read at the general Public Comment item 2 on today’s agenda. 	

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. 6 AYES (Ballesteros, Booth, Curry, De La Torre, Gonzalez and Perez)
PUBLIC COMMENTS	<i>A public comment was removed at the request of the submitter.</i>	
APPROVE MEETING MINUTES	The minutes of the February 22, 2021 meeting were approved as submitted.	Approved unanimously by roll call. 6 AYES
CHAIRPERSON'S REPORT	There was no report from the Chairperson.	
CHIEF EXECUTIVE OFFICER REPORT	<p>John Baackes, <i>Chief Executive Officer</i>, reported:</p> <ul style="list-style-type: none"> L.A. Care has obtained and arranged for 16,000 doses of the Johnson & Johnson COVID-19 vaccine to be administered. Beginning April 7, 2021, L.A. Care will conduct vaccination two-day clinics in the vicinity of each of L.A. Care's Community Resource Centers (CRCs). Because of the number of the vaccines to be administered on a daily basis, the CRCs do not have capacity to handle the traffic, and L.A. Care has arranged for the clinics to be conducted at suitable locations which are near the CRCs. This came about through diligent effort by Richard Seidman, MD. MPH, <i>Chief Medical Officer</i>, with the Los Angeles County Department of Health, Yana Paulson, L.A. Care's pharmacy Director, and the USC School of Pharmacy. The USC School of Pharmacy also helped L.A. Care administer flu vaccines last fall. Francisco Oaxaca, <i>Chief of Communications and Community Relations</i>, is working out a communication plan to members of L.A. Care's Executive Community Advisory Committee (ECAC) and Regional Community Advisory Committees (RCACs), so they can avail themselves of the opportunity to receive a vaccine if qualified, and so they can help spread the word. This is a good step forward. L.A. Care has had two months of good financial performance, which will be reported at the April 1 Board Meeting. Through February, 2021, there is a net gain of \$68 million. An operating loss of \$21 million had been projected. The positive financial report is the result of a lot of work by staff to efficiently manage L.A. Care's expenses. All of the energy to reorganize for efficiency, eliminating redundancy 	

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	<p>across the organization, is moving along well. Those efforts will continue through the end of the year, and hope it will result in a positive outcome.</p> <ul style="list-style-type: none"> • The American Rescue Plan, a much-touted \$1.9 trillion economic stimulus package, included an important item for the Covered California members, with provisions for increased premium subsidies. All eligible members, those with income up to 600% of the federal poverty level, will see an increase in the federal subsidy provided to help them pay the health coverage premium. L.A. Care is preparing for the changes in premium billing for all of the more than 100,000 L.A. Care Covered members, which will begin in April. This is good news for those members. Covered California, the statewide program, has extended the open enrollment period through December, 2021. This is also excellent news for anyone who needs to enroll for health coverage. • The Biden Administration has removed public charge provisions from government sponsored health coverage programs. This is good news for hundreds of thousands of legal immigrants in Los Angeles who might have been penalized for accessing programs like Medi-Cal, in which they would be entitled to enroll. This should bring greater security for those who may not have been comfortable enrolling previously. <p>Member Perez asked about the COVID-19 vaccine events. Mr. Baackes clarified that the schedule had been revised, and the correct schedule will be distributed to Committee members. Dr. Seidman added that getting confirmation of an adequate supply of vaccine to plan the events has been a challenge, as the supply is not yet sufficient to meet the demand for vaccines. The supply is expected to stabilize and to increase as we approach the month of April. L.A. Care has provided information about the vaccine events to the Los Angeles County Department of Public Health (DPH). DPH officials are excited and supportive, and have made a commitment to have 16,000 doses of the Johnson & Johnson vaccine.</p> <p>Mr. Oaxaca announced that the first vaccine clinic will be held from 9 am to 5 pm on April 7, 2021 at Los Angeles City College. A full list of the vaccination schedule will be available. Direct telephone outreach will be conducted to all ECAC and RCAC members to pre-screen for eligibility to receive the vaccine. Those that are eligible will be connected with the appointment scheduling team.</p> <p>Member Gonzalez asked how the subsidies for L.A. Care Covered will be applied. Mr. Baackes reported that the revised subsidy will be effective April 1, 2021, and is not retroactive. Chairperson De La Torre noted that the increased subsidy may help some</p>	

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	<p>members to not pay any premium. Mr. Baackes responded that he does not know that is the intent of the subsidy program, there are currently no members that have a \$0 premium payment, and he does not know if that is the intent of the revised subsidy program.</p> <p>Member Perez thanked L.A. Care for sending branded items to RCAC members that included a tote bag, a first aid kit, lunch bag, hand sanitizer and a mask. On behalf of the members she thanked L.A. Care for taking the time to send those packages. She addressed members who might be listening to her, advising them that the way to give back is to give back to the community. Members may be asked to conduct outreach or participate in an event, which right now is restricted. She encouraged members to remember they are volunteers and advocates, and they are very important to the organization, but it is a two-way street, and members have responsibilities as well as rights.</p> <p>Mr. Baackes noted that L.A. Care will be mailing 120,000 masks to high risk members, and has another 30,000 reserved to be distributed at the CRCs. Chairperson De La Torre thanked Mr. Baackes for contributing to the personal protective equipment (PPE) distribution effort.</p>	
<p>Government Affairs Update</p>	<p>Cherie Compartore, <i>Senior Director, Government Affairs</i>, reported:</p> <ul style="list-style-type: none"> • Last week the U.S. House of Representatives passed a bill that would provide a path to citizenship for “Dreamers”. The vote was largely along party lines, with nine Republicans voting for the bill. She reminded the Committee members that L.A. Care has supported a pathway to citizenship for Deferred Action for Childhood Arrivals (DACA) program participants. The bill will now be moved to the U.S. Senate for consideration. The Senate would need ten Republicans to vote for the bill to pass, which may not be possible. Legislation to provide a path to citizenship for Dreamers has been considered for about 30 years. L.A. Care continues to encourage passage of the bill, working with a national trade association, distributing a media statement, and speaking with legislators. There are approximately 700,000 Dreamers in California who would be impacted by passage of this legislation. • Department of Homeland Security has announced that it will no longer consider receiving benefits through Medicaid, with exceptions, public housing, Cal-Fresh or Supplemental Nutrition Assistance Program (SNAP), as part of the public charge determination. The previous federal Administration had determined that those 	

