

Fresno-Kings-Madera
Regional Health Authority

**CalViva Health
Commission
Meeting Minutes**
October 20, 2016

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
✓	Van Do-Reynoso , Director, Madera Co. Dept. of Social Services	✓	David Pomaville , Director, Fresno County Dept. of Public Health
✓	John Frye , Commission At-large Appointee, Fresno	✓*•	Deborah Poochigian , Fresno County Board of Supervisor
✓	Soyla Griffin , Fresno County At-large Appointee		Stephen Ramirez , Fresno County At-large Appointee
	Derrick Gruen , Commission At-large Appointee, Kings County	✓	David Rogers , Madera County Board of Supervisors
✓	David Hodge , M.D., Chair, Fresno County At-large Appointee	✓	David Singh , Valley Children's Hospital Appointee
✓	Aftab Naz , Madera County At-large Appointee		Paulo Soares , Commission At-large Appointee, Madera County
		✓	Keith Winkler , Director, Kings County Dept. of Public Health
Commission Staff			
✓	Gregory Hund , Chief Executive Officer (CEO)	✓	Amy Schneider , R.N., Director of Medical Management
✓	William Gregor , Chief Financial Officer (CFO)		Jeff Nkansah , Director, Compliance and Privacy/Security
✓	Patrick Marabella , M.D., Chief Medical Officer (CMO)	✓	Cheryl Hurley , Commission Clerk
✓	Mary Beth Corrado , Chief Compliance Officer (CCO)	✓	Daniel Maychen , Director of Finance & MIS
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 1:35 pm. A quorum was present.	
#2 Roll Call Cheryl Hurley, Clerk to the Commission	A roll call was taken for the current Commission Members.	<i>A roll call was taken</i>

Commission Meeting Minutes

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<p>#3 Consent Agenda a) Commission Minutes 9/15/2016 b) Finance Committee Minutes 5/19/2016 c) Public Policy Minutes 6/1/16</p> <p>Action David Hodge, M.D, Chairman</p>	<p>All consent items were presented and accepted as read.</p>	<p>Motion: <i>Approve Consent Agenda</i> 12-0-0-5 (Neves / Naz)</p>
<p>#4 Financial Audit Report for Fiscal Year 2016</p> <p>Action David Hodge, M.D, Chairman</p>	<p>Moss Adams issued an unmodified audit opinion.</p> <p>R. Suico stated the cash and cash equivalent balances were reconciled on a timely basis and as of year-end they were properly supported with documentation and cash is reasonably stated. The capitation receivables increase was due to the increase in membership and rates, in addition to the timing of when payments are received from the State. Payments received in the months of July and August, were reviewed and year end balances were found to be substantially collected after year end. Other receivables, prepaid expenses and other assets have remained consistent with the prior year. There was a large increase in capital assets from the prior year, which is due to the purchase of the building. The purchase documents were reviewed and found to be properly approved. The furniture and equipment purchased during the year were recorded in accordance with the Plan’s capitalization policy and in accordance with GAAP. No issues were found in terms of capital assets. Restricted cash, Knox Keene license requirement has remained the same as prior year.</p>	<p>Motion: <i>Approve Audit Report</i> 12-0-0-5 (Neves / Naz)</p>

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	<p>In reference to liabilities, payments made subsequent to yearend and liabilities have been paid out. Incurred but not reported medical claims payable had a fairly insignificant balance.</p> <p>The net position, with increase from prior year, showed positive operating results for FY 2016.</p> <p>Operating expenses, as presented in financial statements, shows the largest group of expenses being capitation to Health Net, followed by General and Administrative expenses which has remained consistent with prior year, and premium tax which is approximately 4% of total operating expenses.</p> <p>Operating revenues have increased approximately 8% from prior year due to the increase in members and increase in rates. The composition of expenses has been consistent with 2015. It was found that management has recorded these expenses consistently from year to year, which shows there is consistent application of accounting principles, and also in accordance with GAAP.</p> <p>No adjustments were proposed by Moss Adams after completion of the audit. The financial statements as presented were fairly stated.</p>	
<p>#5 2017 Calendar Year Meeting Proposal</p> <p>Action David Hodge, M.D, Chairman</p>	<p>The 2017 calendar year meeting schedules were presented to the Commission for approval. All meetings have been scheduled to take place in Fresno County, with the exception of the Public Policy Committee meeting.</p>	<p>Motion: <i>Approve 2017 Calendar Year Meeting Schedules</i></p> <p>12-0-0-5 (Neves / Rogers)</p>

