

**ALAMEDA ALLIANCE FOR HEALTH  
BOARD OF GOVERNORS  
REGULAR MEETING  
September 10, 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. Noha Aboelata, Aarondeep Basrai, Dr. Michael Marchiano, James Jackson

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

**Excused:** David Vliet

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
<b>1. CALL TO ORDER</b>			
Dr. Seevak	The regular board meeting was called to order by Dr. Seevak at 12:01 pm.	None	None
<b>2. ROLL CALL</b>			
Dr. Seevak	A telephonic roll call was taken of the Board Members, and a quorum was confirmed.	None	None
<b>3. AGENDA APPROVAL OR MODIFICATIONS</b>			
Dr. Seevak	None	None	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
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<b>4. INTRODUCTIONS</b>			
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Dr. Seevak	None	None	None
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<b>5. CONSENT CALENDAR</b>			
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Dr. Seevak	<p>Dr. Seevak presented the September 10, 2021, Consent Calendar.</p> <p>a) July 9, 2021, Board of Governors Meeting Minutes</p> <p>b) September 7, 2021, Finance Committee Meeting Minutes</p> <p>Motion to Approve September 10, 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> September 10, 2021, Board of Governors Consent Calendar.</p> <p><u>Motion:</u> Dr. Aboelata <u>Second:</u> M. Lynch</p> <p><u>Vote:</u> Yes</p> <p>No opposed or abstained.</p>	None
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<b>6. a. BOARD MEMBER REPORT – COMPLIANCE ADVISORY COMMITTEE</b>			
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R. Gebhart	<p>The Compliance Advisory Committee was held telephonically on September 10, 2021, at 10:30 am.</p> <p>Byron Lopez and Dr. Aboelata attended the Compliance Advisory Committee meeting.</p> <p>Informational:</p> <ul style="list-style-type: none"> <li>• The revalidation project is completed and closed.</li> <li>• Kindred Focus Audit – findings and milestones are being addressed.</li> </ul> <p>DHCS / DMHC 2021 Audit:</p> <ul style="list-style-type: none"> <li>• We have not received the DMHC Audit findings yet.</li> <li>• We have received the DHCS Audit findings, and there we 33 findings for a 2-years lookback.</li> </ul>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None
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AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<ul style="list-style-type: none"> <li>• Staff presented the findings in 3 different ways:               <ul style="list-style-type: none"> <li>○ Self-Identified findings.</li> <li>○ Repeat findings .</li> <li>○ Risk findings (categorized by high risk, medium risk, low risk).</li> </ul> </li> <li>• Definition of Risk Findings:               <ul style="list-style-type: none"> <li>○ High risk is a significant effort is required to remediate.</li> <li>○ Medium risk is PnPs may require updated, and training involved.</li> <li>○ Low risk is no update to PnPs, limited impact on providers and members, and no or very little training required.</li> </ul> </li> <li>• Rebecca discussed the four self-findings that the Alliance identified and the DHCS identified.</li> <li>• Repeat findings were discussed in depth.</li> </ul> <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
<b>6. b. BOARD MEMBER REPORT – FINANCE COMMITTEE</b>			
Dr. Ferguson	<p>The Finance Committee was held telephonically on Tuesday, September 7, 2021.</p> <p>Dr. Ferguson updated the Board on the Finance Committee Meeting.</p> <p>Highlights:</p> <ul style="list-style-type: none"> <li>• The Committee focused on the June end of the year totals.</li> <li>• Membership was up over 32,000 over the last year.</li> <li>• The Alliance had projected a Fiscal YTD net loss of \$15.4M, but our actual net loss was \$1.6M.</li> <li>• Budgeted Administrative Expense: Projected YTD net loss of \$75.5M, but the actual net loss was \$53.3M.</li> <li>• Our medical expense for the year was budgeted at \$973.0M, and the actual was \$1.0 billion.</li> <li>• MLR 95.2%.</li> </ul>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
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	<ul style="list-style-type: none"> <li>• TNE 560%.</li> <li>• \$329,000 claims interest expense for the year.</li> <li>• The Committee would like to tighten up on the predictability of numbers.</li> </ul> <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
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**6. c. BOARD MEMBER REPORT – STRATEGIC PLANNING COMMITTEE**

