



**CalViva Health
Finance
Committee Meeting Minutes**

July 16, 2020

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 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 May 21, 2020</p> <p>Attachment 2.A Action D. Maychen, Chair</p>	<p>The minutes from the May 21, 2020 Finance meeting were approved as read.</p> <p style="text-align: center;"><i>Supervisor Rogers arrived at 11:31; was not included in vote</i> <i>John Frye arrives at 11:32; was not included in the vote</i></p>	<p>Motion: <i>Minutes were approved</i> <i>5 – 0 – 0 – 2</i> <i>(Nikoghosian / Soares)</i></p> <p>A roll call was taken.</p>
<p>#3 Financial Statements as of May 31, 2020</p> <p>Action D. Maychen, Chair</p>	<p>Total current assets were approximately \$257M; total current liabilities were approximately \$159.6M. Current ratio is 1.61. TNE as of May 31, 2020 was approximately \$107.7M, which is approximately 735% above the minimum DMHC required TNE amount.</p> <p>Investment income is below what was budgeted by approximately \$553K due to the significant decline in yields due to the COVID-19 pandemic. Premium capitation income actual recorded was approximately \$1.1B which is approximately \$66.3M ahead of budgeted amounts, primarily due to rates being higher than budgeted, and the IGT voluntary rate range program additional funds. Total cost of medical care is ahead of budget also due to additional revenues. Administrative service agreement fees expense is less than budgeted due to enrollment being less than projected. Grants expense is ahead of budget by approximately \$947K due to additional grants being disbursed as a result of COVID-19 to provide additional support to the community. License expense is ahead of what was budgeted by approximately \$63K primarily due to estimates being less than actual. Marketing is ahead of budget due to timing differences; as of June 30, 2020, it is now below what was budgeted. Taxes are below what was budgeted due to CMS approving taxes only retroactive to</p>	<p>Motion: <i>Approve Financials as of May 31, 2020</i> <i>7 – 0 – 0 – 0</i> <i>(Frye / Nikoghosian)</i></p> <p>A roll call was taken.</p>

	<p>January 1, 2020. For the first 11 months of the current fiscal year 2020 net income recorded was approximately \$37.4M which is approximately \$30.6M more than budgeted primarily due to the increase in revenue from IGT additional revenue and rates being higher than projected.</p>	
<p>#4 Announcements</p>	<p>During an analysis of the current deferred compensation plan two issues were discovered with the 457(b) plan. The first issue found CVH was overfunding the 457 amounts for Executives. Conversely, CVH also has a 401(a) retirement plan for Executives which has a higher contribution limit and therefore, the overfunding issue can be fixed by reallocating funds to the 401(a) plan. The second issue found that employer contributions, for all employees, are subject to FICA. The Plan is currently working with the payroll company to correct this issue. Both issues to be resolved within the coming weeks.</p>	
<p>#5 Adjourn</p>	<p>Meeting was adjourned at 11:40 am</p>	

Submitted by: Cheryl Hurley
 Cheryl Hurley Clerk to the Commission

Dated: 9-17-2020

Approved by Committee: Daniel Maychen
 Daniel Maychen, Committee Chairperson

Dated: 9/17/2020