

**ALAMEDA ALLIANCE FOR HEALTH
BOARD OF GOVERNORS
REGULAR MEETING
December 11, 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. Kelley Meade, Natalie Williams, Byron Lopez, Nicholas Peraino, David B. Vliet,

Alliance Staff Present: Scott Coffin, Dr. Sanjay Bhatt, Gil Riojas, Tiffany Cheang, Sasi Karaiyan, Anastacia Swift, Jeanette Murray, Ruth Watson, Richard Golfin, Matt Woodruff, Stephany Wakefield

Non Staff Present: Dr. D. Long

Alliance Staff Excused: Delvecchio Finley, Dr. Michael Marchiano

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
1. CALL TO ORDER			
Dr. Seevak	The regular board meeting was called to order by Dr. Seevak at 12:02 pm.	None	None
2. ROLL CALL			
Dr. Seevak	A telephonic roll call was taken of the Board Members and a quorum was confirmed.	None	None
3. AGENDA APPROVAL OR MODIFICATIONS			
Dr. Seevak	None	None	None
4. INTRODUCTIONS			
Dr. Seevak	None	None	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
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5. CONSENT CALENDAR

Dr. Seevak	<p>Dr. Seevak presented the Consent Calendar.</p> <ul style="list-style-type: none"> a) November 13, 2020, Board Of Governors Meeting Minutes b) Alameda Alliance Salary Survey Schedule 2015-2021 c) November 8, 2020, Finance Committee Meeting Minutes <p>Motion to Approve December 11, 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 December 11, 2020, Board Of Governors Consent Calendar.</u></p> <p><u>Motion:</u> R. Gebhart <u>Second:</u> N. Peraino</p> <p><u>Vote:</u> Yes</p> <p>No opposed or abstained.</p>	None
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6. a. BOARD MEMBER REPORT – COMPLIANCE ADVISORY COMMITTEE

R. Gebhart	<p>The Compliance Advisory Group was held telephonically on December 11, 2020, at 10:30 am.</p> <p>Rebecca Gebhart updated the Board on the current Compliance Advisory workbook.</p> <p>Compliance Dashboard had eight additional validations since the last meeting.</p> <ul style="list-style-type: none"> • Notice of Action (NOA) letters met compliance across the business. • Appeal notification letters had a finding of inaccurate information. The CAP involved training of staff and internal audit validation of accuracy. • A finding for the time frame for completion of health risk assessments was not met. The Alliance has implemented a tracking log. • A finding for validation of authorizations in UM took place without review by a medical director. Due to many plans asking for clarity, the DHCS recently removed this finding. 	<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"> • A finding for validation of authorizations because licensed vocational nurses were making decisions outside their scope of expertise and not having appropriate oversight. This has been corrected. • The Provider Directory not being accurate and up-to-date. The Alliance's internal audit recently validated that it is now accurate and complete. • Grievances did not capture all the expressions of complaints. This has been corrected. <p>DHCS Kindred Hospital Audit:</p> <ul style="list-style-type: none"> • We are in the process of exchanging information with the State. More updates in February. <p>Question:</p> <ul style="list-style-type: none"> • Did we have an outside agency look into the Kindred rate plan? <p>Answer:</p> <ul style="list-style-type: none"> • No, the Alliance did not want to pay for members who did not meet medical necessity. <p>Kaiser Audit:</p> <ul style="list-style-type: none"> • Kaiser Permanente has agreements to split audits among plan partners. Kaiser distributes their audits across plans regionally, and then that region shares the results. • We are currently in a Kaiser Permanente pharmacy audit, and we will share our results with 6 Northern California plans. <p>Question:</p> <ul style="list-style-type: none"> • Does the Alliance coordinate with other plans? <p>Answer:</p> <ul style="list-style-type: none"> • Yes. There is a coordination effort prior to the audit with the partner plans. <p>Delegation Oversight Committee:</p> <ul style="list-style-type: none"> • Delegation Oversight Committee launched on December 1, 2020. • The Committee reviewed infrastructure, delegation reporting, and a new Delegation Compliance Dashboard, which will bring various operations into one place. 		

