

Fresno-Kings-Madera
Regional Health Authority

**CalViva Health
Commission
Meeting Minutes**
October 17, 2019

Meeting Location:
CalViva Health
7625 N. Palm Ave., #109
Fresno, CA 93711

Commission Members			
✓	David Cardona, M.D., Fresno County At-large Appointee	✓	Joe Neves, Vice Chair, Kings County Board of Supervisors
	Aldo De La Torre, Community Medical Center Representative	✓	Harold Nikoghosian, Kings County At-large Appointee
✓	Sara Bosse, Director, Madera Co. Dept. of Public Health	✓	David Pomaville, Director, Fresno County Dept. of Public Health
✓	John Frye, Commission At-large Appointee, Fresno		Sal Quintero, Fresno County Board of Supervisor
	Soyla Griffin, Fresno County At-large Appointee		Joyce Fields-Keene, Fresno County At-large Appointee
	Derrick Gruen, Commission At-large Appointee, Kings County	✓	David Rogers, Madera County Board of Supervisors
✓	Ed Hill, Director, Kings County Dept. of Public Health	✓	Brian Smullin, Valley Children's Hospital Appointee
✓	David Hodge, M.D., Chair, Fresno County At-large Appointee	✓	Paulo Soares, Commission At-large Appointee, Madera County
✓	Aftab Naz, Madera County At-large Appointee		
Commission Staff			
✓	Gregory Hund, Chief Executive Officer (CEO)	✓	Amy Schneider, R.N., Director of Medical Management
✓	Daniel Maychen, Chief Financial Officer (CFO)	✓	Mary Lourdes Leone, Director of Compliance
✓	Patrick Marabella, M.D., Chief Medical Officer (CMO)	✓	Cheryl Hurley, Commission Clerk
✓	Mary Beth Corrado, Chief Compliance Officer (CCO)		
✓	Jeff Nkansah, Chief Operations Officer (COO)		
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 1:30 pm. A quorum was present.	
#2 Roll Call	A roll call was taken for the current Commission Members.	<i>A roll call was taken</i>

Commission Meeting Minutes

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
Cheryl Hurley, Clerk to the Commission		
<p>#3 Consent Agenda</p> <ul style="list-style-type: none"> a) Commission Minutes 9/19/19 b) Finance Committee Minutes 7/18/19 c) QI/UM Committee Minutes 7/18/19 d) Compliance Report <p>Action David Hodge, MD, Chairman</p>	<p>All consent items were presented and accepted as read.</p>	<p>Motion: Approve Consent Agenda 12-0-0-5</p> <p>(Nikoghosian / Neves)</p>
<p>#4 Closed Session</p> <p>A. Government Code section 59454.5 – Report Involving Trade Secret – Discussion of service, program, or facility</p>	<p>Jason Epperson, General Counsel, reported out of Closed Session. Commissioners discussed the item agendized for closed session.</p> <p>Closed Session concluded at 1:33 pm.</p>	
<p>#5 Financial Audit Report for Fiscal Year 2019</p> <p>Presenter: R. Suico, Moss Adams</p> <p>Action David Hodge, MD, Chairman</p>	<p>Rianne Suico, representative from Moss Adams, presented the results of the audit. Moss Adams’ audit will result in the issuance of an unmodified opinion on the financial statements, which is the highest audit opinion that could be provided by an external CPA firm. A discussion of general audit procedures performed including confirmation of various account balances were discussed.</p> <p>The required communications and the organization’s accounting policies are in compliance with GAAP. After completing the work, it was found that the financial statements do not need to be adjusted and no issues were encountered when completing the work.</p>	<p>Motion: Approve Financial Audit Report for Fiscal Year 2019 12-0-0-5</p> <p>(Rogers / Nikoghosian)</p>

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<p>#6 Physician Incentive Plan</p> <p>Action David Hodge, MD, Chairman</p>	<p>The Physician Incentive Plan for calendar year 2020 was presented to the Commission. The Plan is based on HEDIS® outcomes with the restriction that Providers who do not meet the timely access standards and have fewer than 500 members will be excluded.</p>	<p>Motion: <i>Approve Physician Incentive Plan</i> 12 – 0 – 0 – 5 (Rogers / Soares)</p>
<p>#7 2020 Calendar Year Meeting Proposal</p> <p>Action David Hodge, MD, Chairman</p>	<p>The 2020 calendar year meeting schedules were presented to the Commission for approval.</p>	<p>Motion: <i>Approve 2020 Calendar Year Meeting Dates</i> 12 – 0 – 0 – 5 (Neves / Frye)</p>
<p>#8 2019 Cultural and Linguistics Executive Summary and Work Plan Evaluation</p> <p>Action David Hodge, MD, Chairman</p>	<p>Dr. Marabella presented the 2019 Cultural & Linguistics Work Plan Mid-Year Evaluation.</p> <p>The 4 categories for the 2019 Work Plan are:</p> <ol style="list-style-type: none"> 1. Language Assistance Services 2. Compliance Monitoring 3. Communication, Training, and Education 4. Health Literacy, Cultural Competency & Health Equity <p>By June 30, 2019 all activities were on target.</p> <p>Some of the activities completed consist of:</p> <ol style="list-style-type: none"> 1. Ninety-one (91) translation reviews coordinated to ensure accuracy of translation. 2. C & L related grievances reviewed. Follow up completed when indicated. 	<p>See Item #9 for Motion</p>

