

**FLORIDA HEALTH MAINTENANCE ORGANIZATION  
CONSUMER ASSISTANCE PLAN**

**Board Meeting**

**Monday, March 25, 2013**

**10:30 a.m. EDT**

**877-434-2293 passcode 8504251634**

**AGENDA**

**PUBLIC PORTION**

- |            |                           |                    |
|------------|---------------------------|--------------------|
| <b>I.</b>  | <b>Call to Order</b>      | <b>Lisa Davies</b> |
| <b>II.</b> | <b>Antitrust Preamble</b> | <b>Lisa Davies</b> |

We are here to discuss and act on matters relating to the business of the Florida Health Maintenance Organization Consumer Assistance Plan (HMOCAP). We are not here to discuss or pursue the business of our individual member companies. All of us should proceed with caution and awareness of the requirements and prohibitions of federal and state antitrust laws. We should not engage in discussions, either at this meeting or in private conversation, of our individual companies' plans or contemplated activities. We should concern ourselves only with the business of the HMOCAP as set forth in the agenda for this meeting. Only HMOCAP matters may be discussed at the meeting and each company's business plans cannot be discussed.

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|-------------|---|--------------------|
| <b>III.</b> | <b>Review and Approval of Minutes<br/>December 11, 2012 Full Board Meeting (attached)</b> | <b>Lisa Davies</b> |
| <b>IV.</b>  | <b>Recommendation of New Board Member<br/>Scott T. Latimer (Resume attached)</b>          | <b>Lisa Davies</b> |
| <b>V.</b>   | <b>Other Business</b>   | <b>Lisa Davies</b> |

**NON-PUBLIC PORTION**

**(to convene on a separate conference line)**

- |             |                                 |                    |
|-------------|---------------------------------|--------------------|
| <b>VI.</b>  | <b>Discussion of Insolvency</b> | <b>Bruce Platt</b> |
| <b>VII.</b> | <b>Adjourn</b>                  |                    |

**Florida Health Maintenance Organization Consumer Assistance Plan  
Executive Committee Meeting  
December 11, 2012**

Committee Members Participating

Lisa Strunk Davies, Chairman  
David Schandel, Secretary/Treasurer  
Dr. Raed Assar  
Stephen Harris  
Albert Arca

Others Participating

Chris Struk, Florida Office of Insurance Regulation  
Bruce Platt, Plan Manager, Akerman Senterfitt  
Sheryl Rosen, Akerman Senterfitt  
LeShan Smith, Akerman Senterfitt

**I. Call to Order**

Chairman Davies noted the presence of a quorum and called the meeting of the Board to order.

**II. Antitrust Preamble**

Ms. Davies noted the following antitrust preamble and directed the participants to review it:

We are here to discuss and act on matters relating to the business of the Florida Health Maintenance Organization Consumer Assistance Plan ("HMOCAP"). We are not here to discuss or pursue the business of our individual member companies. All of us should proceed with caution and awareness of the requirements and prohibitions of federal and state antitrust laws. We should not engage in discussions, either at this meeting or in private conversation, of our individual companies' plans or contemplated activities. We should concern ourselves only with the business of the HMOCAP as set forth in the agenda for this meeting. Only HMOCAP matters may be discussed at the meeting and each company's business plans cannot be discussed.

**III. Review and Approval of Minutes**

Chairman Davies asked if the Board had any suggested revisions to the minutes of the September 5, 2012 Board meeting and the October 9, 2012 Executive Committee meeting. Secretary/Treasurer Schandel noted a misspelling of his name in the signature line of the October 9 minutes. Mr. Harris moved to approve the minutes with that one correction. Secretary/Treasurer Schandel seconded the motion, which passed unanimously.

#### **IV. Review of Investment Policy and Proposed Investments**

Secretary/Treasurer Schandel directed the Board to a copy of the HMOCAP's current investment guidelines and presented a proposed revised version of the current investment policy. The proposed revisions have two purposes – first, to combine the guidelines and the policy into a single document and, second, to allow the HMOCAP to invest up to 20% of its assets in CDs with maturity dates between two and five years, pursuant to the Executive Committee's recommendations.