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	<ul style="list-style-type: none"> Eventually, the Compliance Advisory Committee will be reporting out the Delegation Oversight Committee report to the Board. <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
6. b. BOARD MEMBER REPORT – FINANCE COMMITTEE			
Dr. Ferguson	<p>The Finance Committee was held telephonically on Tuesday, December 8, 2020.</p> <p>Dr. Ferguson updated the Board on the Finance Committee Meeting.</p> <p>Highlights:</p> <ul style="list-style-type: none"> The medical expense for October was over budget, and the Finance Committee discussed this issue. The Alliance has been receiving a lower interest income on its investments. The Committee discussed extending the time the investments are left in our money savings program to obtain higher interest income and also inquired about other money programs. <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
7. BERTRAM LUBIN QUALITY AWARD			
Dr. Meade	<p>The First Annual Bertram Lubin Quality Award was presented to Dr. Dayna Long by Dr. Meade.</p> <ul style="list-style-type: none"> Dr. Meade and Stephanie Wakefield introduced the first Annual Bertram Lubin Quality Award, which was awarded to Dr. Dayna Long, the Director for the Center for Child and Community Health and a pediatrician at UCSF Benioff Children's Hospital in Oakland. In the next few weeks, Dr. Dayna Long will receive a plaque. 	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None

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	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
8. CEO UPDATE			
S. Coffin	<p>Scott Coffin, Chief Executive Officer, presented the following updates:</p> <p>Operating Performance & First Quarter Financial Forecast:</p> <ul style="list-style-type: none"> • The pandemic situation has impacted the Alliance financially. • The Alliance is forecasted to exceed \$1.1B in revenue this year. • DHCS is providing rate adjustments to the Alliance. There has been an unusually high frequency of rate adjustments this year. • Alliance enrollment continues to grow, specifically in the Medi-Cal line of business by nearly 27,000 since March 2020. <p>COVID-19</p> <ul style="list-style-type: none"> • The Alliance is preparing for vaccine distribution and coordinating with the Alameda County Health Care Services Agency on communications to our members and providers. <p>Medi-Cal Pharmacy:</p> <ul style="list-style-type: none"> • The transition of pharmacy services to DHCS is delayed to April 1, 2021. • The Alliance project team is ready for the transition. • There is a 90-day membership notice to our members and providers that we will track and report findings back to the Board. <p>Operation Metrics:</p> <ul style="list-style-type: none"> • In terms of operating metrics, 2 regulatory measures are out of compliance on the Operations Dashboard. • Encounter reporting, there were 2300 claims that the encounter data was not submitted within a timely basis, but the Alliance paid the claims on time. We expect next month this metric to be green. • The other red metrics are internal, and we are working to return them to green within the next few months. 	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	

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	<p>The Alameda Alliance Portal:</p> <ul style="list-style-type: none"> • The Alameda Alliance portal, which is the members and providers portal, has a new deployment. The providers portal was updated recently, and this weekend the members portal goes live. • The 3rd phase in 2021 will provide more capabilities for the members and providers. <p>CalAIM:</p> <ul style="list-style-type: none"> • The State of California recently reinstated CalAIM initiatives. • New Medi-Cal benefits become effective on January 1, 2022, which include Enhanced Care Management and In-Lieu of Services. • The Enhanced Care Management benefit has similar content as the Whole Person Care Program and Health Homes Program. The revised model has added children and youth with complex physical and behavioral conditions. Also included is the re-entry coordination. Re-entry coordination is incarcerated individuals returning into the system and how the re-entry population obtains and receives Medi-Cal benefits. In January, we will be working with partners to define the services. • In-Lieu of Services are voluntary services for members. We also need to define what will be in these services: housing, navigation, transition, long-term care, social services, and other services. • Some delivery dates for the Alliance are July and September of 2021. • There will be more updates to the Board of Governors. <p>Question:</p> <ul style="list-style-type: none"> • Could you give us more detail as the transition moves from Health Homes? <p>Answer:</p> <ul style="list-style-type: none"> • Yes, the Alliance has a new enterprise division, Projects & Programs, which will coordinate the planning and engagement. <p>Behavioral Health Integration (BHI)</p> <ul style="list-style-type: none"> • Behavioral Health Integration awarded pilots will launch on January 1, 2021, and continue until December 31, 2022. DHCS approved 4 projects. These projects' awardees are CHCN, Lifelong Medical, and Bay Area Community Health (awarded two projects). 		

