



**CalViva Health
Finance
Committee Meeting Minutes**

Meeting Location

CalViva Health
7625 N. Palm Ave., 109
Fresno, CA 93711

February 18, 2016

Finance Committee Members in Attendance		CalViva Health Staff in Attendance	
✓	William Gregor, Chair	✓	Daniel Maychen, Director of Finance
✓	Gregory Hund, CEO	✓	Cheryl Hurley, Office Manager
✓	Paulo Soares		
✓	Joe Neves		
✓•	Harold Nikoghosian	✓	Present
	Deborah A Poochigian	*	Arrived late
	David Rogers	•	Teleconference

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
#1 Call to Order	The meeting was called to order at 11:01 am a quorum was present	
#2 Finance Committee Minutes dated November 19, 2015 Attachment 2.A Action W Gregor, Chair	The minutes from November 19, 2015 Finance meeting were approved as read.	Motion: <i>Minutes were approved</i> <i>5-0-0-2</i> <i>(Neves/Soares)</i> <i>A roll call was taken</i>
#3 Interim Financial Statements as of January 31, 2016 Attachment 3.A Action Daniel Maychen, Director of	Daniel Maychen presented the interim financial statements as of January 31, 2016. Current assets are approximately 129.4M; total current liabilities are approximately 107.4M. Current ratio is approximately 1.2. Total TNE as of January 31, 2016 is	Motion: <i>Interim Financial Statements were approved</i> <i>5-0-0-2</i> <i>(Soares/Neves)</i>

<p>Finance & MIS</p>	<p>approximately 33.5M. Required TNE by DMHC is 12.3M, which puts us at 272% of the DMHC minimum required TNE amount.</p> <p>Total actual gross income was approximately 627M, which is 100M above what is budgeted. . Gross income, total cost of care expense, administrative service agreement fees, and taxes are all above budgeted amounts due to increased enrollment. The majority of all other expense line items are below budgeted amounts. Other income of approximately 128K, which consists of 40K of from Health Net in August 2015 for additional marketing/sponsorships. The remaining 88K is rental income recorded since December 2015 for the new building. Overall we are ahead of budgeted net income by approximately 1.75M.</p>	<p><i>A roll call was taken</i></p>
<p>#4 FY2017 Budget Timetable and Basic Budget Assumptions</p> <p>Attachment 4.A</p> <p>Information</p> <p>W. Gregor, Chair</p>	<p>W. Gregor presented the FY2017 budget timetable and basic budget assumptions.</p> <p>A fiscal year 2017 budget will be available at the March meeting for review. A tentative meeting has been scheduled for April should any changes be needed. The budget will go the Commission for full approval in May 2016.</p> <p>Basic budget assumptions are consistent with prior years. Enrollment will be based on current enrollment rolled forward to June as a starting point. Maternity KICK and Hyde payments will be based on current historical experience. Medical cost is projected as Medi-Cal revenue less the \$11 PMPM administrative fee. Projected staffing for 2016 is 16 full time equivalents. Wage increases will be budgeted at up 5% on employee performance and</p>	

	<p>anniversary date. Health care insurance premiums will increase approximately 8%. Knox Keene license expense will be based on a PMPY rate based on March 2016 enrollment. Marketing expenses will be based upon a marketing plan for the fiscal year. Major events occurring during FY2017 include renewal of our Medi-Cal contract with DHCS, which may result in increased legal expense associated with this effort. Other expenses will be minor and based on historical trends.</p>	
<p>#5 Announcements</p>	<p>The NOD appeal of SPD rates going back to 2011 has been dropped. This was done at the request of and in conjunction with Health Net. Health Net, on a statewide bases, entered into a settlement agreement with the State which resulted in them dropping their NOD appeal</p>	
<p>#6 Adjourn</p>	<p>Meeting was adjourned at 11:17 am</p>	

Submitted by: *Cheryl Hurley*
 Cheryl Hurley, Clerk to the Commission

Dated: *March 17, 2016*

Approved by Committee: *William Gregor*
 William Gregor, Committee Chairperson

Dated: *March 17, 2016*