

**ALAMEDA ALLIANCE FOR HEALTH
BOARD OF GOVERNORS
REGULAR MEETING**

January 10, 2020
12:00 pm – 2:00 pm
1240 South Loop Road, Alameda, CA

SUMMARY OF PROCEEDINGS

Board Members Present: Dr. Evan Seevak (Chair), Rebecca Gebhart (Vice Chair), Dr. Noha Aboelata, Wilma Chan, Aarondeep Basrai, Dr. Michael Marchiano, Dr. Rollington Ferguson, Delvecchio Finley, Marty Lynch, David B. Vliet, Feda Almaliti, Nicholas Peraino,

Excused: Will Scott, Dr. Kelly Meade, Matt Woodruff

Alliance Staff Present: Scott Coffin, Dr. Steve O'Brien, Gil Riojas, Tiffany Cheang, Anastacia Swift, Diana Sekhon, Sasi Karaiyan, Jeanette Murray

Board of Governors on Conference Call: None

Guest Speakers:

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	Board Members, Alliance Staff were introduced.	None	None
3. AGENDA APPROVAL OR MODIFICATIONS			
Dr. Seevak	None	None	None
4. INTRODUCTIONS			
Dr. Seevak	Introductions were given during Roll Call.	None	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
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5. CONSENT CALENDAR			
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Dr. Seevak	Review and Approve December 2019 Board of Governors Meeting Minutes.	Motion: M. Lynch Second: W. Chan Motion passed.	None
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6. a. BOARD MEMBER REPORT – COMPLIANCE ADVISORY COMMITTEE			
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R. Gebhart	<p>The Compliance Advisory Group met on January 10, 2020.</p> <ul style="list-style-type: none"> • Rebecca presented a detailed update following the Compliance Advisory Committee that was held at 10:30am on January 10, 2020. • Evan Seevak and Feda Almaliti attended the meeting today. • 2 audits in-progress, DMHC Financial Audit and DMHC Medical Audit. • DMHC Financial Audit is wrapping up in the next week. <ul style="list-style-type: none"> ○ The DMHC routine audit is focused on claims. ○ The DMHC will send the final report in the next 3-6 weeks. • DMHC Medical Audit Follow-up is in February – this is a closing of the 2017 Audit of 2016 data. <ul style="list-style-type: none"> ○ They are looking at the 13 deficiencies they found in the 2017 audit. • Staff is working hard in compliance on these Audits besides their daily tasks. • Update on NCQA Accreditation. <ul style="list-style-type: none"> ○ Building out of new NCQA Accreditation in the organization. ○ New population standards and staff is focusing on compliance of these new NCQA Accreditation rules. 	<p>Informational update to the Board of Governors.</p> <p>Motion and vote not required.</p>	
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6. b. BOARD MEMBER REPORT – FINANCE COMMITTEE			
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N. Peraino	<p>Finance Committee was held on Tuesday, January 7, 2020.</p> <ul style="list-style-type: none"> • Trend of membership continues to going down. • Alliance Income still positive due to some under budget departments. 	<p>Informational update to the Board of Governors.</p> <p>Motion and vote not required.</p>	
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AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
D. Vliet	<ul style="list-style-type: none"> CalAIM issues were discussed and will be discussed in detail later in today's Board meeting. <p>Strategy Committee Meeting will meet today after the Board Meeting.</p>		
7. CEO UPDATE			
S. Coffin	<p>Key Performance Indicators:</p> <ul style="list-style-type: none"> Governor Newsom budget released today, January 10, 2020. Medi-Cal membership continues to decline by 1,500+ persons per month. <ul style="list-style-type: none"> 2.2% statewide 5.7% Alameda 14,000 decline across adult / child / optional expansion November net loss of \$21K, and year-to-date net income \$9.6M (\$4.6M favorable to budget). <ul style="list-style-type: none"> Medi-Cal \$298K net income GroupCare (\$277K net loss) Q1-2020 forecast reports a net income of \$1.2M, by year-end, June 30, 2020. <ul style="list-style-type: none"> Second quarter forecast to be published in March. <p>Medi-Cal Covered Benefits:</p> <ul style="list-style-type: none"> Proposition 56 funding. <ul style="list-style-type: none"> Childhood Developmental & Trauma Screening – January 1, 2020. <ul style="list-style-type: none"> Developmental Screenings: <ul style="list-style-type: none"> For Fiscal Year 2019/2020, the Governor's budget proposes to use \$60 Million (50% Proposition 56 Funds/50% Federal funds) to support developmental screenings on an ongoing basis for all children with full-scope 	<p>Informational update to the Board of Governors.</p> <p>Motion and vote not required.</p>	

