

Fresno-Kings-Madera  
Regional Health Authority

**CalViva Health  
Commission  
Meeting Minutes**  
May 28, 2015

**Meeting Location**  
CalViva Health  
1315 Van Ness Ave. Suite 103  
Fresno, CA 93721

| <b>Commission Members</b>                          |   |   |  |
|--|---|---|--|
| ✓  | <b>Deborah Poochigian</b> , Fresno County Board of Supervisor           |   | <b>David Rogers</b> , Madera County Board of Supervisors                 |
| ✓  | <b>David Pomaville</b> , Director, Fresno County Dept. of Public Health |   | <b>Van Do-Reynoso</b> , Director, Madera County Dept. of Social Services |
|  | <b>Stephen Ramirez</b> Fresno County At-large Appointee                 | ✓ | <b>Aftab Naz</b> , Madera County At-large Appointee                      |
| ✓  | <b>David Cardona, M.D.</b> , Fresno County At-large Appointee           | ✓ | <b>David Singh</b> , Valley Children's Hospital Appointee                |
| ✓  | <b>David Hodge, M.D., Chair</b> , Fresno County At-large Appointee      | ✓ | <b>Aldo De La Torre</b> , Community Medical Center Representative        |
|  | <b>Soyla Griffin</b> , Fresno County At-large Appointee                 | ✓ | <b>John Frye</b> , Commission At-large Appointee, Fresno                 |
| ✓  | <b>Joe Neves, Vice Chair</b> , Kings County Board of Supervisors        | ✓ | <b>Derrick Gruen</b> , Commission At-large Appointee, Kings County       |
| ✓  | <b>Keith Winkler</b> , Director, Kings County Dept. of Public Health    | ✓ | <b>Paulo Soares</b> , Commission At-large Appointee, Madera County       |
| ✓  | <b>Harold Nikoghosian</b> , Kings County At-large Appointee             |   |  |
| <b>Commission Staff</b>                            |   |   |  |
| ✓  | <b>Gregory Hund</b> , Chief Executive Officer (CEO)                     | ✓ | <b>Amy Schneider</b> , Director of Medical Management                    |
| ✓  | <b>William Gregor</b> , Chief Financial Officer (CFO)                   | ✓ | <b>Jeff Nkansah</b> , Clerk to the Commission                            |
| ✓  | <b>Patrick Marabella, M.D.</b> , Chief Medical Officer (CMO)            | ✓ | <b>Cheryl Hurley</b> , Office Manager                                    |
| ✓  | <b>Mary Beth Corrado</b> , Chief Compliance Officer (CCO)               | ✓ | <b>Kim Lopez</b> , Administrative Assistant                              |
| <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 1:35pm. A quorum was present. |                              |
| <b>#2 Roll Call</b>            | A roll call was taken for the current Commissioner Members.      | <i>A roll call was taken</i> |

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| Jeffery Nkansah, Clerk to the Commission  |   |   |
| <p><b>#3 Fresno County At-Large Appointed Commissioner</b></p> <p>Information<br/>David Hodge, M.D, Chairman</p>  | <p>The Fresno County Board of Supervisors has re-appointed Soyla Griffin as Commissioner for a term to expire May 4, 2018.</p>  |   |
| <p><b>#4 Community Regional Medical Center Appointed Commissioner</b></p> <p>Action<br/>David Hodge, MD; Chairman</p>   | <p>The Commission approved the re-appointment of Aldo De La Torre, Sr. Vice President of Managed Care as the representative for Community Regional Medical Center for a term of three years, to expire May 2018.</p>                    | <p><b>Motion: Approve Appointment</b><br/>13-0-0-4 (Poochigian/Singh)</p> |
| <p><b>#5 Closed Session</b></p> <p><b>A) Conference With Real Property Negotiators</b></p> <p><b>B) Conference With Legal Counsel-Existing Litigation</b></p> <p><b>C) Public Employee Appointment, Employment, Evaluation, or Discipline</b></p> | <p>The Commission discussed in closed session those items agendized for closed session discussion and direction was given to staff. The performance of CEO Gregory Hund was discussed and an increase in compensation was approved.</p> |   |

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| <p><b>#6 Consent Agenda</b></p> <ul style="list-style-type: none"> <li>• Commission Minutes 3/19/2015</li> <li>• Finance Committee Minutes 2/19/2015</li> <li>• QI/UM Committee Minutes 2/19/2015</li> </ul> <p>Action<br/>David Hodge, M.D, Chairman</p> | <p>All consent items were presented and accepted as read.</p>   | <p><b>Motion:</b> <i>Approve the Consent Agenda.</i><br/><i>13-0-0-4 (Neves/Poochigian)</i></p> |
| <p><b>#7 Chair and Co-Chair Nominations for Fiscal Year 2016</b></p> <p>Action<br/>David Hodge, M.D, Chairman</p>   | <p>The Commissioners nominated and subsequently re-elected David Hodge, MD as chair and Supervisor Joe Neves as Vice-Chair to serve during Fiscal Year 2016.</p>  | <p><b>Motion:</b> <i>Approve the nominations</i><br/><i>13-0-0-4 (Poochigian/Naz)</i></p>       |
| <p><b>#8 Committee Appointments for Fiscal Year 2016</b></p>  | <p>D. Hodge, M.D informed the commission in accordance with the Committee Charters Commissioner representation on the committees will be established by the RHA Commission Chairperson on an annual basis at the start of each fiscal year except for the "Public Policy Committee". The Public Policy Committee Commission members will serve coterminous terms with their Commission appointment. Chairperson Hodge has approved the Commissioner appointments for the following Committees</p> |   |

