

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

**June 12, 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, Delvecchio Finley, David B. Vliet, Wilma Chan, Dr. Michael Marchiano, Feda Almaliti, Dr. Kelley Meade

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

**Board Members Excused:** Nicholas Peraino

**Guest Speakers:** None

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 12:00 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
<b>4. INTRODUCTIONS</b>			
Dr. Seevak	Introduction of Board Members, Staff, and Guests was completed.	None	None

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

Dr. Seevak	<p>Motion to approve the May 2020 Consent Calendar as presented.</p> <ul style="list-style-type: none"> <li>• May 8, 2020 Board Of Governors Meeting Minutes</li> <li>• 2019 Case Management &amp; Care Coordination, Complex Case Management &amp; Disease Management Program Evaluation</li> <li>• 2020 Case Management &amp; Care Coordination, Complex Case Management &amp; Disease Management Program Description</li> <li>• 2019 Quality Improvement Program Evaluation</li> <li>• 2020 Quality Improvement Program Description</li> <li>• 2019 Utilization Management Program Evaluation</li> <li>• 2020 Utilization Management Program Description</li> <li>• 2020 Cultural And Linguistic Services Program Description</li> </ul> <p>All 8 items on the consent calendar were approved.</p> <p>Comment:</p> <ul style="list-style-type: none"> <li>• A request was made that when there are large consent calendar items as above, that each item have a coversheet with a short explanation and to have staff available to answer questions.</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>• Yes, this will be changed on future consent calendars with large amounts of information.</li> </ul> <p>Comment:</p> <ul style="list-style-type: none"> <li>• Alameda County Health Center is still listed in some of the above documents, which needs to be changed to Alameda Health System.</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>• This will be changed on future documents.</li> </ul>	<p><u>Motion:</u> Marty Lynch <u>Second:</u> David Vliet</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	The Compliance Advisory Committee was held telephonically on June 12, 2020, at 10:30 AM.	Informational update to the Board of	
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AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<p>Dr. Seevak attended the meeting.</p> <p>Rebecca Gebhart gave the following updates:</p> <p>The Committee reviewed four (4) items:</p> <ul style="list-style-type: none"> <li>• Operations Dashboard</li> <li>• HEDIS Update</li> <li>• NCQA accreditation status</li> <li>• Provider dispute enforcement notice</li> </ul> <p>2020 DMHC medical services audit (follow up from 2018 audit):</p> <ul style="list-style-type: none"> <li>• As stated in prior compliance reports the State wanted the Alliance to have our contact information at non-contracted hospitals in the State. Information was sent to 450 hospitals statewide on May 26, 2020.</li> </ul> <p>2019 DMHC financial audit:</p> <ul style="list-style-type: none"> <li>• The State did not like our processing of claims in the mail room. We were date stamping mail and then using a courier service to deliver to Docustream. The new process is Docustream picks up the claims directly from the post office.</li> </ul> <p>2019 Department of Health Care Services (DHCS) medical audit:</p> <ul style="list-style-type: none"> <li>• The State is requesting the Alliance to improve referral tracking. The State felt we did not have a vigorous enough medical tracking process for specialty services regarding prior authorizations. We have put into place a process to track all specialty services that require authorizations. This tracking process will help track Alliance members that are using out of network services and will help to move them to in-network services.</li> </ul> <p>HEDIS Update:</p> <ul style="list-style-type: none"> <li>• 2019 HEDIS score are good considering COVID-19. Tiffany to</li> </ul>	<p>Governors.</p> <p>Vote not required.</p>	<p>Tiffany to prepare a summary on current measures compared to last years and send to the Board of Governors.</p>

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	<p>prepare a summary on current measures scores compared to last years and send to the Board of Governors. At the end of April a DHCS directive came out stating hybrid measures may not be held to minimum performance level and this could change our calculations.</p> <p>NCQA Accreditation status:</p> <ul style="list-style-type: none"> <li>• Triannual accreditation of NCQA is not a requirement for the Alliance but in the fall of 2019 the Alliance passed on Medi-Cal line of business but was slightly short on the commercial line of business. In a review this spring we passed on both lines of business except for the notice of authorizations. We are requesting a re-review and asking for a Corrective Action Plan (CAP), and hopefully they will grant us a re-review and CAP so that we will not fail. From June 15 they have 30 days to respond to our request.</li> </ul> <p>Provider dispute enforcement notice:</p> <ul style="list-style-type: none"> <li>• The provider dispute was short staffed at the time and we are paying a \$27,500 fine from 2017 - 2018. We have no actions in 2020 to date.</li> </ul>		
<b>6. b. BOARD MEMBER REPORT – FINANCE COMMITTEE</b>			
Dr. Ferguson	<p>The Finance Committee was held telephonically on Tuesday, June 9, 2020.</p> <p>Dr. Ferguson gave the following updates:</p> <p>Finance Issues:</p> <ul style="list-style-type: none"> <li>• The last year decline of membership has changed as the enrollment is up 2,300 and should continue for the rest of the year.</li> <li>• The TNE continues to be significantly higher at 625%.</li> <li>• MLR remains high at 94.0% for the month.</li> <li>• It was discussed that mortality data be recorded as part of the enrollment data in the future.</li> </ul>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	

