

**ALAMEDA ALLIANCE FOR HEALTH
BOARD OF GOVERNORS
REGULAR MEETING
October 8th, 2021
12:00 pm – 2:00 pm
(Video Conference Call)
Alameda, CA**

SUMMARY OF PROCEEDINGS

Board of Governors on Conference Call: Dr. Evan Seevak (Chair), Rebecca Gebhart (Vice-Chair), Marty Lynch, Wilma Chan, Natalie Williams, Byron Lopez, Nicholas Peraino, Dr. Rollington Ferguson, Dr. Kelley Meade, Dr. Michael Marchiano, James Jackson, David Vliet

Alliance Staff Present: Scott Coffin, Dr. Steve O'Brien, Gil Riojas, Anastacia Swift, Ruth Watson, Richard Golfin, Tiffany Cheang, Matt Woodruff, Sasi Karaiyan

Excused: Dr. Noha Aboelata, Aarondeep Basrai

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
1. CALL TO ORDER			
Dr. Evan Seevak	<p>The regular board meeting was called to order by Dr. Seevak at 12:01 pm.</p> <p>The following public announcement was read.</p> <p>"The Board recognizes that there is a proclaimed state of emergency at both the State and the local Alameda County level, and there are recommended measures to promote social distancing in place. The Board shall therefore conduct its meetings via teleconference in accordance with Assembly Bill 361 for the duration of the proclaimed state of emergency."</p> <p>"Audience, during each agenda item, you will be provided a reasonable amount of time to provide public comment."</p>	None	None
2. ROLL CALL			
		None	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
Dr. Evan Seevak	A telephonic roll call was taken of the Board Members, and a quorum was confirmed.		
3. AGENDA APPROVAL OR MODIFICATIONS			
Dr. Evan Seevak	<ul style="list-style-type: none"> A correction in the September minutes due to a misspelling of Byron Lopez's name. A Board Member requested the Single Plan Model Update move to the top of the Board Business. <p>Both agenda modifications were accepted.</p>	Accepted	None
4. INTRODUCTIONS			
Dr. Evan Seevak	None	None	None
5. CONSENT CALENDAR			
Dr. Evan Seevak	<p>Dr. Seevak presented the October 8th, 2021, Consent Calendar.</p> <p>a) September 10th, 2021, Board of Governors Meeting Minutes</p> <p>b) October 5th, 2021, Finance Committee Meeting Minutes</p> <p>Motion to Approve October 8th, 2021, Board of Governors Consent Calendar.</p> <p>A roll call vote was taken, and the motion passed.</p>	<p><u>Motion to Approve</u> October 8th, 2021, Board of Governors Consent Calendar.</p> <p><u>Motion:</u> M. Lynch <u>Second:</u> Dr. Meade</p> <p><u>Vote:</u> Yes</p> <p>No opposed or abstained.</p>	None
6. a. BOARD MEMBER REPORT – COMPLIANCE ADVISORY COMMITTEE			

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Rebecca Gebhart	<p>The Compliance Advisory Committee was held telephonically on October 8th, 2021, at 10:30 am.</p> <p>Kindred Focus Audit:</p> <ul style="list-style-type: none"> Findings are in the process of completion. <p>DHCS / DMHC 2021 Joint Audit</p> <p>DHCS Findings:</p> <ul style="list-style-type: none"> At the last Committee meeting, the High-Risk findings and repeat findings were discussed. The Committee discussed the Medium-Risk findings at today's meeting. <p>April 2020 Data Breach Update:</p> <ul style="list-style-type: none"> The Corrective Action Plan issued to the business associate has been resolved and closed. Due to the breach, the Federal Office of Health and Human Services, Office of Civil Rights is auditing the Alliance. We will update the Board as more information is received. <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None
6. b. BOARD MEMBER REPORT – FINANCE COMMITTEE			
Dr. Rollington Ferguson	<p>The Finance Committee was held telephonically on Tuesday, October 5th, 2021.</p> <p>Dr. Ferguson updated the Board on the Finance Committee Meeting.</p> <p>Highlights:</p> <ul style="list-style-type: none"> TNE, revenue, and membership are stable. 	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None

