



**CalViva Health  
Finance  
Committee Meeting Minutes**

**Meeting Location**

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

May 18, 2023

Finance Committee Members in Attendance		CalViva Health Staff in Attendance	
✓	Daniel Maychen, Chair	✓	Cheryl Hurley, Office Manager
✓	Jeff Nkansah, CEO		Jiaqi Liu, Director of Finance
	Paulo Soares		
✓	Joe Neves		
✓	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 11:31 am, a quorum was present.	
#2 Finance Committee Minutes dated March 16, 2023 Attachment 2.A Action, D. Maychen, Chair	The minutes from the March 16, 2023, Finance meeting were approved as read.	Motion: <i>Minutes were approved</i> 4-0-0-2 (Rogers / Nkansah)
#3 Financials as of March 31, 2023 Action	Total current assets recorded were approximately \$331.1M; total current liabilities were approximately \$204.3M. Current ratio is approximately 1.62.	Motion: <i>Financials as of March 31, 2023, were approved</i> 4-0-0-2

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<p>D. Maychen, Chair</p>	<p>Total equity was approximately \$136.9M which is approximately 793% above the minimum DMHC required TNE amount.</p> <p>Interest income actual recorded was approximately \$3.6M which is approximately \$3.3M more than budgeted primarily due to rates on the Plan's money market funds being higher than projected. Premium capitation income actual recorded was approximately \$1B which is approximately \$122.4M more than budgeted primarily due to rates and enrollment being higher than projected.</p> <p>Total cost of medical care expense actual recorded is approximately \$862.9M which is approximately \$117.7M more than budgeted due to rates and enrollment being higher than projected. Admin service agreement fees expense actual recorded was approximately \$41.6M, which is approximately \$2.8M more than budgeted due to higher than budgeted enrollment. Dues and Subscriptions expense actual recorded was approximately \$207K which is approximately \$53K more than budgeted due to the Local Health Plans of California (LHPC) one-time additional assessment related to their work in renewing the MCO tax and allocating dollars to reinvest back into Medi-Cal as opposed to the State general fund. All other expense line items are below or close to what was budgeted.</p> <p>Net income recorded was approximately \$8.9M, which is approximately \$5.9M more than budgeted primarily due to Interest income being approximately \$3.3M higher, and rates and enrollment being higher than budgeted.</p>	<p><i>(Rogers / Neves)</i></p>
<p>#4 Finance Committee Charter</p> <p>Action</p> <p>D. Maychen, Chair</p>	<p>No edits or revisions were recommended during the annual Charter review. This was approved to move to Commission for final approval.</p>	<p>Motion: <i>Finance Charter was approved to move to Commission for full approval.</i></p> <p><i>4-0-0-2</i></p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
#5 Announcements	<p>The FY 2024 budget which was approved during the March Finance meeting will be presented to the Commission today for final approval. When the Plan's budgeted MCO tax was created, it was based off the proposal that the State presented in their January release of the California State budget for the next fiscal year (i.e., 2023-2024). As part of the May revised budget, that was presented last week by Governor Newsom, the State is looking to revise the MCO tax proposal which would substantially increase the MCO tax. For our Plan, the MCO tax would almost quadruple. The State is looking at a \$31.5B budget deficit for State fiscal year 2023-2024, as such, they are trying to maximize the federal match dollars from the MCO tax. Also, the federal government has indicated they are tightening the rules around the MCO tax in future years. The revised MCO tax proposal would be effective retroactive to April 2023, as opposed to January 2024. June 15, 2023, it must pass through the California legislature, and June 30, 2023, the State has to send it to CMS for review and approval. The Plan is currently tracking this. If it passes as proposed, the Plan's FY 2024 budget would need to be revised.</p>	<p>(Rogers / Neves)</p>
#6 Adjourn	Meeting was adjourned at 11:37 am	

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

Dated: July 20, 2023

Approved by Committee: Daniel Maychen  
 Daniel Maychen, Committee Chairperson

Dated: 7/20/23