

**ALAMEDA ALLIANCE FOR HEALTH  
BOARD OF GOVERNORS  
REGULAR MEETING  
November 13, 2020  
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), Dr. Noha Aboelata, Aarondeep Basrai, Dr. Rollington Ferguson, Marty Lynch, Wilma Chan, Dr. Michael Marchiano, Dr. Kelley Meade, Natalie Williams, Byron Lopez, Nicholas Peraino, David B. Vliet, Delvecchio Finley

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

**Non Staff Present:** Jeffrey Melching

| AGENDA<br>ITEM<br>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 12:03pm.           | 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      |
| <b>4. INTRODUCTIONS</b>                    |   |        |           |
| Dr. Seevak                                 | Introductions of the Board Members, Staff, and Guests were completed.             | None   | None      |
| <b>5. CONSENT CALENDAR</b>                 |   |        |           |

| AGENDA ITEM<br>SPEAKER   | DISCUSSION HIGHLIGHTS  | ACTION  | FOLLOW UP |
|--|--|---|-----------|
| Dr. Seevak   | <p>Dr. Seevak presented the Consent Calendar.</p> <p>a) October 9, 2020, Board Of Governors Meeting Minutes</p> <p>Motion to Approve November 13, 2020 Board Of Governors Consent Calendar.</p> <p>A vote by roll call was taken, and the motion passed.</p>   | <p><u>Motion to Approve November 13, 2020 Board Of Governors Consent Calendar.</u></p> <p><u>Motion:</u> Supervisor Chan<br/><u>Second:</u> Rebecca Gebhart</p> <p><u>Vote:</u> Yes</p> <p>No opposed or abstained.</p> | None      |
| <b>6. a. BOARD MEMBER REPORT – COMPLIANCE ADVISORY COMMITTEE</b> |  |   |           |
| R. Gebhart   | <p>The Compliance Advisory Committee was held telephonically on November 12, 2020, at 4:00pm.</p> <p>Rebecca Gebhart updated the Board on the current Compliance Advisory workbook.</p> <p>Annual Delegation Audit:</p> <ul style="list-style-type: none"> <li>• The Annual Delegation Audit is in the process of concluding.</li> <li>• We are closing out a Corrective Action Plan (CAP) for one of the delegates and writing final reports for the other delegates, including any CAPs.</li> <li>• Kaiser is audited separately, and we are currently starting the case file reviews. We will finish auditing Kaiser in the next month and submit our findings in January 2021.</li> </ul> <p>DHCS Kindred Hospital Audit:</p> <ul style="list-style-type: none"> <li>• DHCS notified the Alliance on 10/23/2020 that they were auditing the Alliance based on complaints received from one of our providers, Kindred Hospital, a Long Term Acute Care Hospital (LTACH).</li> </ul> | <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"> <li>• The audit is occurring now, and the lookback time is two years (10/2018 - 11/2020).</li> <li>• Kindred accepts complex and hard to place patient cases, and some of these patients stayed at Kindred long after the patient did not meet the medical necessity requirement for the LTACH rate and Kindred was not paid for that timeframe.</li> <li>• We are working with DHCS, and we hope to receive authorization for a rate between the LTACH rate and zero.</li> <li>• We are also working with CHCN, our delegate, who is delegated for inpatient management and discharge planning for Kindred.</li> </ul> <p>Delegation Oversight Committee:</p> <ul style="list-style-type: none"> <li>• The Alliance has created a Delegation Oversight Committee to oversee all aspects of service delivered by its delegated partners</li> <li>• The Delegation Oversight Committee will bring issues to the internal Alliance Compliance Committee, who will report them to the Board Compliance Advisory Committee, which then conveys the information to the Board of Governors.</li> </ul> <p>Transition of Care Bundle (TOC Bundles):</p> <ul style="list-style-type: none"> <li>• The Alliance is working with Alameda Health System (AHS) to pilot the Transition of Care Bundle (TOC Bundles) that supports patients as they transition from hospital to the outpatient world.</li> <li>• The TOC Bundles are to help support a patient's continuous improvement/safe landing and to reduce readmission.</li> <li>• The personalized Care Bundle will be handled by staff at AAH, AHS, community programs like HealthHomes, and by Community Based Care Management Entities (CB-CMEs) assigned to clinics and hospitals; there are multiple resources.</li> <li>• Presently, the Care Bundle eligibility is for individuals at high-risk and anyone with COVID-19.</li> </ul> <p>Informational update to the Board of Governors.</p> |        |           |