S. Coffin	<p>The Strategic Planning Committee was held telephonically on August 9, 2021.</p> <p>Scott Coffin updated the Board on the Strategic Planning Committee Meeting. The four members are David Vliet, Dr. Meade, Dr. Seevak, and Marty Lynch.</p> <p>Highlights:</p> <ul style="list-style-type: none"> <li>• Bobbie Wunsch, Pacific Health Consulting Group, has been engaged and is the lead consultant to guide us through the planning.</li> <li>• The Strategic Plan is in two parts, a 3-year and 10-year plan view, and the work will conclude by the end of December 2021.</li> <li>• The Senior Executive Team, Alliance Staff, Alliance Focus Group, and Members Advisory Committee are engaged.</li> <li>• Twelve community leaders are involved for a comprehensive strategic view.</li> <li>• The Mission, Vision, and Values are being revised and edited to our current needs.</li> <li>• Updates will be announced at a Board Meeting in the future.</li> </ul> <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
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**7. CEO UPDATE**

S. Coffin	Scott Coffin, Chief Executive Officer, presented the following updates:		None
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AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<p>Executive Summary:</p> <p>Operational Report:</p> <ul style="list-style-type: none"> <li>The enrollment each month is increasing, but the contrary to this is Governor Newsom issued executive orders suspending the redeterminations that presumably will be rescinded in 2022. An enrollment reduction will occur at that time.</li> </ul> <p>Operations Dashboard – Key Performance Metrics:</p> <ul style="list-style-type: none"> <li>One regulatory metric below standards is standard grievances turnaround time. Remediation is taking place to restore compliance.</li> <li>The internal non-regulatory metrics that are below standards also are to be restored and within our target range.</li> <li>The Alliance's final budget for fiscal year 2021/2022 will be presented at the December 2021 Board Meeting for Board approval.</li> </ul> <p>Question: Do we know the number of dis-enrollments after the suspension, and are there any programs in CalAIM to offset the dis-enrollments?</p> <p>Answer: The Alliance is working with Alameda County Social Services Agency on the enrollment analysis for Medi-Cal to help us understand how many Medi-Cal Members will potentially be dis-enrolled. We are also analyzing all the changes with CalAIM next year that will add Members. The Board will be updated on this in the future.</p> <p>Question: What will happen with the older undocumented population becoming available for Medi-Cal? Can this be included in a report? Also, the potential impact in Alameda County on older applicants as the asset test is eliminated.</p> <p>Answer: We are working with Alameda County to analyze these two subjects and report to the Board the findings at a future date.</p>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
<b>8. a. BOARD BUSINESS – REVIEW AND APPROVE JUNE 2021 MONTHLY FINANCIAL STATEMENTS</b>			
G. Riojas	<p>Gil Riojas gave the following June 2021 Finance updates:</p> <p>These totals are pre-audit numbers. Moss Adams will be presenting the year-end audit at the October Board Meeting.</p> <p>Enrollment:</p> <ul style="list-style-type: none"> <li>For the month ending June 30, 2021, the Alliance had an enrollment of 288,554 members, a net income of \$1.4M, and the tangible net equity is 560%.</li> <li>Our enrollment has increased by 1,797 members since May 2021.</li> </ul> <p>Net Operating Results:</p> <ul style="list-style-type: none"> <li>For the month ending June 30, 2021, the actual net income was \$1.4M, and the budgeted net income was \$3.0M.</li> <li>The unfavorable variances were due to higher than anticipated medical expense, administrative expense, and other revenue.</li> </ul> <p>Revenue:</p> <ul style="list-style-type: none"> <li>For the month ending June 30, 2021, the actual revenue was \$90.8M vs. the budgeted revenue of \$80.9M.