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	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
9. a. BOARD BUSINESS – REVIEW AND APPROVE OCTOBER 2020 MONTHLY FINANCIAL REPORT			
Gil Riojas	<p>Gil Riojas gave the following October Finance updates:</p> <p>Enrollment:</p> <ul style="list-style-type: none"> • For the month ending October 31, 2020, the Alliance had an enrollment of 270,418 members, a net loss of \$7.8M, and the tangible net equity is 555%. • Our enrollment has increased by 3,230 members since September 2020. <p>Net Operating Results:</p> <ul style="list-style-type: none"> • For the month ending October 31, 2020, the actual net loss was \$7.8M, and the budgeted net loss was \$2.9M. • The unfavorable variance is due to higher than anticipated medical expenses and lower than anticipated other income and expense. <p>Revenue:</p> <ul style="list-style-type: none"> • For the month ending October 31, 2020, the actual revenue was \$85.7M vs. the budgeted revenue of \$81.9M. <p>Medical Expense:</p> <ul style="list-style-type: none"> • For the month ending October 31, 2020, the actual medical expense was \$88.7M vs. the budgeted medical expense of \$77.8M. • A large claim was received, and we have taken several internal actions since receiving this claim, which will help us understand and be ahead of these types of claims. • We also engaged our reinsurance and a claims auditor. • In the future, we do not anticipate claims similar to this. <p>Question:</p> <ul style="list-style-type: none"> • When does the reinsurance start to pay a claim? 	<p><u>Motion to approve October 31, 2020, Monthly Financial Report as presented.</u></p> <p><u>Motion:</u> K. Meade <u>Second:</u> M. Lynch</p> <p>Motion passed by roll call.</p> <p><u>Vote:</u> Yes</p> <p>No opposed or abstained.</p>	None

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	<p>Answer:</p> <ul style="list-style-type: none"> The reinsurance starts with claims over \$600,000. <p>Medical Loss Ratio (MLR):</p> <ul style="list-style-type: none"> For the month ending October 31, 2020, the MLR was 103.5%, and the fiscal year-to-date of 98.9%. <p>Administrative Expense:</p> <ul style="list-style-type: none"> For the month ending October 31, 2020, the actual administrative expense was \$4.8M vs. the budgeted administrative expense of \$7.2M. <p>Other Income / (Expense):</p> <ul style="list-style-type: none"> As of October 31, 2020, our YTD interest income from investments is \$250,000, and YTD claims interest expense is \$113,000. <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 October 31, 2020, the TNE was reported at 555% of the required amount. <p>Cash Position and Assets:</p> <ul style="list-style-type: none"> For the month ending October 31, 2020, the Alliance reported \$301.0M in cash; \$180.2M in uncommitted cash. Our current ratio is above the minimum required at 1.71 compared to the regulatory minimum of 1.0. <p>Question:</p> <ul style="list-style-type: none"> Can we schedule a deep dive into our Inpatient expense? <p>Answer:</p> <ul style="list-style-type: none"> Yes, we will come back with a date to present this information. <p>Motion to approve the October 31, 2020, Monthly Financial Report as presented.</p> <p>A vote by roll call was taken and the motion passed.</p>		
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9. b. BOARD BUSINESS – FISCAL YEAR 2021 FIRST QUARTER FORECAST AND FINAL BUDGET PRESENTATION