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<p>#6 2016 Cultural and Linguistics (C & L)</p> <p>Action David Hodge, M.D, Chairman</p>	<p>Dr. Marabella presented the 2016 Cultural & Linguistics Work Plan Mid-Year Evaluation Executive Summary.</p> <p>The four categories covered consist of:</p> <ul style="list-style-type: none"> • Language Assistance Services • Compliance Monitoring • Communication, Training and Education • Health Literacy, Cultural Competency and Health Equity <p><i>Supervisor Poochigian joined the meeting at 1:46 pm</i></p> <p>All activities were completed by June 30, 2016, or are on target for year-end completion.</p> <p>Some of the activities completed at the mid-year consist of:</p> <ul style="list-style-type: none"> • 24 materials, including member newsletters reviewed for readability level, content and layout. • C & L related grievances reviewed and follow-up completed. • Conducted 4 Cultural Competency trainings for Call Center staff. • Co-lead the Industry Collaborative Effort (ICE) to update ICE Provider Toolkit. • Provided training on Western Medicine and Working with Interpreters for Transitional Case Management staff. • Computer based training for A & G staff. <p>All work plan activities are on target for year-end and will continue to monitor and track services and activities.</p>	<p>Motion: a combined vote was taken subsequently to the Health Education presentation. See Item #7 Motion.</p>

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	<p>Revisions were made to the C & L Program Description to address federal regulations requiring culturally competent training to ensure services are delivered in a manner that meets the unique needs of our members regardless of gender, sexual orientation, or gender identity.</p> <p>Changes to the C & L Program Description were put in place by 8/31/16 and include changes to pages 9-11, and language was added to address training for staff, consulting services, and education for providers.</p> <p>Changes to the C & L Work Plan consisted of items 23, 40, 42, and 43, in addition, language added to address similar training issues for specific activities.</p> <p>Changes were as a result of statutes that require areas of potential discrimination be addressed.</p>	
<p>#7 Health Education</p> <p>Action David Hodge, M.D, Chairman</p>	<p>Dr. Marabella presented the 2016 Health Education Work Plan Mid-Year Evaluation Executive Summary.</p> <p>The six major areas of focus for 2016 are:</p> <ul style="list-style-type: none"> • Pregnancy • Weight Control • Member Engagement • Smoking Cessation • Preventive Health Care • Chronic Disease Education <p>Overall, 12 initiatives are on track to meet year-end goals.</p>	<p>Motion: Approve 2016 C & L Work Plan Mid-Year Evaluation; Program Description and Work Plan Update; 2016 Health Education Work Plan Mid-Year Evaluation</p> <p><i>13-0-0-4 (Naz / Frye)</i></p> <p><i>A roll call was taken</i></p>

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	<p>For Fit Families for Life, enrollment is down. There were issues with getting promotional materials printed, approved, and out on time; therefore, this initiative has been moved to Q3.</p> <p>For Pregnancy Matters, there were issues with perinatal database which has since been resolved and is currently on track to meet year-end goals.</p> <p>The Kids and Teens Challenge is for Well-care and includes an incentive program. Enrollment for this initiative is down. Promotional materials will be received in Q3 and efforts to meet goals will continue.</p> <p>The Smoking Cessation Program is on track.</p> <p>Member Health Education Classes are on track to meet year-end goals. CVH has improved the locations of these meetings so that they are more convenient to members.</p> <p>Barriers to full implementation of activities have been identified and are being addressed. Efforts to implement all initiatives will continue through 2016.</p>	
<p>#8 Standing Reports</p> <ul style="list-style-type: none"> • Finance Report William Gregor, CFO 	<p><u>Finance</u></p> <p>Financial Statements as of August 31, 2016:</p>	<p>Motion: Approve Standing Reports</p> <p><i>13-0-0-4 (Naz / Neves)</i></p> <p><i>A roll call was taken</i></p>

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<ul style="list-style-type: none"> • Compliance Mary Beth Corrado, CCO 	<p>Current assets are \$130M and current liabilities are \$100.8M, with a current ratio of 1.29. TNE at the end of August was \$40.4M Total revenues are approximately \$185.7M, which is above budgeted amount due to increase in enrollment. Total cost of medical care expense and administrative service agreement fees expense are also higher due to increase in enrollment. Unknown for FY2017 financials are premium taxes as DHCS is in process of finalizing tax amounts; however, it is expected that the impact will be relatively minimal. Other expenses are in line with budget for the current fiscal year. Net income was \$2.1M for FY to date.</p> <p>A routine DMHC financial examination was recently completed and concluded week ending 10/14/16. The previous audit was held in 2012; audits are conducted approximately every three years. During the exit conference, there were no material findings. Basic findings revolved around claims payment. A preliminary report is expected in approximately 2 – 4 weeks from DMHC at which time CVH will have the opportunity to formally respond to the report. The report will then become finalized and made public on the DMHC website.</p> <p><u>Compliance</u></p> <p>MB Corrado presented the Compliance report. DMHC and DHCS held a joint medical audit earlier in the year. A preliminary response from DHCS was received in September which identified three deficiencies; one which was related to claims in which CVH offered mitigating information and evidence showing disagreement in the extent of their findings. A response is currently pending. DMHC findings were also received for the two audits conducted; one audit was conducted on</p>	