Plan Manager Platt stated that he spoke with Bert Wilkerson, the Director of the Division of Treasury, who manages the Florida Treasury's Special Purpose Investment Account ("SPIA"). He asked Mr. Wilkerson whether the HMOCAP was allowed to increase the amount it can invest with SPIA. Mr. Wilkerson explained that this was not possible at this time, but he also said that the HMOCAP may be considered a public investor pursuant to Chapter 280, Florida Statutes, such that its investments are guaranteed by the state. If so, the HMOCAP would not necessarily need to limit its investments with any single institution to amounts below the \$250,000 Federal Deposit Insurance Corporation (FDIC) limit. Mr. Platt said he will research that issue and advise the Board.

Dr. Asar asked whether the HMOCAP has already determined how CD funds are reinvested upon maturity. Mr. Platt replied that the HMOCAP uses a laddered approach with CDs coming due every 3 months. When one CD matures, the money is reinvested in another CD.

A discussion ensued regarding the safety of the CDs. Mr. Arca asked whether the levels of risk created by the investments are acceptable considering the sum of money the HMOCAP currently has invested. Mr. Platt and Ms. Smith responded that there are currently 16 CDs in different banks that are considered high-quality banks by Wells Fargo. Each CD has a maturity date of no longer than 2 years. Additionally, the amount of each CD is within the FDIC limits.

Mr. Arca then inquired about the way in which banks are deemed high-quality institutions. Mr. Platt stated that he and his staff rely on Wells Fargo's analyses of banks, including the Texas Ratio, as described in the investment proposal Wells Fargo made to the Board. Chairman Davies then e-mailed the proposal to the Board for review or re-review.

To clarify, Mr. Platt stated that the HMOCAP's total assets are approximately \$8.9 million, so the proposed revision to the investment policy would allow approximately \$1.7 million to be invested in CDs with maturity dates of longer than 2 years but no longer than 5 years. The remaining \$7.1 million would stay in short-term CDs (with a maturity of 2 years or less), a money market account, and SPIA.

Dr. Asar proposed that the Board have an auditor review the Wells Fargo guidelines for determining which banks are high-quality institutions. Chairman Davies suggested that if the Board wishes to recommend that review, the HMOCAP's annual independent audit is coming up, and so the auditor, Chris Moran, might be able to review the Wells Fargo guidelines if he has the required expertise.

Mr. Arca moved to obtain an outside review of the Wells Fargo guidelines before approving the proposed revisions to the investment policy. Stephen Harris seconded the motion, which passed unanimously.

Mr. Platt added that in the interim, the HMOCAP will invest the newly obtained funds from the Sunrise estate in short-term CDs consistent with the current investment guidelines.

#### **V. Proposed Destruction of Certain Documents**

Mr. Platt stated that the HMOCAP has approximately 70-80 boxes of old records in storage. The records are mostly claims documents from the 1990s. He and his staff reviewed the boxes and recommend destruction of those listed in the spreadsheet provided as an attachment to the meeting agenda. Pursuant to the HMOCAP's record retention policy, the items recommended for destruction are beyond the required retention periods. However, the record destruction policy requires the Board's approval before the Plan Manager may destroy any records.

Dr. Asar moved to authorize the Plan Manager to destroy the records as recommended. Mr. Harris seconded the motion, which passed unanimously.

Next, Mr. Harris suggested increasing the retention period for federal income tax records. Dr. Asar then moved to change the retention period for federal income tax records from 4 years to 7 years. Mr. Harris seconded the motion, and the Board agreed that this would modify the document destruction which was previously approved. The motion then passed unanimously. Mr. Platt said that they would amend the records retention policy, as directed, and that they would be in contact with the storage vendor to begin destroying the appropriate documents.

#### **VI. Other Business**

Mr. Platt reminded the Board of the recent receipt of approximately \$458,000 from the Sunrise estate. He feels comfortable that the distribution was proper.