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	<ul style="list-style-type: none"> • The State has added \$8.4M to revenues for outreach for the COVID-19 Vaccine program. A discussion on the distribution of the funds is needed. • The Alliance received \$14.7M to incentivize the CalAIM program. A discussion on the distribution of the funds is needed. More information to come. • Moss Adam presented the Fiscal Year 2021 Audit findings at the Finance Committee Meeting. Moss Adam's will also present the Fiscal Year 2021 Audit findings at the Board meeting today. <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
7. CEO UPDATE			
Scott Coffin	<p>Scott Coffin, Chief Executive Officer, presented the following updates:</p> <p>Executive Summary:</p> <p>Today, the Board will be reviewing the following:</p> <ul style="list-style-type: none"> • Financial performance for August 2021 and year-to-date results, which includes the first two months of Fiscal Year 2022. • Updates on COVID-19 Vaccination Incentive Program, CalAIM Progress Report, and Single Plan Model Update. • Moss Adams Fiscal Year 2021 Annual Audit review. <p>The final budget for the Fiscal Year 2021/2022 and first-quarter forecast, to be presented to the Board of Governors for approval in December.</p> <p>Operations Dashboard – Key Performance Metrics:</p> <ul style="list-style-type: none"> • One regulatory non-compliant metric is expedited grievances. 	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None

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	<ul style="list-style-type: none"> The internal non-regulatory metric that is below internal compliance is the member call center. A recovery plan has been implemented to bring our performance back within our target range. <p>Medi-Cal Rx:</p> <ul style="list-style-type: none"> The administration of pharmacy services transitions to the State of California on January 1st, 2022. Medi-Cal physician-administered drugs and outpatient infusion drugs will be administered by the Alliance Pharmacy Department. The Alliance continues to administer all pharmacy services for Group Care Members, and the covered services and benefits related to pharmaceuticals will not change. DHCS and the Alliance will mail Medi-Cal beneficiary pharmacy notification letters. <p>Customer Service Week:</p> <ul style="list-style-type: none"> The Alliance celebrates Customer Service Week all next week. <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
8. a. BOARD BUSINESS – SINGLE PLAN MODEL UPDATE			
Scott Coffin	<p>The Single Plan Model Update was moved to the first report (8. a.) on the Board Business.</p> <p>Scott Coffin presented the following updates:</p> <ul style="list-style-type: none"> The background and steps the Alliance has taken to be a Single Plan Model were discussed. The Progress Report was discussed. The report is where we currently stand and what we need to do in the future. 	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	

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	<ul style="list-style-type: none"> • A discussion of the comparisons of the Single Plan and Two-Plan Models occurred. • A Statewide status of counties pursuing change in their Medi-Cal delivery model was displayed. <p>Question: Is the \$3.0M to \$4.0M operation readiness a one-time or ongoing expense for the additional infrastructure? Answer: This amount is an estimate and a one-time expense for technology, software, and staffing costs for additional members, but not an ongoing annual amount.</p> <p>Question: At what point in the timeline would an assessment for the disruption of care happen? Answer: Contra Costa Health Plan and the Alameda Alliance are looking at a single plan model, and in 2022, we will be teaming with them to identify potential impacts on members and providers.</p> <p>Questions: The new patients that are being transferred from other physicians; how would we handle the disruption? Answer: Our provider network overlaps with Anthem by 95%, and access to the remaining 5% may be disrupted.</p> <p>Questions: What will the Boards involvement be regarding the assessment process? Answers: The Alliance would bring a consolidated summary of the findings from the impact assessment to the Board and ask for support to continue to move forward.</p> <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
8. b. BOARD BUSINESS – MOSS ADAMS FISCAL YEAR 2021 AUDIT			
R. Suico, Chris Pritchard,	Rianne Suico, Chris Pritchard presented the Moss Adams Fiscal Year 2021 Audit findings.	Motion to Approve Moss Adams Fiscal Year 2021 Audit.	None

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and Gordon Lam	<p>The final report of the Independent Auditors found the following.</p> <p>Unmodified Opinion:</p> <ul style="list-style-type: none"> Combined financial statements are presented fairly and in accordance with generally accepted accounting principles. <p>Motion to Approve Moss Adams Fiscal Year 2021 Audit.</p> <p>A roll call vote was taken, and the motion passed.</p>	<p>Motion: N. Peraino Second: N. Williams</p> <p>Vote: Yes</p> <p>No opposed or abstained.</p>	
8. c. BOARD BUSINESS – REVIEW AND APPROVE AUGUST 2021 MONTHLY FINANCIAL STATEMENTS			
Gil Riojas	<p>Gil Riojas gave the following August 2021 Finance updates:</p> <p>Enrollment:</p> <ul style="list-style-type: none"> For the month ending August 31st, 2021, the Alliance had an enrollment of 291,207 members, a net income of \$1.5M, and the tangible net equity is 564%. Our enrollment has increased by 1,116 members since July 2021. <p>Net Operating Results:</p> <ul style="list-style-type: none"> For the month ending August 31st, 2021, the actual net income was \$1.5M, and the budgeted net income was \$1.3M. The favorable variances were due to higher than anticipated revenue and lower than anticipated administrative expense. <p>Revenue:</p> <ul style="list-style-type: none"> For the month ending August 31st, 2021, the actual revenue was \$98.1M vs. the budgeted revenue of \$97.4M. 	<p>Motion to Approve August 2021, Monthly Financial Statements.</p> <p>Motion: Dr. Ferguson Second: D. Vliet</p> <p>Vote: Yes</p> <p>No opposed or abstained.</p>	None