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	<p>coverage in Medi-Cal. These screenings will be billed and reimbursed in both the managed care and fee-for-service delivery systems. Developmental screenings are recommended at three specific times in early childhood (9 months, 18 months, and 30 months). Up to two times per year.</p> <ul style="list-style-type: none"> ▪ Trauma screening (adult & child): <ul style="list-style-type: none"> • For children, the Bay Area Research Consortium (BARC) tool will be utilized. There are two versions of this tool based on age -one for children, ages 1 –12, and one for teens, ages 13 –19. No more than once per year, no less than once per 3 years. • For adults, the Adverse Childhood Experiences (ACEs) assessment or a similar tool can be utilized. Once per lifetime. <p>Question: Are these new Screens services or a new service that has not been offered before?</p> <p>Answer: Some are existing and this is add on payments and an expansion of services.</p> <ul style="list-style-type: none"> ▪ Young Adult Expansion: <ul style="list-style-type: none"> • Effective 1/1/2020. • The expansion pertains to Full scope Medi-Cal eligible, undocumented adult’s ages 19-26 years. • Approximately 1,900 enrolled in HealthPac currently. • Potential to increase enrollment in Medi-Cal by 1,500-1,600 (based on current market share) 		

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	<p>Medi-Cal Healthier California for All (formerly CalAIM):</p> <ul style="list-style-type: none"> • California Advancing & Innovating Medi-Cal (CalAIM) proposal released by DHCS on October 28th, 2019. <ul style="list-style-type: none"> ○ CalAIM has been renamed by Governor Newsom to “Medi-Cal Healthier California for All”, as of January 8th. ○ The renaming of the CalAIM initiative is to incorporate into the “Healthy California for All” Commission appointed by Governor Newsom in December 2019. ○ Long-term care and pharmacy transitions occur on January 1st, 2021. ○ Behavioral Health Integration pilot applications due by January 21. <p>Mental Health Assessment:</p> <ul style="list-style-type: none"> • Alliance is conducting an assessment of the administration for “mild-to-moderate” services, scheduled to complete in Q1-2020. <p>DHCS Death Audit:</p> <ul style="list-style-type: none"> • Recoupment period is April 2011 through calendar year 2018. <ul style="list-style-type: none"> ○ Applies to deceased individuals that remain enrolled in managed Medi-Cal. ○ \$1.5M allocated in current budget. ○ The eligibility process, which is administered by Alameda County Social Services Agency, has not been corrected to identify and remove deceased individuals from the Medi-Cal (MEDS) system. Alliance will accrue dollars in calendar year 2019 and calendar year 2020 to offset future charges from DHCS. <p>Operations Dashboard – Two Red Indicators:</p> <ul style="list-style-type: none"> • Member Services: Call Abandonment <ul style="list-style-type: none"> ○ The 8% abandonment rate was impacted by our language queues, which experienced a combination of two events, higher than average call volumes and unplanned staff 		

