

Fresno-Kings-Madera
Regional Health Authority

**CalViva Health
Commission**
Meeting Minutes
October 15, 2015

Meeting Location

CalViva Health
1315 Van Ness Avenue
Fresno, CA 93721

Commission Members			
✓	Deborah Poochigian, Fresno County Board of Supervisor		David Rogers, Madera County Board of Supervisors
✓	David Pomaville, Director, Fresno County Dept. of Public Health	✓	Van Do-Reynoso, Director, Madera County Dept. of Social Services
✓	Stephen Ramirez Fresno County At-large Appointee	✓	Aftab Naz, Madera County At-large Appointee
✓	David Cardona, M.D., Fresno County At-large Appointee	✓	David Singh, Valley Children's Hospital Appointee
	David Hodge, M.D., Chair, Fresno County At-large Appointee		Aldo De La Torre, Community Medical Center Representative
✓	Soyla Griffin, Fresno County At-large Appointee	✓*	John Frye, Commission At-large Appointee, Fresno
✓	Joe Neves, Vice Chair, Kings County Board of Supervisors	✓●	Derrick Gruen, Commission At-large Appointee, Kings County
✓●	Keith Winkler, Director, Kings County Dept. of Public Health		Paulo Soares, Commission At-large Appointee, Madera County
✓●	Harold Nikoghosian, Kings County At-large Appointee		
Commission Staff			
✓	Gregory Hund, Chief Executive Officer (CEO)	✓	Amy Schneider, R.N., Director of Medical Management
✓	William Gregor, Chief Financial Officer (CFO)	✓	Jeff Nkansah, Clerk to the Commission
✓	Patrick Marabella, M.D., Chief Medical Officer (CMO)	✓	Cheryl Hurley, Office Manager
✓	Mary Beth Corrado, Chief Compliance Officer (CCO)		
General Counsel and Consultants			
✓	Jason Epperson, General Counsel		
✓ = Commissioners, Staff, General Counsel Present,			
* = Commissioners arrived late/or left early			
● = Attended via Teleconference			

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
#1 Call to Order	The meeting was called to order at 1:30pm. A quorum was present.	
#2 Roll Call	A roll call was taken for the current Commission Members.	<i>A roll call was taken</i>

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<p>Jeffery Nkansah, Clerk to the Commission</p> <p>#3 Consent Agenda</p> <ul style="list-style-type: none"> • Commission Minutes 9/17/2015 • Finance Committee Minutes 7/16/2015 • Compliance Report <p>Action Joe Neves, Vice Chair</p>	<p>All consent items were presented and accepted as read.</p>	<p>Motion: Approve Consent Agenda</p> <p>12 – 0 – 0 – 5 (Naz/Ramirez)</p> <p><i>A roll call was taken</i></p>
<p>#4 Financial Audit Report for Fiscal Year 2015</p> <p>Action Joe Neves, Vice Chair</p>	<p>Moss Adams presented the independent audit as of June 30, 2015. Cash balances have been confirmed with the bank and no issues were found. Financial statements were properly reconciled and in accordance with accounting policies. The capitation increase is due to increase in membership and the timing of accounts receivable. Receipts at year end were fully collected. Other receivables and restricted cash have remained consistent from the previous year.</p> <p>Composition of liability shows that there was proper inclusion or exclusion of expenses depending on when they occurred. Incurred but not reported medical liability is consistent. Long term debt has improved due to the \$3M debt forgiveness from Health Net. The net position is due to the positive net income for FY2015.</p> <p>Composition of total operating expenses has increased in 2015 which is driven by an increase in membership, which also reflects an increase in revenue.</p> <p>An unmodified opinion was issued on the audited financial</p>	<p>Motion: Approve Audit Report</p> <p>12 – 0 – 0 – 5 (Poochigian/Griffin)</p> <p><i>A roll call was taken</i></p>