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	<p>3. Conducted trainings for staff on: Impact of Poverty, Emotional Intelligence, and Making Reasonable Accommodations.</p> <p>4. Collaborated with Health Ed to plan and host Mendota Community Advisory Group. Established action plan for improvement.</p> <p>5. Initiated research on barriers to breast cancer screening among the Hmong community (literature review, focus groups and key informant interviews).</p> <p>All of the Work Plan activities continue on target for completion by the end of calendar year 2019.</p>	
<p>#9 2019 Health Education <i>Executive Summary and Work Plan Evaluation</i></p> <p>Action David Hodge, MD, Chairman</p>	<p>Dr. Marabella presented the 2019 Health Education Work Plan Mid-Year Evaluation.</p> <p>Two areas of focus for 2019 consist of:</p> <ol style="list-style-type: none"> 1. Programs and Services 2. Department Operations, Reporting and Oversight <p>Of the 16 Program Initiatives, 12 have met or exceeded 50% of the year-end goal. These consist of:</p> <ol style="list-style-type: none"> 1. Chronic Disease: Asthma 2. Chronic Disease: Diabetes 3. Community Health 4. Health Equity 5. Immunizations 6. Member Engagement 7. Member Newsletter 8. Perinatal Education 9. Promotores Health Network 10. Oversight and Reporting 	<p>Motion: <i>Approve Cultural & Linguistics Executive Summary and Work Plan Evaluation; and Health Education Executive Summary and Work Plan Evaluation</i></p> <p>12-0-0-5</p> <p><i>(Soares / Naz)</i></p>

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	<p>11. Materials updates, development, utilization & inventory 12. Operations</p> <p>The four (4) initiatives that did not meet 50% of year-end goal by 6/30/19 and barriers include:</p> <ol style="list-style-type: none"> 1. Mental / Behavioral Health delay in material development. 2. Digital Health Programs low member enrollment into myStrength program. 3. Obesity Prevention low member enrollment into programs. 4. Tobacco Cessation fewer referrals into the CA Smokers' Helpline. <p>Barriers to full implementation of planned activities have been identified and are being addressed. 2019 initiatives will continue to be implemented in order to meet or exceed year end goals.</p>	
<p>#10 Standing Reports</p> <ul style="list-style-type: none"> • Finance Report Daniel Maychen, CFO 	<p><u>Finance</u></p> <p>Financial Statements as of August 31, 2019:</p> <p>Total current assets were approximately \$220.1M; total current liabilities were approximately \$158.3M. Current ratio is 1.39. New liability account, Directed Payment Payable, was added to balance sheet to account for amounts due to various hospitals/entities as part of DHCS' new directed payment program which provides enhanced supplemental funds to various hospitals and health care providers. TNE as of August 31, 2019 was approximately \$72.4M, which is approximately 606% above the minimum DMHC required TNE amount.</p>	<p>Motion: Approve Standing Reports</p> <p>12 – 0 – 0 – 5</p> <p>(Rogers / Naz)</p>

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	<p>Premium capitation actual income was approximately \$174M which is approximately \$14.5M less than budgeted amounts primarily due to MCO taxes pending approval for renewal. The MCO tax was signed and approved by the Governor on September 30, 2019 and is currently pending federal approval. California Association of Health Plans (“CAHP”) is confident the federal government will approve. If approved, MCO taxes will go retroactive back to 7/1/19. Revenues are higher than budget by approximately \$6.5M when MCO tax is adjusted out due to rates paid by DHCS being higher than budgeted. Capitation medical costs are over budget for the same reason.</p> <p>Two new financial statement accounts added to income statement as a result of DHCS’ directed payment program.</p> <p>Grants are less than budgeted amount due to the Valley Health Team (“VHT”) residency grant. How it was structured and approved was based on a contribution amount up to their net operating loss. \$2.2M was available; however, VHT’s net operating loss was \$2.1M. The difference was trued up in the month of August 2019, when VHT’s reporting was due to CalViva.</p> <p>All other expense items are in line or below what was budgeted, with the exception of License expense. License expense was higher due to estimates being lower than actual cost. For the first two months of FY 2020, total net income is approximately \$2.1M which is approximately \$809K more than budgeted.</p>	