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<ul style="list-style-type: none"> • Medical Management P. Marabella, MD, CMO 	<p>SPD population and the second covered total Medi-Cal business. The SPD audit contained one deficiency and the full medical audit identified four deficiencies; one of which was the same identified in the SPD audit, three related to grievances, and one in relation to an ID card issue. Overall, the joint audit went well, deficiencies were minimal and several have since been corrected. A corrective action plan is owed to both DMHC and DHCS after which final reports will be issued and become public.</p> <p>The next Public Policy Committee meeting is scheduled for December 7, 2016 at CalViva Health. All Commissioners are invited to attend and observe.</p> <p><u>Medical Management</u></p> <p>Appeals and Grievances Report</p> <p>Dr. Marabella presented the Appeals and Grievances through August 2016.</p> <ul style="list-style-type: none"> • Grievance numbers have leveled off, including Quality of Service and Quality of Care which are slightly lower than the beginning of the year. • The number of Exempt grievances is currently better than in the past. • Appeals have increased slightly in August, relating to new pharmacy issues. • Current pharmacy issues continue to relate to new Hep C drugs. 	

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	<p>Key Indicator Report</p> <p>Dr. Marabella presented the Key Indicator report.</p> <ul style="list-style-type: none"> • The Key Indicator Report is now a rolling 12 months. • Membership continues to increase. • ER visits have started to trend down. • Bed days per thousand have decreased. • Turn-around times are better than in previous months. • Complex and Ambulatory Case Management have now been merged into one program as of September 2016, now under Centene’s new Case Management program. There will be one integrated Case Management program moving forward. The program will now be all in-house, as opposed to vendors. Once a member has been assigned a Case Manager, that Case Manager will stay assigned to the member regardless of acuity level. This supports continuity of care for members over time. • Perinatal Case Management will transition to a new program after the first of the year, 2017. <p><i>Dr. Naz stepped out at 2:07 pm</i> <i>Dr. Naz returned at 2:09 pm</i></p> <p>QI/UM</p> <p>Dr. Marabella provided the QI/UM Quarter 3 update. One QI/UM meeting was held during this reporting period, August 11, 2016, and</p>	

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	<p>one Educational Session was held due to lack of quorum on September 15, 2016.</p> <p>Some of the Quality Improvement reports reviewed included Appeals and Grievances Dashboard, and Emergency Drug Availability, and Initial Health Assessment.</p> <p>Some of the Utilization Management reports covered included the Key Indicator Report, Specialty Referrals Reports from Delegated Entities, Utilization Management/Medical Management Concurrent Review Report, and the Qtr 2 Pharmacy Reports.</p> <p>In addition, HEDIS® Activity, Access & Availability, and Kaiser Reports were reviewed as well.</p> <p>All pertinent areas were reviewed and no significant compliance issues were identified.</p> <p>Credentialing Sub-Committee Quarterly Report</p> <p>The Credentialing Sub-Committee met on October 20, 2016. Routine credentialing and re-credentialing reports were reviewed for both delegated and non-delegated entities. An Oversight Audit of several delegated entities and Health Net will be initiated within the next 60 days.</p> <p>Peer Review Sub-Committee Quarterly Report</p>	

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<ul style="list-style-type: none"> • Executive Report G. Hund, CEO 	<p>The Peer Review Sub-Committee met on October 20, 2016. Quarter 1 and Quarter 2 date was reviewed. There are a fair number of cases open. Findings show that high volume providers are starting to get more grievances. No serious Quality of Care issues were found.</p> <p><u>Executive Report</u></p> <p>Membership growth for August was minimal with approximately 300 members added. September numbers reflect a growth in membership of approximately 1,700. October numbers not displayed on report reflect total membership currently at 358,500. Market share continues to trend upward.</p> <p>Current CVH Community initiatives include:</p> <ul style="list-style-type: none"> • The Children’s Movement • Fresno County Health Improvement Partnership • Cradle to Career (C2C) • Preterm Birth Initiative • Mobilizing for Action through Planning and Partnership (Madera county) • The Vision Program <p>Beginning in 2017, Staff will provide 5 minute educational sessions on various topics of interest to Commissioner to include TNE requirement and calculations, HEDIS, Clinical Management Trends, Network Development, etc. Commissioners should submit any topic of interest to the RHA Commission Clerk.</p>	

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#9 Final Comments from Commission Members and Staff	Commissioner Winkler requested that all future RHA Commission meeting packets be posted on the CVH website.	No action was taken.
#10 Announcements	None.	
#11 Public Comment	None.	
#12 Adjourn	<p>The meeting was adjourned at 2:22 pm</p> <p>The next Commission meeting is scheduled for November 17, 2016 in Fresno County.</p>	

Submitted this Day: Nov. 17, 2016
 Submitted by: Cheryl Hurley
 Cheryl Hurley
 Clerk to the Commission