#### **VII. Adjourn**

Ms. Davies asked if the Board had other matters to discuss. There being no further business, the meeting was adjourned.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
David C. Schandel, Secretary/Treasurer  
Florida HMO Consumer Assistance Plan

## **Resume**

Scott T. Latimer, M.D., M.P.H., M.B.A.  
4030 Boy Scout Blvd. Suite 1000  
Tampa, Florida, 33607  
(813) 288-6366 (work) (813) 948-3141 (home)  
Fax (813) 313-2298

## **Professional Experience:**

### **Humana Health Care Plans**

**October, 1996 to Present**

Regional Vice President – Senior Products

December 2003 to present

Responsible for Market operations/Strategic Planning for Senior Products in Central and North Florida (Tampa/Orlando/Daytona/Jacksonville). Accomplishments include successful launch of Medicare Advantage local PPO product in Tampa Bay with PCP network expansion from 60 to 650 in one year. In addition Regional MA-PPO product initiated in 2006 – direct responsibility for development and maintenance of MA-PPO network in 40 of 67 counties in Florida. Ten counties added to MA-HMO network 2003-2011. 32 NCQA-certified Medical Homes developed 2009-2011. Media responsibilities include service as corporate spokesperson for Medicare Advantage Part D program 2003-present as well as hosting monthly local television segment (Tampa Bay 10) 2006-present.

President and Chief Operating Officer Central Florida Market February 2001 to December 2003

Responsible for oversight for all Market operations as well as strategic planning. Accomplishments include successful merger/reengineering of three formerly separate Markets (Tampa/Orlando/Daytona) into a single administrative unit. Medicare + Choice networks reorganized into global risk MSO model improving financial performance over 30 million dollars in the first year of reorganization. Commercial growth achieved by aggressive expansion of fee-for-service provider network in Central Florida accompanied by the rollout of an open-access product. Actively involved in development and rollout of a new generation of consumer-centric commercial products.

President Kentucky Market

March 2000 to February 2001

Responsible for the oversight of all Market operations as well as strategic planning. Operational areas include medical affairs, large group commercial sales, small group Commercial sales, Medicare HMO and Medicare supplement sales, provider contracting and service. First year accomplishments include recognition of Kentucky Market as "Most Improved Humana Market for 2000" (pretax margin improved from prior year breakeven to 3.5%).

Medical Director for Kentucky Region

October 1996 to March 2000

Responsible for oversight of clinical services affecting 350,000 HMO/PPO members in Kentucky and Southern Indiana. Direct responsibility for Referral Management, Concurrent Review, Case Management, Clinical Pharmacy and Quality Management. Responsible for clinical performance of 35 employed physicians in five primary care offices in Louisville. Co-leader of referral re-engineering process which resulted in a 25% reduction in referral volume company-wide. Established multiple specialty advisory committees along with PCP-specific POD (Physician Office Delivery) meetings. Initiated dedicated hospitalist program in Louisville. Oversight of successful global risk IPA (commercial and Medicare)

Achieved full three year NCQA accreditation with commendation for Louisville HMO products effective September 1998. Responsible for successful rollout of six separate disease management programs for the Kentucky region since 1996. Active on national medical policy and P&T committees.

**BlueCross/BlueShield of Massachusetts**

**March, 1993 to October, 1996**

Director of Medical Operations

July, 1994 to October, 1996

Responsible for clinical management activities including Utilization Management, Case Management, Clinical Pharmacy, Physician Review and Appeals and managed Workers Compensation. Led a successful re-engineering process which resulted in a merger of three formerly separate medical management departments into one cross-trained group. Responsible for community physician input to clinical review protocol development and provider appeals. Improved efficiencies resulting from re-engineering process led to a reduction in operations staff from 325 in December, 1994 to 209 in July, 1996 with an associated improvement in service and quality measures. Re-engineered Case Management unit documented 34 million dollars savings in the first year of operations. External member and provider surveys measured 5-10% improvement in overall satisfaction in the period of 1994 to 1995.

Northeast Regional Medical Director

March, 1993 to July, 1994

Assisted in development and implementation of clinical policies for a 500,000 member HMO. Individually responsible for management of a region of 160,000 members. Supervised 15 associate medical directors in Massachusetts and New Hampshire. Assisted in the design and implementation of a point of sale electronic referral network. Recruited a five member quality management department. Initiated two regional monthly quality improvement committees. Participated in a three member corporate Service Action Team which achieved a 70% reduction in claims inventory across all lines of business. Involved in regional case and referral management activities which resulted in a reduction in commercial days per thousand from 336 to 297 in 12 months. Established a statewide program of appropriateness review for common surgical procedures budgeted to achieve net savings of 1.5 million dollars per year.