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| <p>Information<br/>David Hodge, M.D Chairman</p>   | <p>as described in BL 15-008:</p> <ul style="list-style-type: none"> <li>➤ The Finance Committee</li> <li>➤ The Quality Improvement/Utilization Management Committee</li> <li>➤ The Credentialing Sub-Committee</li> <li>➤ The Peer Review Sub-Committee</li> <li>➤ The Pubic Policy Committee</li> </ul>  |   |
| <p><b># 9 Proposed Fiscal Year 2016 Budget</b><br/><br/>Action<br/>David Hodge, M.D Chairman</p> | <p>The proposed Fiscal Year 2016 budget was presented to the Commission for approval.</p> <p>A discussion also took place regarding the ongoing reporting of actual versus budget results. In the past, major variances between budget and actual numbers were the result of factors beyond the control of management. Namely these differences resulted from actual versus budgeted enrollment or DHCS payment rates. These two factors alone impact gross revenues, medical costs, administrative services fees and premium taxes. Going forward as an organization with revenues and expenses of approximately \$1 billion each, budget versus actual results should be given by major categories which are meaningful given the size of the organization. A proposed breakdown of major categories going forward will be presented as part of the financial report at the next Commission meeting.</p> | <p><b>Motion:</b> <i>Approve the Budget for FY2016</i></p> <p>13-0-0-4 (Gruen/Soares)</p> <p><i>A roll call was taken</i></p> |

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| <p><b>#10 Contract Authority Policy</b></p> <p>Action<br/>David Hodge, M.D Chairman</p> | <p>The Commission reviewed and approved the Contract Authority Policy with the following revisions:</p> <ul style="list-style-type: none"> <li>• Section IV.A – Procedure: <b>added</b> “negotiate” to the procedural process.</li> <li>• Section IV.A.2 – Provider Agreements: <b>removed</b> all verbiage so that it reads, “Provider Agreements.”</li> <li>• Section IV.A.3 – Administrative Services Agreements and Amendments with Health Net Community Solutions Inc.: <b>removed</b> “Executive Committee.”</li> <li>• Section IV.A.4 – Capitated Provider Services Agreement and Amendments with Health Net Community Solutions, Inc.: <b>removed</b> “Executive Committee.”</li> <li>• Section IV.A.5 – <b>added</b> section: “Health Care Services Agreements and Amendments with Kaiser Foundation Health Plan, Inc.”</li> <li>• Section IV.A.8 – <b>added</b> “Leases and agreements as necessary with tenants or contractors of any building owned by the RHA with knowledge of the RHA Commission Chair and/or Vice Chair.”</li> <li>• Section IV.B – <b>removed</b>: “This policy will be reviewed and approved annually concurrent with the budget approval.”</li> </ul> | <p><b>Motion:</b> <i>Approve revised Policy</i></p> <p>13-0-0-4 (Naz/Winkler)</p> |

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| <p><b>#11 Cultural and Linguistics (C&amp;L) Work Plan Evaluation and Program Description</b></p> <p>Action<br/>P Marabella, MD,CMO</p> | <p>P. Marabella, MD presented the Cultural and Linguistics (C&amp;L) Work Plan Evaluation and Program Description. The Commission verified all work plans and evaluations were read prior to the PowerPoint Presentation and moved forward to approve.</p> | <p><b>Motion:</b> Approve 2014 C &amp; L Work Plan Evaluation, 2015 C &amp; L Program Description, 2015 C &amp; L Work Plan</p> <p>13-0-0-4 (Poochigian/Cardona)</p> |
| <p><b>#12 Health Education</b></p> <p>P .Marabella, M.D</p> <p>Action<br/>D. Hodge, M.D Chairman</p>                                    | <p>The Commission approved the Health Education attachments after independent review.</p>  | <p><b>Motion:</b> Approve 2014 HE Work Plan Evaluation, 2015 HE Program, 2015 HE Work Plan</p> <p>13-0-0-4 (Poochigian/Cardona)</p>                                  |