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<b>7. CEO UPDATE</b>			
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S. Coffin	<p>Scott Coffin presented the following CEO updates.</p> <p>Shelter-In-Place/COVID-19 Operations:</p> <ul style="list-style-type: none"> <li>• Approximately 90% of staff are working remotely and 10% are at the corporate headquarters to maintain the facilities and core business functions.</li> <li>• The Alliance formed a Return-to-Work (RTW) Task Force, comprised of staff from each division, to develop recommendations for employee safety and compliance with public health orders. The RTW Task Force is led by Anastacia Swift, our Human Resource Executive Director. The purpose of the working committee is to assure that when we do return to the office we have a safe working environment and are in compliance to all public Health Orders. The staff has been working from home for 3 months now and there is no set date to return to the office to work but we will update the Board in July of any developments.</li> </ul> <p>State Budget:</p> <ul style="list-style-type: none"> <li>• Governor Newsom, as part of the May Revise, submitted in May a budget that contained a \$54 Billion deficit. The impact affecting Medi-Cal could be in 3 areas - rates, eligibility or benefits. After the Senate &amp; Assembly sub-committees complete their adjustments to the proposed budget, the Governor has until June 30 to sign or veto this bill.</li> </ul>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	
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<b>8. a. BOARD BUSINESS – SAFETY-NET SUSTAINABILITY FUND</b>			
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AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
S. Coffin	<p>Scott updated the Safety-Net Sustainability Fund to the Board of Governors.</p> <p>Safety-Net Sustainability Fund:</p> <ul style="list-style-type: none"> <li>• On May 8th, 2020, the Board of Governors approved \$16.6 million in funding over a 6-month period, starting in May 2020 and ending in October 2020.</li> <li>• Total of 30 applications were received in the month of May, and 60% met eligibility requirements for this program.</li> <li>• Approximately \$4.2 million awarded, or 84% of the allocated dollar amount for the first month.</li> <li>• The following dollar amounts were awarded to the 18 eligible entities: <ul style="list-style-type: none"> <li>○ COVID-19 Testing <ul style="list-style-type: none"> <li>▪ \$1.0M</li> </ul> </li> <li>○ Public Hospital <ul style="list-style-type: none"> <li>▪ \$2.5M</li> </ul> </li> <li>○ Health Center <ul style="list-style-type: none"> <li>▪ \$300K</li> </ul> </li> <li>○ Primary Care Physician <ul style="list-style-type: none"> <li>▪ \$255K</li> </ul> </li> <li>○ Other Safety-Net <ul style="list-style-type: none"> <li>▪ \$115K</li> </ul> </li> </ul> </li> </ul> <p>Questions:</p> <ul style="list-style-type: none"> <li>• Did the Committee deny any of the applicants?</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>• Yes, 12 applicants did not meet eligibility criteria.</li> </ul>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None
<b>8. b. BOARD BUSINESS – REVIEW AND APPROVE APRIL 2020 MONTHLY FINANCIAL STATEMENTS</b>			
G. Riojas	Gil Riojas gave the following April Finance updates:		

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<p>Enrollment:</p> <ul style="list-style-type: none"> <li>For the month ending April 30, 2020, the Alliance had enrollment of 249,251 members, a Net Income of \$164,000 and the Tangible Net Equity is 625%.</li> <li>Our enrollment has increased 2,344 members since March 2020.</li> </ul> <p>Net Income:</p> <ul style="list-style-type: none"> <li>For the month ending April 30, 2020, the Actual Net Income was \$164,000 and the Budgeted Net Income was \$299,000.</li> <li>Year-to-Date (YTD) ending April 30, 2020 the actual YTD net income was \$18.8M and the budgeted YTD net income was \$3.0M. The favorable variance is due to lower than anticipated medical and administrative expenses.</li> </ul> <p>Revenue:</p> <ul style="list-style-type: none"> <li>For the month ending April 30, 2020, the actual revenue was \$71.8M vs. the budgeted revenue of \$77.3M.</li> <li>For the year-to-date, the Alliance recorded Revenue of \$804.0M vs. budgeted Revenue of \$783.5M.</li> </ul> <p>Medical Expense:</p> <ul style="list-style-type: none"> <li>For the month ending April 30, 2020, actual medical expenses were \$67.5M vs. our budgeted medical expense of \$72.8M.</li> <li>Actual YTD medical expenses was \$743.9M vs. budgeted YTD medical expense of \$733.4M.</li> </ul> <p>Medical Loss Ratio (MLR):</p> <ul style="list-style-type: none"> <li>For the month ending April 30, 2020, the MLR was 94.0% vs. year-to-date of 92.5%.</li> </ul> <p>Administrative Expense:</p> <ul style="list-style-type: none"> <li>For the month ending April 30, 2020, actual administrative expenses were \$4.5M vs. budgeted administrative expense \$5.1M.</li> <li>Actual administrative expense YTD is \$44.8M vs. budgeted \$50.4M.</li> </ul>	<p><u>Motion</u>: Dr. R. Ferguson <u>Second</u>: Dr. K. Meade</p> <p>Motion passed by roll call.</p> <p><u>Vote</u>: Yes</p> <p>No opposed or abstained.</p>	