G. Riojas			None
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AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<p>Gil Riojas presented the Fiscal Year 2021 First Quarter Forecast and Final Budget Presentation.</p> <ul style="list-style-type: none"> • Gil gave an overview of the Fiscal Year 2021 First Quarter Forecast and Final Budget. • The presentation included detailed explanations of the following: <ul style="list-style-type: none"> ○ FY2021 Forecast Highlights ○ CY2021 Rate Process & Adjustments ○ Forecasting Considerations ○ Membership Forecast ○ Unit Cost & Utilization Trends ○ Forecast versus Preliminary Budget Results ○ Medical Loss Ratio by Line of Business ○ Administrative & Clinical Staffing <p>Motion to approve Fiscal Year 2021 First Quarter Forecast and Final Budget Presentation as presented.</p> <p>A vote by roll call was taken and the motion passed.</p>	<p><u>Motion to approve Fiscal Year 2021 First Quarter Forecast and Final Budget Presentation as presented.</u></p> <p><u>Motion:</u> Dr. Ferguson <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>	
10. a. STANDING COMMITTEE UPDATES – PEER REVIEW AND CREDENTIALING COMMITTEE			
Dr. Bhatt	<p>The Peer Review and Credentialing Committee (PRCC) was held telephonically on November 17, 2020.</p> <p>Dr. Bhatt gave the following updates:</p> <ul style="list-style-type: none"> • There were twenty-nine (29) initial providers approved; including ten (10) Primary Care Providers, thirteen (13) specialists, one (1) ancillary providers, and five (5) mid-level providers. 	<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"> Additionally, thirty-two (32) providers were re-credentialed at this meeting; ten (10) primary care providers, twelve (12) specialists, two (2) ancillary providers, and eight (8) mid-level providers. <p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>		
10. b. STANDING COMMITTEE UPDATES – HEALTH CARE QUALITY COMMITTEE			
Dr. Bhatt	<p>The Health Care Quality Committee (HCQC) was held telephonically on November 19, 2020.</p> <ul style="list-style-type: none"> Kaiser presented their annual 2020 Q1 Program Description, 2019 Program Evaluation, and 2020 Work Description. Quality Improvement updates included an ongoing focus on the following: population health, PQI referrals, diligence and turnaround times, and changes and attention to the Initial Health Assessment (IHA). <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
11. STAFF UPDATES			
S. Coffin	<ul style="list-style-type: none"> None 	None	None
12. UNFINISHED BUSINESS			
S. Coffin	<ul style="list-style-type: none"> The Alliance has started the process of evaluation of the development of a Medi-Cal enrollment report. The assessment will include new Medi-Cal enrollees that date back to March 2020 through December 2020. In the future, a Medi-Cal enrollment report will be presented to the Board. The Alameda Alliance Bylaws are in the process of being updated due to the JPA dissolution. Changes in the Bylaws will also include a new Standing Committee. The Compliance Advisory Group will change to The Compliance Advisory Committee. 	None	

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	<ul style="list-style-type: none"> The Strategy Committee, which is chaired by David Vliet, will resume in February. 		
13. STAFF ADVISORIES ON BOARD BUSINESS FOR FUTURE MEETINGS			
S. Coffin	The Inpatient Utilization and Cost Report will be presented to the Board at a future date.	None	None
14. PUBLIC COMMENTS (NON-AGENDA ITEMS)			
Dr. Seevak	None	None	None
15. CLOSED SESSION			
Dr. Seevak	<p>Dr. Seevak announced a Closed Session at 1:00 pm.</p> <p>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:</p> <ul style="list-style-type: none"> Report Involving Trade Secret (Government Code Section 37606; Health and Safety Code Section 32106): Report will Involve New Service Model. 	Closed Session Discussion.	None
16. ADJOURNMENT			
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