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	<p>absenteeism. Abandonment is an internal measurement, not regulated by DHCS or DMHC.</p> <ul style="list-style-type: none"> • Provider Dispute Resolution. <ul style="list-style-type: none"> ○ The Provider Disputes Resolution (PDR) turnaround time was 35% for the month, 10% higher than the internal benchmark. The overturn rate is attributed to 114 claims that were originally denied based on the implementation of a code editing system. The Claims staff expect to resume the PDR overturn rate to normal range (less than 25%) within 60-90 days. <p>Alameda Alliance for Health Medi-Cal Healthier California for All Presentation</p> <p>Highest Priorities in 2020:</p> <ul style="list-style-type: none"> • Complete readiness for long-term care transition of covered services by September 2020 (all organ transplants, skilled nursing facility, subacute facility for adult and pediatric, and intermediate care facility). • Complete readiness for the transition of pharmacy services, by September 2020. <ul style="list-style-type: none"> ○ Administration of the Medi-Cal physician-administered drugs remain under Alliance oversight, and all other services are transferred to the State of California. ○ Administration of the Group Care pharmacy services remain in place as it is today. • The Department of Health Care Services will be conducting readiness in Q4-2020 for long-term care and pharmacy transitions. • Administer the evaluation for a behavior health pilot and launch by April 2020. <ul style="list-style-type: none"> ○ Evaluate proposals from local community partners for a pilot, and rank by priority, due by February 18 ○ DHCS to approve and award funding by late March. ○ Pilots launch in April 2020 and continue through December 2022. 		

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	<p>Key Milestones in 2020:</p> <ul style="list-style-type: none"> • January – March Milestones. • April – June Milestones. • July – September Milestones. • October – December Milestones. • The above milestones were discussed in detail. 		
8. a. BOARD BUSINESS – REVIEW AND APPROVE NOVEMBER 2019 MONTHLY FINANCIAL STATEMENTS			
G. Riojas	<p>Net Income and Enrollment:</p> <ul style="list-style-type: none"> • For the month ending November 30, 2019, the Alliance had enrollment of 250,698 members and a Net Loss of \$21,000 and Tangible Net Equity is 575%. • For the year-to-date, the Alliance recorded a Net Income of \$9.6 million. • Our enrollment decreased by 2,203 members since the month of October, and 7,687 members since June 2019. • Reductions continue in the Adult and Child and Optional Expansion categories of aid. • SPDs Duals, and Group Care Program remain flat. <p>Revenue:</p> <ul style="list-style-type: none"> • For the month ending November 30, 2019, Revenue came in slightly higher than budgeted at \$80.9 million vs. budgeted amount of \$78.6 million. • For the year-to-date, the Alliance recorded Revenue of \$402.7 million (versus budgeted Revenue of \$396.0 million). • The largest variances are due to New FY20 Prop 56 rates, higher than anticipated base capitation, and higher than expected Behavioral Health Therapy Supplemental payments. <p>Medical Expense:</p> <ul style="list-style-type: none"> • Actual Medical Expenses were \$76.9 million vs. our budgeted 	<p>Motion: Dr. Ferguson Second: M. Lynch Motion passed.</p>	

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	<p>amount of \$73.7 million for current month.</p> <ul style="list-style-type: none"> For the year-to-date, Medical Expenses are \$373.5 million vs. budgeted amount of \$368.0 million. <p>Administrative Expense:</p> <ul style="list-style-type: none"> Actual Administrative Expenses were below budget for the month at \$4.3 million vs. budgeted \$5.0 million. We are also below budget for year-to-date at \$21.6 million vs. \$24.6 million. Our Administrative Expense represents 5.3% of our Revenue for the month and 5.4% of net Revenue for the year-to-date. <p>Other Income / (Expense):</p> <ul style="list-style-type: none"> As of November 30, 2019, our YTD interest income from investments is \$2.5 million, and YTD claims interest expense is \$136,000. <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 November, TNE was reported at 575% of the required amount, with a surplus of \$157.3 million. <p>Cash Position and Assets:</p> <ul style="list-style-type: none"> We reported \$228.9 million in cash; \$196.9 million is uncommitted. Our current ratio is above the minimum required at 2.14 compared to 1.0. <p>Capital Investments:</p> <ul style="list-style-type: none"> Capital Assets Fiscal year-to-date is \$385,000. Annual Capital budget is \$2.5 million. 		
9. a. STANDING COMMITTEE UPDATES – MEMBER ADVISORY COMMITTEE			
S. Coffin	<p>The Consumer Advisory Committee (CAC) was held on December 19, 2019, and the following information was reviewed with Committee Members:</p> <ul style="list-style-type: none"> Grievance and appeals report. 	<p>Informational update to the Board of Governors.</p> <p>Motion and vote not</p>	

