

Fresno-Kings-Madera  
Regional Health Authority

**CalViva Health  
Commission**  
**Meeting Minutes**  
November 19, 2015

**Meeting Location**  
CalViva Health  
1315 Van Ness Avenue  
Fresno, CA 93721

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

<b>AGENDA ITEM / PRESENTER</b>	<b>MOTIONS / MAJOR DISCUSSIONS</b>	<b>ACTION TAKEN</b>
<b>#1 Call to Order</b>	The meeting was called to order at 1:32 pm. A quorum was present.	
<b>#2 Roll Call</b> Cheryl Hurley, Clerk to the Commission	A roll call was taken for the current Commission Members.	<i>A roll call was taken</i>

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<p><b>#3 Consent Agenda</b></p> <ul style="list-style-type: none"> <li>a) Commission Minutes 10/15/2015</li> <li>b) Finance Committee Minutes 9/17/2015</li> <li>c) QI/UM Committee Minutes 7/16/15</li> </ul> <p>Action David Hodge, M.D., Chair</p>	<p>All consent items were presented and accepted as read.</p>	<p><b>Motion:</b> <i>Approve Consent Agenda</i></p> <p>11 – 0 – 0 – 6 (Fry/Naz)</p> <p><i>A roll call was taken</i></p>
<p><b>#4 Closed Session</b></p> <ul style="list-style-type: none"> <li>A) Conference With Real Property Negotiators</li> <li>B) Government Code 54957(b)(1) -Public Employee Appointment, Employment, Evaluation, or Discipline</li> <li>C) Regarding the salaries, salary schedules, or fringe benefits of represented and unrepresented employees, and, for represented employees, any other matter within the statutorily provided scope of representation. Per Government Code section 54957.6 (a)</li> </ul>	<p>Closed session began at 1:34 pm</p> <p>The Commission discussed in closed session the items agendized for closed session discussion and direction was given to staff.</p> <p>Closed session ended at 2:08 pm</p> <p><i>Supervisor Poochigian arrived at 1:34 pm</i></p>	

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Action David Hodge, M.D., Chair		
<b>#5 2016 Resolution to Amend Bylaws at Section 4.12</b>  Action David Hodge, M.D., Chair	A Resolution to amend the Bylaws at Section 4.12 in reference to the requirement of a closed session minute book was presented to the Commission. The resolution was adopted and said portion of section 4.12 has been eliminated from the Bylaws.	<b>Motion: Approve Resolution to Amend Bylaws</b>  12 – 0 – 0 – 5 (Poochigian / Soares)  <i>A roll call was taken</i>
<b>#6 Letters of Assignment</b>  Action David Hodge, M.D., Chair	CVH received three letters of assignment from Health Net assigning the Administrative Services Agreements and the Capitated Provider Services Agreement to Centene in the event that the acquisition between Health Net and Centene is finalized. The assignment letters do not change any of the terms of the current agreement or have any fiscal impact. The letters have been reviewed by counsel and are deemed acceptable to sign.	<b>Motion: Approve signing of the Letters of Assignment and Capitation Services Agreement</b>  12 – 0 – 0 – 5 (Cardona / Naz)  <i>A roll call was taken</i>
<b>#7 Reappoint Moss Adams as Independent Auditors</b>  Action W. Gregor, CFO	William Gregor reported the previous agreement with Moss Adams ended with the conclusion of CalViva’s fiscal year. A proposal from Moss Adams was submitted for continued service with minimal increases. The proposal was reviewed during the Finance Committee meeting in October with the recommendation to present to the Commission the reappointment of Moss Adams as our Independent Auditors. There is no concern as to extending their services through fiscal year 2018.	<b>Motion: Approved Moss Adams as Independent Auditors</b>  12 – 0 – 0 – 5 (Cardona / Naz)  <i>A roll call was taken</i>
<b>#8 Revised 2016 Calendars: Fresno County Location Update</b>	Revised calendars for 2016 were provided to the Commission. The revision reflects the change in address for the Fresno County meeting location.	