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	statements.	
<p>#5 Closed Session</p> <p>A) Conference With Real Property Negotiators</p> <p>Action Joe Neves, Vice Chair</p>	<p>Closed session began at 1:41 pm.</p> <p>The Commission discussed in closed session the item agendized for closed session discussion. An allocation of an additional \$96k from additional capital for use of physical assets was approved.</p> <p>Closed session ended at 2:07 pm.</p> <p><i>J. Frye arrived at 1:41 pm</i> <i>Dr. Cardona stepped out at 2:07 pm</i></p>	<p>Motion: Approve</p> <p>13 – 0 – 0 – 4 (Poochigian/Frye)</p>
<p>#6 2016 Calendar Year Meeting Proposal</p> <p>Action Joe Neves, Vice Chair</p>	<p>The proposed 2016 calendar year meeting schedules were accepted.</p>	<p>Motion: Approve 2016 Calendar Year Meeting Schedule</p> <p>12 – 0 – 0 – 5 (Do-Reynoso/Naz) <i>A roll call was taken</i></p>
<p>#7 2015 Cultural and Linguistics Work Plan Mid-Year Evaluation</p> <p>Action Joe Neves, Vice Chair</p>	<p>Dr. Marabella reported on the 2015 C&L Work Plan Mid-year Evaluation.</p> <p>The Work Plan is divided into four categories. The specific areas reviewed included, but were not limited to the following :</p> <ol style="list-style-type: none"> 1. Language Assistance Services: <ul style="list-style-type: none"> ○ Twelve materials, including newsletters were reviewed 	<p>Motion: Approve 2015 C&L Work Plan Mid-Year Evaluation</p> <p>12 – 0 – 0 – 5 (Poochigian/Ramirez)</p> <p><i>A roll call was taken</i></p>

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	<p>and approved.</p> <ol style="list-style-type: none"> 2. Compliance Monitoring: <ul style="list-style-type: none"> ○ Four grievances were reviewed and follow up completed. 3. Communication, Training and Education: <ul style="list-style-type: none"> ○ Ongoing communication and meetings to collaborate and offer support on C&L related grievances 4. Health Literacy, Cultural Competency and Health Equity: <ul style="list-style-type: none"> ○ Completed development of the literacy tool kit; ○ Conducted staff in-service on cultural competency to Transitional Case Management and medical management staff; and ○ 59 staff participated in the annual Heritage Day event. <p>All work plan activities continue on target for completion by the end of the year, with the exception of one non-regulatory activity which will be moved to 2016.</p> <p><i>Dr. Naz stepped out at 2:13 pm</i> <i>Dr. Naz returned at 2:15 pm</i></p>	
<p>#8 2015 Health Education Work Plan Mid-Year Evaluation</p> <p>Action Joe Neves, Vice Chair</p>	<p>Dr. Marabella reported on the 2015 Health Education Work Plan Mid-year Evaluation.</p> <p>The five major initiatives for Health Education were reported as follows:</p> <ul style="list-style-type: none"> ● Fit Families for Life/Weight Management Program: <ul style="list-style-type: none"> ○ Conducted 39 classes, 326 members 	<p>Motion: Approve 2015 HE Work Plan Mid-Year Evaluation</p> <p>12 – 0 – 0 – 5 (<i>Poochigian/Naz</i>)</p> <p><i>A roll call was taken</i></p>

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	<ul style="list-style-type: none"> • Pregnancy Matters: <ul style="list-style-type: none"> ○ Packets were distributed with a 47% increase from last year. • Kids and Teens Challenge for Well Care: <ul style="list-style-type: none"> ○ We had a 20% increase from 2014 and currently on track. • Smoking Cessation: <ul style="list-style-type: none"> ○ Less than 50% of the year-end goal has been met. California Smokers Help Line did not conduct mass promotion this year. • Member Health Education: <ul style="list-style-type: none"> ○ Conducted classes in high membership density areas with a significant improvement in member attendance. <p>Overall 13 out of 15 initiatives met their targets by mid-year. Adjustments have been made and everything will be completed by the end of the year.</p>	
<p>#9 Commission Authorization – New Banking Relationship</p> <p>Action Joe Neves, Vice Chair</p>	<p>The current banking relationship will be moved from Bank of American to Wells Fargo Bank. Wells Fargo has requested that there be a Commission resolution authorizing William Gregor to take specific action in this transaction.</p> <p><i>Dr. Cardona returned at 2:25 pm</i></p>	<p>Motion: <i>Approve New Banking Relationship</i></p> <p><i>12 – 0 – 0 – 5 (Frye/Ramirez)</i></p> <p><i>A roll call was taken</i></p>
<p>#10 Standing Reports</p> <ul style="list-style-type: none"> • Finance Report 	<p><u>Finance</u></p> <p>W. Gregor reported on financial statements as of September 30, 2015.</p>	<p>Motion: <i>Approve Standing Reports</i></p> <p><i>13 – 0 – 0 – 4 (Griffin/Cardona)</i></p>