| AGENDA ITEM<br>SPEAKER                               | DISCUSSION HIGHLIGHTS   | ACTION   | FOLLOW UP  |
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|  | Vote not required.  |  |  |
| <b>6. b. BOARD MEMBER REPORT – FINANCE COMMITTEE</b> |   |  |  |
| Dr. Ferguson   | <p>The Finance Committee was held telephonically on Tuesday, November 10, 2020.</p> <p>Dr. Ferguson updated the Board on the Finance Committee Meeting.</p> <ul style="list-style-type: none"> <li>• TNE continues to be stable.</li> <li>• Medi-Cal enrollment has increased June 2020.</li> <li>• Interest income is down, and Gil will discuss the reason during the Financial Report.</li> <li>• Administrative expense below predicted.</li> <li>• Medical expenses continue to increase.</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   |
| <b>7. CEO UPDATE</b>                                 |   |  |  |
| S. Coffin  | <p>Scott Coffin, Chief Executive Officer, presented the following updates:</p> <p>Operating Performance &amp; Metrics:</p> <ul style="list-style-type: none"> <li>• Medi-Cal enrollment continues to increase, almost 24,000 higher between March through October 2020.</li> <li>• Alameda County continues to suspend the Medi-Cal re-determinations. The number of monthly disenrollments have remained low; following the termination of the public health emergency, Governor Newsom's executive order will be rescinded, and Alameda County Social Services will resume processing re-determinations.</li> </ul> <p>Behavioral Health Integration (BHI) Pilot:</p> | <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p> | The Alliance will present a BHI presentation to the Board at the next meeting. |

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|------------------------|--|--------|-----------|
|                        | <ul style="list-style-type: none"> <li>• Funded by the California State General Funds, administered by DHCS to establish new linkages between primary care and mental health &amp; substance use services.</li> <li>• Four projects approved in Alameda County: Lifelong (1), Tri-City Health Center (2), and Community Health Center Network (1).</li> <li>• BHI pilot starts on January 1, 2021, and continues for two years.</li> <li>• The Alliance will present a BHI presentation to the Board at the next meeting.</li> </ul> <p>Center of Excellence Certification:</p> <ul style="list-style-type: none"> <li>• Alameda Alliance for Health received a national distinction for customer service in the month of October 2020 through BenchmarkPortal, an independent organization that surveys and benchmarks organizations in multiple industries.</li> <li>• This award is an accomplishment of the Alliance's mission.</li> <li>• Congratulations to the Operations Team for this Milestone.</li> </ul> <p>Pharmacy transition to DHCS on January 1, 2021:</p> <ul style="list-style-type: none"> <li>• The Alliance project team is on schedule for the transition with DHCS 1/1/2021 go-live.</li> <li>• The operational readiness phase is to be completed by end of November, 30 days before go-live.</li> </ul> <p>CalAIM:</p> <ul style="list-style-type: none"> <li>• The State of California is resuming CalAIM initiatives.</li> <li>• New Medi-Cal benefits on January 1, 2022, include Enhanced Care Management and In-Lieu of Services.</li> <li>• The Alliance will be launching a new initiative in calendar year 2021 to prepare for these new Medi-Cal benefits.</li> <li>• Whole Person Care and Health Homes programs end 12/31/2021, and the new Medi-Cal benefits begin 1/1/2022.</li> </ul> <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p> |        |           |

