



**CalViva Health
Finance
Committee Meeting Minutes**

September 19, 2019

Meeting Location

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

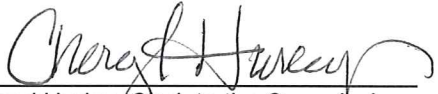
Finance Committee Members in Attendance		CalViva Health Staff in Attendance	
✓	Daniel Maychen, Chair	✓	Cheryl Hurley, Office Manager
✓	Gregory Hund, CEO	✓	Jiaqi Liu, Sr. Accountant
✓	Paulo Soares		
✓	Joe Neves		
✓	Harold Nikoghosian		
	David Rogers		
✓	John Frye		
		✓	Present
		*	Arrived late
		•	Teleconference


AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
#1 Call to Order D. Maychen, Chair	The meeting was called to order at 11:30 am, a quorum was present.	
#2 Finance Committee Minutes dated July 18, 2019 Attachment 2.A Action D. Maychen, Chair	The minutes from the July 18, 2019 Finance meeting were approved as read.	Motion: <i>Minutes were approved</i> <i>6-0-0-1</i> <i>(Frye / Soares)</i>
#3 Financial – Fiscal Year End 2019 Attachment 3.A	Current assets are \$191.6M; current liabilities are \$131.9M, this gives a current ratio of 1.45. TNE as of June 30, 2019 is approximately \$70.3M which is approximately 530% of the	Motion: <i>Approve preliminary FY End 2019 Financials</i> <i>6-0-0-1</i>

<p>Action D. Maychen, Chair</p>	<p>minimum required TNE by DMHC.</p> <p>Total premium capitation income recorded was \$1.2B which is approximately \$35.3M higher than what was budgeted due to rates and membership being higher than budgeted. Total costs of medical care expense, and administrative service fees expense are higher than what was budgeted for the same reasons. All other line expense items are consistent or below budget, with the exception of License expense. Total net income for FY 2019 was \$10.5M, which is approximately \$3.6M more than budgeted.</p> <p>Fiscal year end 2019 financials are currently being audited by Moss Adams and are in final review stages. To date, there are no proposed audit adjustments.</p>	<p>(Nikoghosian / Neves)</p>
<p>#4 Financial Statements as of July 31, 2019</p> <p>Action D. Maychen, Chair</p>	<p>Total current assets were approximately \$161.6M; total current liabilities were approximately \$101M. Current ratio is 1.6. TNE as of July 31, 2019 was approximately \$71.2M, which is approximately 590% above the minimum DMHC required TNE amount.</p> <p>Premium capitation actual income was approximately \$87.2M which is approximately \$7M less than budgeted amounts due to MCO taxes. For FY 2020, MCO tax is currently going through approval process; it has passed the California State Assembly and Senate. The next step is Governor Newsom's and federal approval. CAHP is confident Governor Newsom and the federal government will approve. If approved, MCO taxes will go retroactive back to 7/1/19, which would bring revenues more in line with budgeted amounts</p>	<p>Motion: <i>Approve Financials as of July 31, 2019</i> 6 – 0 – 0 – 1 <i>(Frye / Neves)</i></p>

Finance Committee

	All other expense items are in line or below what was budgeted, with the exception of Marketing expense. Marketing was over budget primarily due to timing because of multiple community-based sponsorships. For the first month of current FY 2020, total net income is approximately \$883K which is approximately \$241K more than budgeted.	
#5 2020 Finance Committee Meeting Calendar Action D. Maychen, Chair	The draft 2020 meeting calendar was presented to the Committee. No revisions recommended.	Motion: <i>Approve 2020 meeting calendar</i> <i>6-0-0-1</i> <i>(Soares / Frye)</i>
#6 Announcements	Moss Adams will present audited FY 2019 Financials at the October meeting.	
#7 Adjourn	Meeting was adjourned at 11:40 am	

Submitted by: 
Cheryl Hurley, Clerk to the Commission
Dated: 10-17-19

Approved by Committee: 
Daniel Maychen, Committee Chairperson
Dated: 10/17/19