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<ul style="list-style-type: none"> • Medical Management P. Marabella, MD, CMO 	<p><u>Medical Management</u></p> <p>Appeals and Grievances Dashboard</p> <p>Dr. Marabella presented the Appeals & Grievances Dashboard through August 2019.</p> <p>Grievance & Appeals Data:</p> <ul style="list-style-type: none"> • The number of grievances received through August shows the trend is continuing to increase when compared to Q2 2019. Total cases resolved shows a similar trend. • Majority of grievances were in the Quality of Service category associated with Access and Transportation case types. • Quality of Care Grievances for July and August have slightly increased when compared with Q2, specifically in the area of PCP Care. • Exempt grievances through August have increased when compared to Q2 2019 numbers. • The number of appeals received through August compared with Q2 2019, have also increased. The majority of this increase can be attributed to the areas of Advanced Imaging and Pharmacy. <p>Key Indicator Report</p> <p>Dr. Marabella presented the Key Indicator Report through August 31, 2019.</p> <ul style="list-style-type: none"> • Admission and Readmission rates for SPDs are down slightly. 	

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	<ul style="list-style-type: none"> • The fluctuation in ER Visits and Inpatient Admissions for TANFs is related to seasonal respiratory illnesses. • Outreach and Engagement for Case Management categories show a significant increase when compared to previous months. • Perinatal Case Management referrals have significantly increased as a result of improved outreach and engagement with our new program. <p>QIUM Quarterly Summary Report</p> <p>Dr. Marabella provided the QI/UM Qtr. 3, 2019 update. Two QI/UM meetings were held in Q3; one in July and one in September.</p> <p>The following guiding documents were approved at the July and September meetings:</p> <ul style="list-style-type: none"> • 2019 Quality Improvement Mid-Year Evaluation and Executive Summary • 2019 Utilization Management & Case Management Mid-Year Evaluation and Executive Summary • Pharmacy Formulary & Provider Updates • Medical Policies <p>The following Quality Improvement Reports were reviewed: Appeals and Grievances Dashboard for July 2019, Potential Quality Issues Report & Corrective Action Plan, MHN Performance Indicator Report for Behavioral Health, and other QI reports.</p>	

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	<p>The Utilization Management & Case Management reports reviewed included the Key Indicator Report, Top 10 Diagnosis Report, and Specialty Referrals Reports.</p> <p>The quarterly Pharmacy reports were reviewed covering Operations Metrics, Top Medication Prior Authorization Requests and quarterly Formulary Changes. All second quarter 2019 prior authorization metrics were within 5% of standard.</p> <p>HEDIS® Activity:</p> <p>In Q3, HEDIS® related activities focused on the new mandates established by our new governor and DHCS' response to these new mandates. Managed Care Medi-Cal health plans will have 22 quality measures that they will be evaluated on next year and the new Minimum Performance Level (MPL) is the 50th percentile rather than the 25th.</p> <p>Final HEDIS® rates for RY19 became available in Q3. For CalViva, three (3) measures were below the MPL (25th percentile). The three measures are:</p> <ul style="list-style-type: none"> • Avoidance of Antibiotics for Bronchitis in Adults (AAB). Not in 22 measures • Breast Cancer Screening (BCS) <i>New PIP (Performance Improvement Project) this year</i> • Diabetes Care– HbA1c testing <p>No significant compliance issues have been identified. Oversight and monitoring processes will continue.</p>	

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<ul style="list-style-type: none"> • Operations J. Nkansah, COO 	<p><u>Operations Report</u></p> <p>Jeff Nkansah presented the Operations Report.</p> <p>Currently, there are no issues, concerns, or items of significance as it relates to IT Communications and Systems.</p> <p>For Privacy and Security, there were two (2) new no risk/low risk incidents in September. There were no items of significance or concern. Cases year to date continue to improve and trend down when compared to the prior year.</p> <p>In reference to the CalViva Health website, there are no issues or items of significance to report.</p> <p>In reference to the Member Call Center there is no new data to report since the September Commission meeting.</p> <p>With regard to Provider Network Activities, there was an increase in Primary Care Providers (PCPs). In terms of the numbers overall there were no significant changes.</p> <p>With regard to Claims Processing and Provider Disputes activity, Q3 numbers are not yet available; therefore, there is no new update to provide.</p>	

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<ul style="list-style-type: none"> Executive Report G. Hund, CEO 	<p><u>Executive Report</u></p> <p>There is a slight reduction in membership through September 2019. The market share for CVH continues to increase.</p>	
<p>#11 Final Comments from Commission Members and Staff</p>	<p>PCP growth within the network over the past month is possibly attributed to the Grant program CVH has established for recruitment of PCPs.</p>	
<p>#12 Announcements</p>	<p>None.</p>	
<p>#13 Public Comment</p>		
<p>#14 Adjourn</p>	<p>The meeting was adjourned at 2:33 pm The next Commission meeting is scheduled for November 21, 2019 in Fresno County.</p>	

Submitted this Day: 2.20.2020

Submitted by: Cheryl Hurley
Cheryl Hurley
Clerk to the Commission