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	<p>Medical Expense:</p> <ul style="list-style-type: none"> For the month ending August 31st, 2021, the actual medical expense was \$91.4M, and the budgeted medical expense was \$89.8M. <p>Medical Loss Ratio (MLR):</p> <ul style="list-style-type: none"> For the month ending August 31st, 2021, the MLR was 93.2%. <p>Administrative Expense:</p> <ul style="list-style-type: none"> For the month ending August 31st, 2021, the actual administrative expense was \$5.2M vs. the budgeted administrative expense of \$6.3M. <p>Other Income / (Expense):</p> <ul style="list-style-type: none"> As of August 31st, 2021, our YTD interest income from investments is \$54,000, and YTD claims interest expense is \$72,000. <p>Tangible Net Equity (TNE):</p> <ul style="list-style-type: none"> Tangible net equity results continue to remain healthy, and at the end of August 31st, 2021, the TNE was reported at 564% of the required amount. <p>Cash Position and Assets:</p> <ul style="list-style-type: none"> For the month ending August 31st, 2021, the Alliance reported \$298.8M in cash; \$155.9M in uncommitted cash. Our current ratio is above the minimum required at 1.69 compared to the regulatory minimum of 1.0. <p>Question: SPD population is higher than usual. Do we have an analysis of the members in the Whole Person Care Program or Health Homes Program? I'm trying to understand if these programs are helping us with appropriate care and expenditures.</p> <p>Answer: We are looking into this and analyzing it.</p> <p>Question: There is a \$51.0M pension obligation this year. Will this continue to grow, and where is it captured in our expenses.</p>		

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	<p>Answer: Pension obligation is captured in administrative expense, and as we continue to add FTEs, that amount will increase.</p> <p>Motion to approve August 2021, Monthly Financial Statements as presented.</p> <p>A roll call vote was taken, and the motion passed.</p>		
8. d. BOARD BUSINESS – RESOLUTION #2021-14 ALAMEDA ALLIANCE FOR HEALTH AMENDING THE ALLOWABLE MEMBERSHIP TO THE STRATEGIC PLANNING COMMITTEE			
David Vliet	<p>David Vliet introduced Resolution #2021-14 Alameda Alliance for Health, Amending the Allowable Membership to the Strategic Planning Committee.</p> <ul style="list-style-type: none"> The Strategic Planning Committee Membership is changing from seven (7) Members to four (4) Members who will serve a term of two (2) years. <p>Motion to Approve Resolution #2021-14 Alameda Alliance for Health Amending the Allowable Membership to the Strategic Planning Committee.</p> <p>A roll call vote was taken, and the motion passed.</p>	<p>Motion to Approve Resolution #2021-14 Alameda Alliance for Health Amending the Allowable Membership to the Strategic Planning Committee.</p> <p>Motion: M. Lynch Second: Dr. Marchiano</p> <p>Vote: Yes</p> <p>No opposed or abstained.</p>	None
8. e. BOARD BUSINESS – MEMBER NOMINATIONS TO THE STRATEGIC PLANNING COMMITTEE			
David Vliet	<p>David Vliet introduced the Member Nominations to the Strategic Planning Committee.</p> <p>Members nominated:</p> <ul style="list-style-type: none"> David Vliet (Chair) Marty Lynch (Vice-Chair) 	<p>Motion to Approve Member Nominations to the Strategic Planning Committee</p> <p>Motion: N. Williams Second: M. Lynch</p>	None

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	<ul style="list-style-type: none"> • Dr. Kelley Meade • Dr. Evan Seevak <p>Appointments to the Strategic Planning Committee shall be for two (2) years.</p> <p>Motion to Approve Member Nominations to the Strategic Planning Committee.</p> <p>A roll call vote was taken, and the motion passed.</p>	<p>Vote: Yes</p> <p>No opposed or abstained.</p>	
8. f. BOARD BUSINESS – CALAIM PROGRESS REPORT			
Scott Coffin	<p>Scott Coffin presented the CalAIM Progress Report Update.</p> <p>Each month there will be an update to the Board of the key activities of CalAIM in preparation for the January 2022 deadline.</p> <p>In September, DHCS changed the name "In Lieu of Services" to "Community Supports."</p> <p>Topics discussed were:</p> <ul style="list-style-type: none"> • Current Financial Projections • Funding Approach for 2022, 2023, and 2024 • Progress Report <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None
8. g. BOARD BUSINESS – COVID-19 VACCINATIONS AND INCENTIVE PROGRESS UPDATE			
Matt Woodruff	<p>Matt Woodruff presented the COVID-19 Vaccinations and Incentives Progress Update.</p> <p>The purpose is to update on the vaccinations to both Medi-Cal and Group Care lines of business and discuss the new incentive program.</p>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	