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Information David Hodge, M.D., Chair		
<p><b>#9 Standing Reports</b></p> <ul style="list-style-type: none"> <li>• <b>Finance Report</b> William Gregor, CFO</li>   <li>• <b>Compliance Report</b> Jeffrey Nkansah, Director, Compliance &amp; Privacy/Security</li> </ul>	<p><b><u>Finance</u></b></p> <p>W. Gregor reported on financial statements as of October 31, 2015. Current assets are \$143.7M and current liabilities are \$113.1M which gives us a ratio of 1.27. Revenues are \$376.7M which is \$77.1M greater than budget; corresponding medical costs of \$340.5M which is \$70M greater than budget; administrative services fees of \$14.4M which is \$763K greater than budgeted; and premium taxes of \$16.4M which is \$4.6M greater than budgeted. Numbers are due to increased enrollment over original budget. Year to date, we have 54,792 member months greater than what was budgeted. All other expenses are either below or close to budget, which gives us a net income of \$4.1M, which is \$1.2M greater than budgeted. The TNE stands at 231% greater than the minimum required by DMHC. CalViva's TNE is ranked second to lowest when compared to all other local initiative health plans. This is in part due to the fact that CalViva is a relatively new health plan. CalViva's TNE is increasing each year and anticipates being significantly higher by the end of fiscal year 2016.</p> <p><b><u>Compliance</u></b></p> <p>J. Nkansah reported on Compliance. There are no concerns in relation to the Regulatory Filings, Privacy &amp; Security, and Fraud, Waste &amp; Abuse.</p> <p>The DHCS contract extension has officially been signed and executed with a date of December 31, 2016. In terms of reapplying, there is no</p>	<p><b>Motion:</b> <i>Approve Standing Reports</i></p> <p>12 – 0 – 0 – 5 (Soares / Poochigian)</p> <p><i>A roll call was taken</i></p>

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<ul style="list-style-type: none"> <li>• <b>Medical Management</b> Patrick Marabella, M.D., CMO</li> </ul>	<p>additional information from the compliance side as to how this process will occur as of yet. The process will be looked at in the first quarter of 2016.</p> <p>The quality measurements for encounter data is a new activity which DHCS is using to monitor activity of CalViva's encounter data submission process. This is also a mechanism that DHCS will use in terms for auto-assignment and how members will be assigned to the Plan. The first two quarters of 2016 will provide base line information, and moving forward DHCS will begin evaluating and activities will be reported out to Commission.</p> <p>For enrollment expansions, members are newly eligible for Medi-Cal because they:</p> <ul style="list-style-type: none"> <li>• are no longer eligible for Covered California;</li> <li>• are newly eligible from the pregnant women expansion; and</li> <li>• the new Senate Bill 75.</li> </ul> <p><b><u>Medical Management</u></b></p> <p><b>Appeals and Grievances</b></p> <p>Dr. Marabella presented the Appeals and Grievances Dashboard through the end of September 2015.</p> <ul style="list-style-type: none"> <li>• Turn-around time issues noted during the first half of the year have improved in Q3.</li> <li>• A decline in the number of grievances reported in July may have been related to a system migration within the Health Net</li> </ul>	

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	<p>data management system during that month. The number of cases reported stabilized during August and September and issues have been rectified.</p> <ul style="list-style-type: none"> <li>• The number of appeals reported was not impacted by the data migration and have not changed significantly since the last report.</li> <li>• An increase in pharmacy appeals is noted and is primarily related to Hepatitis C drugs. The standards associated with these medications have changed resulting in an increase in overturns.</li> </ul> <p><b><u>Key Indicator Report</u></b></p> <p>Dr. Marabella presented the Key Indicator Report.</p> <ul style="list-style-type: none"> <li>• An explanation of the numbers reported was provided with reference to the new report format.</li> <li>• The Medi-Cal Expansion population is now identified as a separate category which better delineates the populations served by CalViva.</li> <li>• Monitoring of the effectiveness of interventions and activities will be more easily accomplished with the new reporting format.</li> <li>• The new report will include goals beginning early 2016.</li> </ul> <p><b>Quality Improvement/Utilizations Management 4<sup>th</sup> Quarter Summary Report</b></p> <p>Dr. Marabella provided the QI/UM Quarter 4 update. One meeting</p>	