</li> </ul> <p>Medical Expense:</p> <ul style="list-style-type: none"> <li>For the month ending June 30, 2021, the actual medical expense was \$81.8M vs. the budgeted medical expense of \$71.7M.</li> </ul> <p>Medical Loss Ratio (MLR):</p> <ul style="list-style-type: none"> <li>For the month ending June 30, 2021, the MLR was 90.1%, and the fiscal year-to-date of 95.2%.</li> </ul>	<p>Motion to Approve June 2021, Monthly Financial Statements.</p> <p>Motion: Dr. Ferguson Second: Dr. Meade</p> <p>Vote: Yes</p> <p>No opposed or abstained.</p>	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<p>Administrative Expense:</p> <ul style="list-style-type: none"> <li>For the month ending June 30, 2021, the actual administrative expense was \$7.6M vs. the budgeted administrative expense of \$6.3M.</li> </ul> <p>Other Income / (Expense):</p> <ul style="list-style-type: none"> <li>As of June 30, 2021, our YTD interest income from investments is \$649,000, and YTD claims interest expense is \$329,000.</li> </ul> <p>Tangible Net Equity (TNE):</p> <ul style="list-style-type: none"> <li>Tangible net equity results continue to remain healthy, and at the end of June 30, 2021, the TNE was reported at 560% of the required amount.</li> </ul> <p>Cash Position and Assets:</p> <ul style="list-style-type: none"> <li>For the month ending June 30, 2021, the Alliance reported \$301.0M in cash; \$206.2M in uncommitted cash. Our current ratio is above the minimum required at 1.80 compared to the regulatory minimum of 1.0.</li> </ul> <p>Question: Are video visits captured in the primary care category?</p> <p>Answer: The visits are captured under the appropriate category of services and part of medical expenses.</p> <p>Motion to approve June 2021, Monthly Financial Statements as presented.</p> <p>A roll call vote was taken, and the motion passed.</p>		
<b>8. b. BOARD BUSINESS – REVIEW AND APPROVE JULY 2021 MONTHLY FINANCIAL STATEMENTS</b>			
G. Riojas	<p>Gil Riojas gave the following July 2021 Finance updates:</p> <p>Enrollment:</p>	<p>Motion to Approve July 2021, Monthly Financial Statements.</p> <p>Motion: N. Williams</p>	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<ul style="list-style-type: none"> <li>For the month ending July 31, 2021, the Alliance had an enrollment of 290,091 members, a net income of \$2.6M, and the tangible net equity is 558%.</li> <li>Our enrollment has increased by 1,537 members since June 2021.</li> </ul> <p>Net Operating Results:</p> <ul style="list-style-type: none"> <li>For the month ending July 31, 2021, the actual net income was \$2.6M, and the budgeted net income was \$1.4M.</li> <li>The favorable variances were due to higher than anticipated revenue and lower than anticipated administrative expense.</li> </ul> <p>Revenue:</p> <ul style="list-style-type: none"> <li>For the month ending July 31, 2021, the actual revenue was \$97.3M vs. the budgeted revenue of \$97.2M.</li> </ul> <p>Medical Expense:</p> <ul style="list-style-type: none"> <li>For the month ending July 31, 2021, the actual medical expense was \$89.8M.</li> </ul> <p>Medical Loss Ratio (MLR):</p> <ul style="list-style-type: none"> <li>For the month ending July 31, 2021, the MLR was 92.4%.</li> </ul> <p>Administrative Expense:</p> <ul style="list-style-type: none"> <li>For the month ending July 31, 2021, the actual administrative expense was \$4.8M vs. the budgeted administrative expense of \$6.2M.</li> </ul> <p>Other Income / (Expense):</p> <ul style="list-style-type: none"> <li>As of July 31, 2021, our YTD interest income from investments is \$22,000, and YTD claims interest expense is \$16,000.</li> </ul> <p>Tangible Net Equity (TNE):</p> <ul style="list-style-type: none"> <li>Tangible net equity results continue to remain healthy, and at the end of July 31, 2021, the TNE was reported at 558% of the required amount.</li> </ul>	<p>Second: Dr. Meade</p> <p>Vote: Yes</p> <p>No opposed or abstained.</p>	



AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<p>Cash Position and Assets:</p> <ul style="list-style-type: none"> <li>For the month ending July 31, 2021, the Alliance reported \$281.0M in cash; \$204.0M in uncommitted cash. Our current ratio is above the minimum required at 1.90 compared to the regulatory minimum of 1.0.</li> </ul> <p>Question: After dis-enrollment of the auto determinations, will the State pay for the services rendered during this time?</p> <p>Answer: We have been talking to the State about this issue, and they are not planning on retroactively collecting revenue for this time.</p> <p>Question: Are the delays in hiring from waiting to hire or challenges in hiring.</p> <p>Answer: No, there were no delays in hiring.</p> <p>Motion to approve July 2021, Monthly Financial Statements as presented.</p> <p>A roll call vote was taken, and the motion passed.</p>		
<b>8. c. BOARD BUSINESS – CALAIM PROGRESS UPDATE</b>			
S. 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> <ul style="list-style-type: none"> <li>CalAIM Model of Care #2 document was successfully submitted to the DHCS. The next submission is due October 1. All submission terms have been met with a combined effort of our County Safety Net partners.</li> </ul>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<ul style="list-style-type: none"> <li>• DHCS to release final rates for ILOS and transplants by September 30. We will be revising ILOS rates and cost projections and report back to the Board in November.</li> <li>• Operational readiness phase initiated and continues over the next four months.</li> <li>• Meeting held with DHCS, Alameda County HCSA, and Alameda Alliance in med-July.</li> <li>• Go live ECM, ILOS, and major organ transplants by January 1, 2022.</li> </ul> <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
<b>8. d. COVID-19 VACCINATIONS AND INCENTIVE PROGRESS REPORT</b>			
S. Coffin	<p>Scott Coffin presented the COVID-19 Vaccinations and Incentives progress report.</p> <p>Purpose to update on vaccinations to Medi-Cal and Group Care line of business and the new vaccine program.</p> <ul style="list-style-type: none"> <li>• Vacated Medi-Cal Members: 144,651.</li> <li>• Group Care Members: 3,971.</li> <li>• California Department of Health Care Services allocated over \$300M in budget to incentivize vaccination.</li> <li>• Alliance sent in a proposal that was accepted, but we have not yet received the allocated amount.</li> <li>• Outreach will include member texting, social media, billboards, mobile vaccination clinics, and coordination with faith-based organizations.</li> </ul> <p>Question: Will Group Care providers be mandated to be vaccinated since working with a vulnerable population?</p> <p>Answer: Not at this moment, but we will look into this.</p>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<p>Comment: Going into the community, such as the churches, is a way to help people to get their vaccination.</p> <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
<b>9. a. STANDING COMMITTEE UPDATES – PEER REVIEW AND CREDENTIALING COMMITTEE</b>			
Dr. O'Brien	<p>The Peer Review and Credentialing Committee (PRCC) was held telephonically on July 20, 2021.</p> <p>Dr. O'Brien gave the following Committee update:</p> <ul style="list-style-type: none"> <li>• There were seventeen (17) initial providers approved. Additionally, thirty-four (34) providers were re-credentialed at this meeting.</li> </ul> <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>	
<b>9. b. STANDING COMMITTEE UPDATES – HEALTH CARE QUALITY COMMITTEE</b>			
Dr. O'Brien	<p>The Health Care Quality Committee was held telephonically on July 15, 2021.</p> <p>Dr. O'Brien gave the following Committee updates:</p> <ul style="list-style-type: none"> <li>• P &amp; Ps were reviewed.</li> <li>• Alameda County First 5 presented a pilot coordination Pediatric Care Project in which the Alliance was involved. This pilot is being expanded to a more extensive program this year, and we will be partnering with them.</li> <li>• Dr. Miller, CMO from CHCN, gave a presentation on HEDIS.</li> <li>• ECM, ILOS update.</li> <li>• Pharmacy update.</li> <li>• Behavior Health insourcing update.</li> </ul>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	Informational update to the Board of Governors.  Vote not required.		
<b>10. STAFF UPDATES</b>			
S. Coffin	None	None	None
<b>11. UNFINISHED BUSINESS</b>			
S. Coffin	None	None	None
<b>12. STAFF ADVISORIES ON BOARD BUSINESS FOR FUTURE MEETINGS</b>			
S. Coffin	Update on Claims Interest Analysis and Remediations	None	Update
<b>13. PUBLIC COMMENTS (NON-AGENDA ITEMS)</b>			
S. Coffin	Comment: Look into acquiring a building that would accommodate all the needs of the Alliance in the same building. The Board recommends that Scott assign someone to look into this issue. Discussion to be addressed next month.	None	Comment
<b>14. CLOSED SESSION</b>			
Dr. Seevak	Dr. Seevak announced a Closed Session at 1:45 pm.  All Guests and Staff departed from the conference line. The Board of Governors and Scott Coffin remained for the Closed Session pursuant to the following: <ul style="list-style-type: none"> <li>Discussion and Deliberation regarding Trade Secrets (Health &amp; Safety Code Section 32106).</li> </ul>	Closed Session Discussion.	None
<b>15 ADJOURNMENT</b>			
Dr. Seevak	Dr. 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