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| <p><b>#13 Standing Reports</b></p> <ul style="list-style-type: none"> <li>• <b>Finance Report</b><br/>William Gregor, CFO</li> <br/> <li>• <b>Compliance Report</b><br/>Mary Beth Corrado, CCO</li> </ul> | <p><b>Finance:</b><br/>W. Gregor presented Financial Statements as of April 30, 2015. As of April 2015, Tangible net equity stands at \$24.9 million which is 230% of the minimum required by the state. Current ratio stands at a healthy 1.25.</p> <p>Health Net confirmed the \$3 million loan forgiveness targets have been met in May 2015 and the loan is forgiven and will be addressed in May 2015 financials accordingly.</p> <p><b>Compliance:</b><br/>M.B. Corrado presented the Compliance report. Highlights of this report included:</p> <ul style="list-style-type: none"> <li>➤ A total of 6 new Potential Privacy and Security Breach cases were reported to DHCS, 2 were considered high risk due to misdirected mail caused by incorrect addresses on file from DHCS and the addresses have since been corrected.</li> <li>➤ CVH Oversight meetings continue to occur and review monthly reports with Health Net as well as joint operations meeting with Kaiser. No major compliance concerns have been identified.</li> <li>➤ The 2013-2014 Claims, Provider Dispute and Health Education Oversight audits are complete. There were no findings that required corrective action plans for the audits.</li> <li>➤ The 2013-2014 Credentialing, and 2014 Privacy and</li> </ul> | <p><b>Motion:</b> <i>Accept standing reports</i><br/><i>13-0-0-4 (Neves/Naz)</i></p> |

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| <ul style="list-style-type: none"> <li>• <b>Medical Management</b><br/>P. Marabella, M.D</li> </ul> | <p>Security Oversight audits are currently in progress.</p> <ul style="list-style-type: none"> <li>➤ The DHCS will conduct an exit conference on June 9, 2015 and will provide the draft audit findings to the Plan at this time. The Plan will have 15 days to respond to any factual errors in the report by providing evidence of compliance.</li> <li>➤ The Public Policy Committee is on June 3, 2015 at 1400 W Lacey Blvd, Hanford, CA 93230 at the Kings County Government Center Administration. Everyone is welcome to attend.</li> </ul> <p style="text-align: center;"><i>J Frye left the room at 3:14 PM</i></p> <p><b><u>Appeals and Grievances Report</u></b><br/>P. Marabella, MD presented the Appeals and Grievances Dashboard for the year 2015 including data through April 30<sup>th</sup>.</p> <ul style="list-style-type: none"> <li>➤ The number of grievances continues to rise with a total of 119 during the month of April. Dr. Marabella reported that an analysis of the data indicates that the majority of the increase is related to new membership since January 2014.</li> <li>➤ 2 cases were noted to have not met the turn-around time standard of 5 days for sending an acknowledgment letter to the member. These delays have since been addressed. A fair number of Quality of Service (QOS) cases this year are categorized under "Administrative." Further</li> </ul> |              |



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|                         | <p>analysis revealed that more than 70% of these Administrative cases are related to requests by members for assignment to Kaiser where transition criteria may not have been met.</p> <ul style="list-style-type: none"> <li>➤ The number of Exempt Grievances reported remains consistent.</li> <li>➤ Appeal rates do not demonstrate the same increase in volume as that which is seen with grievances.</li> </ul> <p>Pharmacy related appeals are the most common with a total of 30 in quarter 1. Many of these appeals are related to the new Hepatitis C drugs. A lengthy list of criteria must be met in order to qualify to receive these medications. These criteria are currently under reevaluation at an academic level.</p> <p><b><u>Medical Management:</u></b><br/><b><u>Key Indicator Report</u></b></p> <p>P. Marabella, MD reviewed the Key Indicator Report for the year 2014 and May 2015.</p> <ul style="list-style-type: none"> <li>➤ The Case Management metrics have been redefined and revised to more consistently and accurately reflect case activity among the various programs.</li> <li>➤ Clinical Informatics staff are currently redefining the major utilization categories tracked (SPD and non-SPD or TANF) to include a new category for ACA Expansion membership. This will allow for appropriate analysis of</li> </ul> |              |

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| <p>• <b>Executive Report</b><br/>G. Hund, CEO</p> <p>Action<br/>D. Hodge, M.D Chairman</p> | <p>Days/1000, LOS and readmission rates. This new version of the report is expected to be available at the end of June.</p> <p>➤ The increase in ER utilization was found to be consistent throughout all ER facilities in all counties. Further review is underway to identify the high ER utilizers and initiate case management activities to ensure members are receiving care at the most appropriate level for their condition.</p> <p><b>Executive Report:</b><br/><b>Executive Dashboard</b><br/>G. Hund presented the Executive Dashboard for May 2015. As of May 2015, CalViva Health had a total of 310,865 members. Market share increased.</p> |              |
| <p><b>#14 Final Comments from Commission Members and Staff</b></p>                         |   |              |
| <p><b>#15 Announcements</b></p>  |   |              |
| <p><b>#16 Public Comment</b></p>   | <p>None</p>   |              |
| <p><b>#17 Adjourn</b></p>  | <p>The meeting was adjourned at 3:35 PM. The next Commission meeting is scheduled for July 16, 2015 in Fresno County.</p>   |              |

Submitted this Day: July 16, 2015

Submitted by:   
Jeff Mkanah  
Clerk to the Commission