| AGENDA ITEM<br>SPEAKER   | DISCUSSION HIGHLIGHTS   | ACTION   | FOLLOW UP |
|--|---|--|-----------|
| <b>8. a. BOARD BUSINESS – – REVIEW AND APPROVE SEPTEMBER 2020 MONTHLY FINANCIAL REPORT</b> |   |  |           |
| Gil Riojas   | <p>Gil Riojas gave the following September Finance updates:</p> <p>Enrollment:</p> <ul style="list-style-type: none"> <li>For the month ending September 30, 2020, the Alliance had an enrollment of 267,188 members, a net loss of \$3.2M, and the tangible net equity is 605%.</li> <li>Our enrollment has increased by 3,130 members since August 2020.</li> </ul> <p>Net Operating Results:</p> <ul style="list-style-type: none"> <li>For the month ending September 30, 2020, the actual net loss was \$3.2M, and the budgeted net loss was \$2.9M.</li> <li>The unfavorable variance is due to higher than anticipated medical expenses and lower than anticipated other income and expense.</li> </ul> <p>Revenue:</p> <ul style="list-style-type: none"> <li>For the month ending September 30, 2020, the actual revenue was \$85.0M vs. budgeted revenue of \$81.6M.</li> </ul> <p>Medical Expense:</p> <ul style="list-style-type: none"> <li>For the month ending September 30, 2020, the actual medical expense was \$83.0M vs. budgeted medical expense of \$77.5M.</li> </ul> <p>Medical Loss Ratio (MLR):</p> <ul style="list-style-type: none"> <li>For the month ending September 30, 2020, the MLR was 97.7%, and the fiscal year-to-date of 97.4%.</li> </ul> <p>Administrative Expense:</p> <ul style="list-style-type: none"> <li>For the month ending September 30, 2020, the actual administrative expense was \$5.2M vs. budgeted administrative expense of \$7.1M.</li> </ul> | <p><u>Motion to approve the September 2020 Monthly Financial Reports as presented.</u></p> <p><u>Motion:</u> Dr. Ferguson<br/><u>Second:</u> N. Peraino</p> <p>Motion passed by roll call.</p> <p><u>Vote:</u> Yes</p> <p>No opposed or abstained.</p> | None      |

| AGENDA ITEM<br>SPEAKER | DISCUSSION HIGHLIGHTS  | ACTION | FOLLOW UP |
|------------------------|--|--------|-----------|
|                        | <p>Other Income / (Expense):</p> <ul style="list-style-type: none"> <li>As of September 30, 2020, our YTD interest income from investments is \$172,000, and YTD claims interest expense is \$90,000.</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 September 30, 2020, the TNE was reported at 605% of the required amount.</li> </ul> <p>Cash Position and Assets:</p> <ul style="list-style-type: none"> <li>For the month ending September 30, 2020, the Alliance reported \$375.7M in cash; \$175.8M in uncommitted cash. Our current ratio is above the minimum required at 1.59 compared to the regulatory minimum of 1.0.</li> </ul> <p>Question:</p> <ul style="list-style-type: none"> <li>As more members enroll in the plan, how much of the increased medical expense is explained by the increased enrollment?</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>This depends on the acuity of the enrollment. The State is looking at the historical acuity and feels if it is lower than the State would decrease the rates.</li> </ul> <p>Question:</p> <ul style="list-style-type: none"> <li>Is there a way to track Medi-Cal expenses of our members that have moved out of State?</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>The county processes these and keeps track of these Medi-Cal Members. When the county is made aware of these, then they will be disenrolled.</li> </ul> <p>Question:</p> <ul style="list-style-type: none"> <li>Looking at our overall debt year to date this year, where would the Alliance be financially if the State had not made the rate cuts?</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>An estimate would be a loss of \$3.5M instead of \$8.0M.</li> </ul> |        |           |

| AGENDA ITEM<br>SPEAKER  | DISCUSSION HIGHLIGHTS  | ACTION   | FOLLOW UP |
|---|--|--|-----------|
|   | <p>Motion to approve the September 30, 2020, Monthly Financial Report as presented.</p> <p>A vote by roll call was taken and the motion passed.</p>  |  |           |
| <b>8. b. BOARD BUSINESS – FISCAL YEAR 2021 INVESTMENT STRATEGY UPDATE</b>         |  |  |           |
| G. Riojas   | <p>Gil Riojas presented the Fiscal Year 2021 Investment Strategy Update.</p> <p>Gil explained the change in the investment market.</p> <p>Question:</p> <ul style="list-style-type: none"> <li>Are there other investments that we can make that draw a higher interest?</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>The State limits how the plans invest.</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      |
| <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 October 20, 2020.</p> <p>Dr. O'Brien gave the following updates:</p> <ul style="list-style-type: none"> <li>There were twenty-seven (27) initial providers approved; including thirteen (13) Primary Care Providers, fourteen (14) specialists, zero (0) ancillary providers, and thirteen (13) mid-level providers.</li> <li>Additionally, twenty-six (26) providers were re-credentialed at this meeting; five (5) primary care providers, seventeen (17) specialists, zero (0) ancillary providers, and four (4) mid-level providers.</li> </ul> | <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p> | None      |