**Hitchcock Clinic/ Matthew Thornton Health Plan Aug., 1984 to Mar.,1993**  
Nashua, New Hampshire

Associate Medical Director Jan.,1991 to Mar.,1993  
Matthew Thornton Health Plan

Responsible for development and implementation of clinical policies for a 68,000 member HMO. Provided medical input into a utilization management department which brought inpatient days per thousand from 330 to 300 in 18 months established a telephonic case-matched review process for HMO, TPA, POS and IPA lines of business. Originated and chaired an ongoing network-wide quality improvement committee. Chair transplant committee. Chair claims appeal committee. Medical liaison for resolution of claims coding disputes. Responsible for review and analysis of sentinel events and clinical quality indicators. Chaired medical staff credentialing committee. Active in marketing activities to large employers.

Acting Medical Director (Nashua Division) Aug,1989 to Dec,1990  
The Hitchcock Clinic

Managed a 90 provider medical group during the transition from staff model to group model HMO (the Matthew Thornton HMO was acquired by the Dartmouth/ Hitchcock Medical Center). Achieved less than 5% staff turnover as well as a 5% positive budget variance in the first year post-merger.

Medical Director Aug,1988 to Aug,1989  
Matthew Thornton HMO

Actively involved in pre- and post-merger negotiations between the Hitchcock Clinic and the Matthew Thornton Health Plan. Medical management of a staff-model medical group as well as medical consultant to a network/affiliate model.

Department Chairperson Family Practice Aug, 1985 to Aug, 1988  
Matthew Thornton Staff Model Medical Group

Responsible for recruiting, staff development, peer review and budgeting for three satellite family practice offices.

Staff Physician Family Practice Department Aug, 1984 to Mar,1993  
Hitchcock Clinic (formerly Matthew Thornton Medical Group)

Part-time position with both outpatient and hospital responsibilities.

**Licensure and Certifications**

Licensed in the State of Kentucky, 1996-present  
Licensed in the State of Massachusetts (inactive), 1993  
Licensed in the State of Maine (inactive), 1984  
Licensed in the State of New Hampshire (inactive), 1984  
Recertified, American Board of Family Practice, 2003  
Recertified, American Board of Family Practice, 1996  
Recertified, American Board of Family Practice, 1991  
Certified, American Board of Family Practice, 1984  
Fellow, American Academy of Family Practice

**Education**

1992	Southern New Hampshire University, Manchester, NH Master of Business Administration
1984	Eastern Maine Medical Center, Bangor, Maine Internship and Residency in Family Practice
1981	Tulane University School of Medicine, New Orleans, LA Doctor of Medicine
1980	Tulane School of Public Health & Tropical Medicine, New Orleans, Master of Public Health
1977	Dartmouth College, Hanover, NH Bachelor of Arts – Biochemistry



**Professional Affiliations, Honors and Awards**

Fellow - American Academy of Family Practice  
Mead-Johnson Award for Graduate Education in Family Practice  
Hospital Affiliates International Award for Excellence - 1981  
Alpha Omega Alpha Medical Honor Society 1980  
Board Member - Merrimack Valley VNA - 1985 to 1987  
Board Member- Greater Nashua Home Health & Hospice - 1987 to 1989  
Board Member - Greater Nashua United Way - 1989 to 1991  
Member Jefferson County Medical Society Editorial Board 1999-2001  
Board Member Louisville chapter Volunteers of America 2000-2001  
Board Member Kentucky Academy of Family Physicians Foundation 2000-2001  
Board Member American Heart Association (Tampa Bay Chapter) 2001-present  
Member Consumer Advisory Council – Florida Medical Quality Assurance Inc. 2003-2008  
United Way of Tampa Bay Steering Committee – 2004-2007  
United Way of Tampa Bay Board of Directors – 2007-2010  
AHIP Executive Leadership Program (ELP) mentor – 2003-present