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	<p>was held during this reporting period, October 15, 2015.</p> <p>There were four programmatic or guiding documents reviewed and approved during this meeting:</p> <ul style="list-style-type: none"> <li>• 2015 Quality Improvement Mid-Year Work Plan Evaluation</li> <li>• 2015 Utilization Management/Case Management Mid-Year Work Plan Evaluation</li> <li>• 2015 Culture and Linguistics Mid-Year Work Plan Evaluation</li> <li>• 2015 Health Education Mid-Year Work Plan Evaluation</li> </ul> <p>Some of the Quality Improvement Reports reviewed during this meeting included Appeals and Grievances, Provider Office Wait Times, and Culture and Linguistics GeoAccess Report.</p> <p>Additional reports reviewed were the Utilization Management Reports which included the Key Indicator Report. In addition, HEDIS® activity and Access &amp; Availability were reviewed.</p> <p>Several Kaiser reports were reviewed during this reporting period including the 3<sup>rd</sup> Quarter Grievance Report, 3<sup>rd</sup> Quarter UM &amp; DME, 3<sup>rd</sup> Quarter Mental Health Services, and 3<sup>rd</sup> Quarter Overall Volumes and Call Center Reports.</p> <p>No significant compliance issues were identified. Oversight and monitoring processes will continue.</p> <p><b>Credentialing Sub-Committee Report of Activities 4<sup>th</sup> Quarter</b></p> <p>The Credentialing Sub-Committee met in October 2015 and reviewed</p>	

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<ul style="list-style-type: none"> <li>• <b>Executive Report</b> G. Hund, CEO</li> </ul>	<p>routine credentialing and re-credentialing reports for both delegated and non-delegated services. There were no significant quality of care issues identified.</p> <p><b>Peer Review Sub-Committee Report of Activities 4<sup>th</sup> Quarter</b></p> <p>The Peer Review Sub-Committee met in October 2015. In the Q2 report there were three cases closed and cleared, one case had an outstanding corrective action plan, one case was tabled for further information, and one case will require ongoing monitoring. The Q3 report included 17 cases that were closed and cleared, and five cases that were tabled for further information.</p> <p>No significant quality of care issues were noted; however, improvement opportunities were identified. Ongoing monitoring and reporting will continue.</p> <p><b><u>Executive Report</u></b></p> <p>G. Hund presented the Executive Dashboard. Membership for November is approximately 336,000 members and has continued to increase between four to five thousand members per month since June 2015.</p> <p>Claims processed in August and September shows an increase which is due to a system change in claims processing and is not a concern.</p>	
<p><b>#10 Purchase and COE for Real Property</b></p>	<p>The Commission granted approval to move forward with the purchase and close of escrow for 7625 N. Palm Avenue, Fresno, CA 93711.</p>	<p><b>Motion:</b> <i>Approve Purchase and COE of Real Property</i></p>

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Action David Hodge, M.D., Chair		12 – 0 – 0 – 5 (Soares / Poochigian) <i>A roll call was taken</i>
#11 Final Comments from Commission Members and Staff	None.	
#12 Announcements	Greg Hund, CEO, will be moving to Fresno during the 1 <sup>st</sup> quarter of 2016.	
#13 Public Comment	None.	
#14 Adjourn	The meeting was adjourned at 2:52 pm  The next Commission meeting is scheduled for February 18, 2016 in Fresno County.	

Submitted this Day: Feb. 18, 2016

Submitted by: Cheryl Hurley  
Cheryl Hurley  
Clerk to the Commission