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<p>William Gregor, CFO</p> <p>• Medical Management Patrick Marabella, M.D., CMO</p>	<p>Current assets are \$137.7M and current liabilities are \$108.2M which gives us a current ratio of 1.27. The TNE stands at \$29.8M versus the minimum DMHC required TNE of \$12.6M. We are currently at 236% of the minimum required by DMHC. Revenues are \$274.9M; \$54.6M greater than budget. Medical costs are \$251.5M; \$45.6M greater than budget. Administrative services fees of \$10.8M are \$538K greater than budget. Premium taxes of \$12.5M; \$3.7M greater than budget. These variances are due to enrollment being greater than originally budgeted for current fiscal year. Year to date we have 36,665 member months greater than what was budgeted. As of September the budget enrollment was 312,400 compared to actual enrollment of 326,765 members. All other expenses are either below budget or close to budget. Our current net income is \$915K greater than budget.</p> <p><u>Medical Management</u></p> <p>Appeals and Grievances</p> <p>Dr. Marabella presented the Appeals and Grievances Dashboard through the end of August 2015.</p> <ul style="list-style-type: none"> • The number of cases received decreased during July; this decline was due to the migration of systems within the Health Net data management system. • The number of appeals did not vary during this time. • Pharmacy continues as the most common appeal type in association with Hep C medications and the new criteria. • Moving forward, this trend is expected to continue. 	<p><i>A roll call was taken</i></p>

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	<p>Key Indicator Report Dr. Marabella presented the Key Indicator Report.</p> <ul style="list-style-type: none"> • One of the major goals of the new key indicator report is to be able to drill down and show the Medi-Cal Expansion population versus TANF and SPD populations. • The new report gives a better indication of utilization based upon implied acuity. • The numbers shown reflect the fact that the expansion population has a significant burden of illness in our membership. • As requested, the report provided has been broken down by county which demonstrates consistent trends. <p>Quality Improvement/Utilization Management 3rd Quarter Summary Report</p> <p>Dr. Marabella provided the QI/UM Quarter 3 update. One meeting was held during this reporting period, July 16, 2015.</p> <p>The Quality Improvement Reports reviewed included Appeals and Grievances, Emergency Drugs, Public Programs, and Behavioral Health Performance Indicator report.</p> <p>Additional reports reviewed were the Utilization Management Reports which included the Key Indicator Report, and the Case Management and CCM report. In addition, HEDIS® activity and Access & Availability were reviewed.</p>	

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<ul style="list-style-type: none"> • Executive Report G. Hund, CEO 	<p>Several Kaiser reports were reviewed during this reporting period including the 2nd Quarter Grievance Report, 2nd Quarter UM & DME, 2nd Quarter Mental Health Services, and 2nd Quarter Overall Volumes and Call Center Reports.</p> <p>No significant compliance issues were identified. Oversight and monitoring processes will continue.</p> <p>Credentialing Sub-Committee Report of Activities 3rd Quarter</p> <p>Dr. Marabella reported that the Credentialing Sub-Committee did not meet in quarter 3 due to lack of quorum for the September meeting. First quarter 2015 Credentialing/Recredentialing numbers were provided.</p> <p>Peer Review Sub-Committee Report of Activities 3rd Quarter</p> <p>Dr. Marabella reported that the Peer Review Sub-Committee did not meet in quarter 3 due to lack of quorum for the September meeting. The Sub-Committee did meet and have a quorum on October 15, 2015 and are now caught up.</p> <p><u>Executive Report</u></p> <p>Executive Dashboard</p> <p>G. Hund presented the Executive Dashboard. Membership has grown beyond the budget and continues to grow due to the ACA. We expect</p>	

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	to see continued growth after open enrollment begins for Covered California in November. The market share is just under our 70% goal. The share of choice by county remains the same. We expect the default rate will increase due to better HEDIS® scores this year.	
#11 Appoint New Commission Clerk Action Joe Neves, Vice Chair	A recommended action of appointing a new Commission clerk was approved. Cheryl Hurley will replace Jeff Nkansah as the Fresno-Kings-Madera RHA Commission Clerk.	Motion: Approve New Commission Clerk <i>13 – 0 – 0 – 4 (Poochigian/Frye)</i> <i>A roll call was taken</i>
#12 Final Comments from Commission Members and Staff	None	
#13 Announcements	MB Corrado announced she filled two positions within the Compliance Department. Kim Lopez was promoted from Office Assistant to Compliance Administrative Coordinator, and Mary Lourdes Leone was hired as the Compliance Project Manager.	
#14 Public Comment	None	
#15 Adjourn	The meeting was adjourned at 2:49 PM. The next Commission meeting is scheduled for November 19, 2015 in Fresno County.	

Submitted this Day: November 19, 2015

Submitted by: Cheryl Hurley
 Cheryl Hurley
 Clerk to the Commission