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	<ul style="list-style-type: none"> • Communications report. • Sasi presented on Technology and impacts on access to care. • The CAC discussed the Homeless Care Bags that would take place at the Alliance later in the afternoon. The Consumer Advisory Committee and members of the Alliance worked together to assemble 1500 bags. • 2020 Population member needs assessment. <p>Question: How many members attend? Answer: There are 15 members.</p>	required.	
9. b. STANDING COMMITTEE UPDATES – PEER REVIEW AND CREDENTIALING COMMITTEE			
Dr. O'Brien	<p>The Peer Review and Credentialing Committee (PRCC) was held on December 17, 2019 and approved 29 Practitioners Credentialed.</p> <ul style="list-style-type: none"> • Credentialed: 17 Initial Providers. <ul style="list-style-type: none"> ○ 6 Primary Care Providers. ○ 7 Specialists. ○ 2 Ancillary Providers. ○ 2 Midlevel Providers. • Re-credentialed: 12 Providers. <ul style="list-style-type: none"> ○ 6 Primary Care Providers. ○ 5 Specialists. ○ 1 Midlevel Provider. 	<p>Informational update to the Board of Governors.</p> <p>Motion and vote not required.</p>	
9. c. STANDING COMMITTEE UPDATES – PHARMACY AND THERAPEUTICS COMMITTEE			
Dr. O'Brien	<p>Pharmacy and Therapeutics (P&T) committee was held on December 17, 2019 and reviewed the following items;</p> <ul style="list-style-type: none"> • Reviewed: 29 therapeutics class. • Reviewed: 15 prior authorization guidelines. 	<p>Informational update to the Board of Governors.</p> <p>Motion and vote not</p>	

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
		required.	
9. d. STANDING COMMITTEE UPDATES – HEALTH CARE QUALITY COMMITTEE			
Dr. O'Brien	<p>The HCQC was held on November 21, 2019.</p> <p>Topics discussed were:</p> <ul style="list-style-type: none"> • NCQA recent Accreditation Recertification discussion. • The Alliance Pediatric Strategy is underway. • Dissemination of the 2020 P4P metrics. • Discussed HEDIS Crunch and work flow. • Potential Quality issues reviewed. <p>Question: When prescribed, the pain management Lidocaine patch is rejected, are you making changes to have this accepted? Answer: Each month it is a continuous process to review the drugs used and available.</p> <p>Question: The Compliance Group Committee is very informative and I would like to move it to the level of a standing committee. This would call for a change in Bylaws. Answer: In 2020 we will be revising our Bylaws around mid-year due to the JPA dissolving. We will put this on a future agenda to discuss.</p>	<p>Informational update to the Board of Governors.</p> <p>Motion and vote not required.</p> <p>Future discussion: The Compliance Group Committee.</p>	
9. e. STANDING COMMITTEE UPDATES – ENCOUNTER REPORTING			
S. Karaiyan	Sasi gave a presentation on Encounter Reporting.	<p>Informational update to the Board of Governors.</p> <p>Motion and vote not required.</p>	

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
10. UNFINISHED BUSINESS			
Dr. Seevak	None	Informational update to the Board of Governors. Motion and vote not required.	
11. STAFF ADVISORIES ON BOARD BUSINESS FOR FUTURE MEETINGS			
Dr. Seevak	Alliance Next steps: <ul style="list-style-type: none"> • Continue discussion: Medi-Cal Healthier California for All • Pediatric Pilot • HEDIS Update 	See: Next Steps	See: Next Steps.
12. PUBLIC COMMENTS (NON-AGENDA ITEMS)			
Dr. Seevak	None	None	None
13. CLOSED SESSION			
Dr. Seevak	Board Members met for a closed session.	None	None
14. ADJOURNMENT			
Dr. Seevak	The meeting was adjourned at 2:03 PM.	None	

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