



**CalViva Health
Finance
Committee Meeting Minutes**

October 15, 2020

Meeting Location

Teleconference Meeting due to COVID-19 Executive Order
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, Accounting Manager
✓•	Paulo Soares		
✓•	Joe Neves		
✓•*	Harold Nikoghosian		
✓•	David Rogers		
✓•	John Frye		
		✓	Present
		*	Arrived late/Left Early
		•	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 via conference call in lieu of gathering in public per executive order signed by the Governor of California on Monday, 3/16/2020, allowing Public Health Plans subject to the Brown Act to hold public meetings via teleconferencing due to COVID-19. A quorum remains a requirement to take actions, but can be achieved with any combination of Commissioners' physical attendance at the public location or by teleconferencing.	A roll call was taken.

Finance Committee

<p>#2 Finance Committee Minutes dated September 17, 2020</p> <p>Attachment 2.A Action D. Maychen, Chair</p>	<p>The minutes from the September 17, 2020 Finance meeting were approved as read.</p> <p style="text-align: center;"><i>John Frye arrived at 11:31 am; not included in vote</i></p>	<p>Motion: <i>Minutes were approved</i> 6 – 0 – 0 – 1 <i>(Nikoghosian / Soares)</i></p> <p>A roll call was taken.</p>
<p>#3 Presentation of Fiscal Year 2020 Audit Results</p> <p>Action D. Maychen, Chair</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 style="text-align: center;"><i>Harold Nikoghosian left meeting at 11:46 am; not included in vote</i></p>	<p>Motion: <i>Approve Fiscal Year 2020 Audit Results</i> 6 – 0 – 0 – 1 <i>(Hund / Soares)</i></p> <p>A roll call was taken.</p>
<p>#4 Financial Statements as of August 31, 2020</p> <p>Action D. Maychen, Chair</p>	<p>Total current assets were approximately \$351.9M; total current liabilities were approximately \$254.7M. Current ratio is 1.38. TNE as of August 31, 2020 was approximately \$107.5M, which is approximately 725% above the minimum DMHC required TNE amount.</p> <p>For the first two months of fiscal year 2021 premium capitation income actual recorded was approximately \$211.5M which is approximately \$4.9M below budgeted amounts, primarily due to rates being lower than anticipated, and the MCO tax being less than what was</p>	<p>Motion: <i>Approve Financials as of August 31, 2020</i> 6 – 0 – 0 – 1 <i>(Hund / Soares)</i></p> <p>A roll call was taken.</p>

	<p>budgeted. In July 2020 the MCO tax loss was approximately \$1M; whereas the MCO tax loss for August was approximately \$755K. The decrease was due to additional enrollment in August. DHCS has stated they are taking into consideration the MCO tax loss and could potentially make an adjustment beginning January 2021 to make up for the loss for the period of July 2020 through December 2020. DHCS is scheduled to present the new MCO tax rate, covering the time period of January 2021 to June 2021, to Plans in December 2020.</p> <p>Total cost of medical care expense actual recorded is approximately \$177.6M which is approximately \$3M less than budgeted due to rates being less than projected. All other expense line items are in line or below what is budgeted. For the first two months of fiscal year 2021, there is an approximate net loss of \$1.2M primarily due to the MCO tax loss.</p>	
#5 Announcements		
#6 Adjourn	Meeting was adjourned at 11:50 am	

Submitted by: *Cheryl Hurley*
 Cheryl Hurley, Clerk to the Commission

Dated: 11/19/2020

Approved by Committee: *Daniel Maychen*
 Daniel Maychen, Committee Chairperson

Dated: 11/19/2020