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	<p>benefits would be counted against anybody applying for a “Green Card” in the United States, and it has now been rolled back to the same policy that was in place in 2009. The public charge will still apply to those that receive long term care coverage for Medicaid, as was in effect in 2009. It is believed that application of the public charge by the previous federal administration stopped people from applying or accessing those benefits for which they were eligible, out of fear of not being able to get a “Green Card”.</p> <p>Mr. Baackes added that L.A. Care is following developments in the prescription drug “carve out” proposed in California. There has been no clarity and the program is still in limbo, as the state determines what to do about a potential conflict of interest on the part of Magellan, the pharmacy benefit management firm that was selected. Health plans in California are asking for information about the implementation of the pharmacy benefit carve out.</p> <p>L.A. Care also continues to work with Department of Health Care Services (DHCS) representatives on details for the California Advancing and Innovating Medi-Cal (CalAIM) program, which becomes effective in January, 2022. L.A. Care is interested in determining the benefits to be offered through the Enhanced Care Management and In-Lieu-of Services segments of CalAIM. These two new programs offer great benefits for members and will take considerable coordination to implement. The Board will be updated on CalAIM at future meetings.</p> <p>Member Booth asked about a letter from Centers for Medicare and Medicaid Services (CMS) referencing the 1115 Waiver requests and the pharmacy carve out program. Mr. Baackes noted that the letter extends the 1115 Waiver until December 2021, that would have expired in December 2020. The extension means that Health Homes and Whole Person Care programs have continued to be funded through 2021. CMS has not directly opined on California’s proposed pharmacy carve out. California officials have not provided any clarity on the timeline for implementing the proposed pharmacy carve out. Member Ballesteros asked about the timeframe for notifying beneficiaries about the proposed pharmacy carve out. Mr. Baackes responded that there are notification requirements, and some notices were sent out for the original implementation date of January 1, 2021, before the DHCS sent notice to health plans that the program would be delayed. Health plans have recommended to DHCS that the proposed pharmacy benefit carve out should not occur until at least January 2022, or not at all, because starting this while the COVID 19 vaccination effort is underway could be enormously confusing.</p>	

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	<p>The plans have also been quite clear that Magellan should not be retained as the PBM for the pharmacy carve out. Mr. Ballesteros stated that federally qualified health centers (FQHCs) have also recommended that the proposed pharmacy benefit carve out should not occur.</p> <p>Member Gonzalez asked if the proposed bill AB 13, Automated Decision Systems, would affect Medi-Cal members. Ms. Compartore noted that this is a consumer privacy bill, and she does not believe it would have a direct impact other than requiring that L.A. Care update its policies and procedures relating to beneficiaries who do not select a primary care provider upon enrollment.</p> <p>Chairperson De La Torre noted that bills under consideration by California's State Legislature are just beginning the committee hearing process this month. It is likely that more detail will be known about the proposed legislation in May 2021. In the meantime, many of the bills will be withdrawn or not considered further.</p>	
<p>Revised Communications Policy COMM 006 (Sponsorships)</p>	<p>Mr. Oaxaca summarized a motion to approve revisions to the Communication policy, COMM-006. The bulk of the revisions are to align the content of the policy with the most current policy template, which includes the addition of a policy summary (section 3.0), section 5.0- Monitoring and section 6.0- Reporting. An edit in section 4.2 to the internal administrative approval process is also included, to reflect recent updates to the electronic review and approval process. The approval process section was also updated so that Francisco Oaxaca, Chief of Communications and Community Relations, may approve updates to the policy on Compliance 360. He thanked Member Booth for sending her concerns and questions, which are addressed in the policy presented for consideration.</p> <p><u>Motion EXE 100.0421</u> To approve revisions to Communications Policy COMM-006 (Sponsorships) as submitted.</p>	<p>Approved unanimously by roll call. 6 AYES</p>
<p>Approve the Consent Agenda for April 1, 2021 Board of Governors meeting</p>	<p>Approve the list of items that will be considered on a Consent Agenda for April 1, 2021 Board of Governors Meeting.</p> <ul style="list-style-type: none"> • Minutes of March 4, 2021 Board of Governors Meeting • Revised Communications Policy COMM 006 	<p>Approved unanimously by roll call. 6 AYES</p>
<p>PUBLIC COMMENTS</p>	<p>There were no public comments for the closed session items.</p>	

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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 3:19 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>March 2023</i></p> <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—ANTICIPATED LITIGATION Initiation of litigation pursuant to Section 54956.9(d)(4) of Ralph M. Brown Act: One Potential Case</p> <p>CONFERENCE WITH LABOR NEGOTIATOR Section 54957.6 of the Ralph M. Brown Act Agency Designated Representative: Hector De La Torre Unrepresented Employee: John Baackes</p>	
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 3:29 pm. No reportable actions were taken during the closed session.	
ADJOURNMENT	The meeting adjourned at 3:31 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: _____

APPROVED

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APPROVED BY:
DocuSigned by:

Hector De La Torre, *Chair*
Date: 4/26/2021 | 3:59 PM PDT

APPROVED