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	<ul style="list-style-type: none"> 91% of Alameda County is Vaccinated COVID-19 Incentives: <ul style="list-style-type: none"> The State approved \$8.4M to fund outreach activities and local investments in vaccination services. DHCS increased the threshold set for vaccination rates to 85%. The Alliance hired a part-time consultant to manage the work plan, coordinate resources to execute activities, monitor and report performance, and engage as our community liaison. The final work plan will be completed the week of October 4th, 2021. <p>Comment: I would like the communications to the members to reach directly into the communities and not at the bureaucratic level.</p> <p>Answer: Our goal is the grassroots levels.</p> <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
9. a. STANDING COMMITTEE UPDATES – PEER REVIEW AND CREDENTIALING COMMITTEE			
Dr. Steve O'Brien	<p>The Peer Review and Credentialing Committee (PRCC) was held telephonically on September 21st, 2021.</p> <p>Dr. Steve O'Brien gave the following Committee updates:</p> <ul style="list-style-type: none"> There were twenty-seven (27) initial providers approved. Additionally, thirty-one (31) providers were re-credentialed at this meeting. <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	

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9. b. STANDING COMMITTEE UPDATES – HEALTH CARE QUALITY COMMITTEE			
Dr. Steve O'Brien	<p>The Health Care Quality Committee (HCQC) was held telephonically on September 16th, 2021.</p> <p>Dr. O'Brien gave the following Committee updates:</p> <ul style="list-style-type: none"> • Report out of Internal Quality Improvement Committee (IQIC), Cultural & Linguistics (C&L), and Utilization Management (UM). • HEDIS results update. • Patient Needs Assessment 2021. • Blood lead screening update. <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None
9. c. STANDING COMMITTEE UPDATES – PHARMACY & THERAPEUTICS COMMITTEE			
Dr. Steve O'Brien	<p>The Pharmacy & Therapeutics Committee (P&T) was held telephonically on September 21st, 2021.</p> <p>Dr. O'Brien gave the following Committee updates:</p> <p>The P&T Committee reviewed the efficacy, safety, cost, and utilization profiles of:</p> <ul style="list-style-type: none"> • 6 Therapeutic categories and drug monographs. • 32 Generics. • 48 Prior Authorization (PA) guidelines. <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	
9. d. STANDING COMMITTEE UPDATES – MEMBER ADVISORY COMMITTEE			
Scott Coffin	<p>The Members Advisory Committee (MAC) was held telephonically on September 16th, 2021.</p>		

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	<p>Natalie Williams & Melinda Mellos are the Chairpersons for this Committee. Scott Coffin gave the following Committee updates:</p> <ul style="list-style-type: none"> • A financial update was presented, including the Fiscal Year-end result for 2021. • Presented the first month's financial results for FY 2022. • Medi-Cal enrollment trends were discussed, and enrollment is flattening out. • Dr. Donna Carey and Stephanie Wakefield presented the COVID - 19 Vaccinations and Boosters. • Matt Woodruff presented a COVID-19 Vaccination Response. • Alameda County First 5 presented the Pediatric Care Pilot. The Alliance is partnered with Alameda County First 5 on this pilot. • Grievances and Appeals report by Jennifer Karmelich. • Communications and Outreach report by Michelle Lewis. • Linda Ayala presented the Annual Population Needs Assessment. • The Committee discussed Health Disparities Action Plan. <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	
10. STAFF UPDATES			
Scott Coffin	None	None	None
11. UNFINISHED BUSINESS			
Scott Coffin	None	None	None
12. STAFF ADVISORIES ON BOARD BUSINESS FOR FUTURE MEETINGS			
Scott Coffin	None	None	None
13. PUBLIC COMMENTS (NON-AGENDA ITEMS)			
Scott Coffin	None	None	None
14. ADJOURNMENT			

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
Dr. Evan Seevak	Dr. Evan Seevak adjourned the meeting at 2:00 pm.	None	None

Respectfully Submitted by: Jeanette Murray
Executive Assistant to the Chief Executive Officer and Clerk of the Board