| AGENDA ITEM<br>SPEAKER  | DISCUSSION HIGHLIGHTS  | ACTION | FOLLOW UP  |
|---|--|--------|--|
|   | <p>Question:</p> <ul style="list-style-type: none"> <li>A Board member, Dr. Ferguson asked Dr. O'Brien to call him after the meeting.</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>Dr. O'Brien agreed.</li> </ul> <p>* It was also clarified that the item the Board member wanted to talk about did not have to do with any agenda item.</p> <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p> |        |  |
| <b>10. STAFF UPDATES</b>  |  |        |  |
| S. Coffin   | <ul style="list-style-type: none"> <li>Overview of BHI Pilot (overview for the next two years, and a summary of approved projects in Alameda County).</li> <li>Overview of Medi-Cal of New Enrollment (March through October summary of acuity and expense, and utilization).</li> </ul>   | None   | <p>Overview of BHI Pilot</p> <p>Overview of Medi-Cal of New Enrollment</p> |
| <b>11. UNFINISHED BUSINESS</b>                                    |  |        |  |
| S. Coffin   | None   | None   | None   |
| <b>12. STAFF ADVISORIES ON BOARD BUSINESS FOR FUTURE MEETINGS</b> |  |        |  |
| Dr. Seevak  | Information on investments   | None   | Information on investments   |

| AGENDA ITEM<br>SPEAKER | DISCUSSION HIGHLIGHTS | ACTION | FOLLOW UP |
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| <b>13. PUBLIC COMMENTS (NON-AGENDA ITEMS)</b> |  |  |  |
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| Dr. Seevak | None | None | None |
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| <b>14. CLOSED SESSION</b> |  |  |  |
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| Dr. Seevak | <p>Dr. Seevak announced a Closed Session at 1:00pm.</p> <p>Dr. Meade departed from the Board meeting, and Delvecchio Finley and Dr. Aboelata joined the Board meeting at this time. Jeffrey Melching, Alliance's General Counsel, attended the Closed Session.</p> <p>All Guests and Staff departed from the conference line. The Board of Governors, Scott Coffin, and Jeffrey Melching remained for the Closed Session pursuant to the following:</p> <ul style="list-style-type: none"> <li>• Public Employee Performance Evaluation (Pursuant To Government Code Section 54957). Title: Chief Executive Officer.</li> <li>• Conference with Labor Negotiators (Pursuant To Government Code Section 54957.6). Agency Negotiators: Dr. Evan Seevak, Chair; Rebecca Gebhart, Vice-Chair; Dr. Rollington Ferguson, Finance Committee Chair; David B. Vliet, Board Member; Marty Lynch, Board Member; Unrepresented Employee: Chief Executive Officer.</li> <li>• Report Involving Trade Secret (Government Code Section 37606; Health and Safety Code Section 32106): Report will Involve New Service Model.</li> </ul> | Closed Session Discussion. | None |
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| <b>15. ADDITIONAL BOARD BUSINESS</b> |  |  |  |
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| Dr. Seevak | <p>Dr. Seevak re-opened the Board of Governors Meeting.</p> <p>Agreement for the Employment of Scott Coffin as Chief Executive Officer of the Alameda Alliance for Health.</p> <p>A) Staff Report was reported out by Jeffrey Melching, Alliance General Counsel.</p> | <u>Motion to Approve and Authorize Board Chair to execute amended and restated Agreement for the Employment of Scott Coffin as Chief Executive Officer of the</u> | None |
|------------|---|---|------|

| AGENDA ITEM<br>SPEAKER | DISCUSSION HIGHLIGHTS  | ACTION  | FOLLOW UP |
|------------------------|--|---|-----------|
|                        | <p>B) Approve and Authorize Board Chair to execute amended and restated Agreement for the Employment of Scott Coffin as Chief Executive Officer of the Alameda Alliance for Health.</p> <p>Motion to Approve and Authorize Board Chair to execute amended and restated Agreement for the Employment of Scott Coffin as Chief Executive Officer of the Alameda Alliance for Health.</p> <p>A vote by roll call was taken and the motion passed.</p> | <p><u>Alameda Alliance for Health.</u></p> <p><u>Motion:</u> M. Lynch<br/><u>Second:</u> N. Williams</p> <p>Motion passed by roll call.</p> <p><u>Vote:</u> Yes</p> <p>No opposed or abstained.</p> |           |
| <b>14. ADJOURNMENT</b> |  |   |           |
| Dr. Seevak             | Dr. Seevak adjourned the meeting at 2:00pm.  | None  | None      |

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