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	<p>Other Income / (Expense):</p> <ul style="list-style-type: none"> <li>As of April 30, 2020, our YTD interest income from investments is \$4.0M, and YTD claims interest expense is \$266,000.</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 April 30, 2020, the TNE was reported at 625% of the required amount, which is the highest in the last 12 months.</li> </ul> <p>Cash Position and Assets:</p> <ul style="list-style-type: none"> <li>For the month ending April 30, 2020, \$321.4M reported in cash; \$146.0M is uncommitted cash. Our current ratio is above the minimum required at 1.66, as compared to the regulatory minimum of 1.0.</li> </ul> <p>Questions:</p> <ul style="list-style-type: none"> <li>The \$10.0M that we are accruing this month, where are you putting that in the expenses?</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>It is not reported as an expense, it is reported as a deduction to our revenue.</li> </ul> <p>Motion to approve the April 2020 financial report as presented.</p>		
<b>8. c. BOARD BUSINESS – REVIEW AND APPROVE FISCAL YEAR 2021 PRELIMINARY BUDGET</b>			
G. Riojas	<p>Gil presented the Fiscal Year 2021 Preliminary Budget to the Board of Governors.</p> <p>Questions:</p> <ul style="list-style-type: none"> <li>Are the FTE's budgeted for a full 12 months?</li> </ul> <p>Answer:</p> <ul style="list-style-type: none"> <li>We do not budget all the FTE's from the start, they are staggered.</li> </ul>	<p><u>Motion</u>: Dr. R. Ferguson Second: Dr. K. Meade</p> <p>Motion passed by roll call.</p> <p><u>Vote</u>: Yes</p> <p>No opposed or</p>	None



AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
	The FY2021 Preliminary Budget was approved by the Board of Governors.	abstained.	
<b>9. d. PUBLIC STATEMENT OPPOSING VIOLENCE</b>			
S. Coffin	<p>Scott Coffin presented the Public Statement Opposing Violence.</p> <p>The Board of Governors, staff and public discussed the creation of a Public Statement Opposing Violence.</p> <p>Comments:</p> <ul style="list-style-type: none"> <li>• It is appropriate for the Alliance to make a short statement and keep the content to what we do.</li> <li>• We should include a statement that Black Lives Matter.</li> <li>• Statement on disparity in Health care and Black Lives Matters, but that we also care for all members.</li> <li>• Statement to be meaningful and powerful to include staff and to create the document quickly.</li> <li>• Is this a resolution or statement?</li> <li>• It is a draft of a position statement, drafted by staff and approved by the Board.</li> <li>• Executive Committee to work with staff and others to draft statement around the killing of George Floyd.</li> <li>• Send to Board to review but not word smith, only if someone has a different opinion.</li> </ul> <p>It was decided that a team would be made up of Alliance staff to craft the Public Statement and it would be brought to the Board of Governors next meeting to review.</p>	<p><u>Motion</u>: W. Chan Second: Dr. R. Ferguson</p> <p>Motion passed by roll call.</p> <p><u>Vote</u>: Yes</p> <p>No opposed or abstained.</p>	
<b>9. a. STANDING COMMITTEE UPDATES – PEER REVIEW AND CREDENTIALING COMMITTEE</b>			

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
Dr. O'Brien	<p>The Peer Review and Credentialing Committee (PRCC) was held telephonically on May 19, 2020.</p> <p>Dr. O'Brien gave the following updates:</p> <ul style="list-style-type: none"> <li>• There were eleven (11) initial providers approved; two (2) Primary Care Providers, seven (7) Specialists, one (1) Ancillary provider, and one (1) Mid-level provider.</li> <li>• Additionally, sixteen (16) providers were re-credentialed at this meeting; two (2) Primary Care Providers, eleven (11) specialists, two (2) Ancillary provider, and one (1) Mid-level providers.</li> </ul>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	
<b>9. b. HEALTH CARE QUALITY COMMITTEE</b>			
Dr. O'Brien	<p>The Health Care Quality Committee (HCQC) was held telephonically on May 21, 2020.</p> <p>Committee Medical Updates:</p> <ul style="list-style-type: none"> <li>• Presentation of QI Program/UM Program/CM Program Trilogy Documents for approval.</li> <li>• Presentation of CLS Program Description for approval.</li> </ul>	<p>Informational update to the Board of Governors.</p> <p>Vote not required.</p>	None
<b>10. STAFF UPDATES</b>			
S. Coffin	None	None	None
<b>11. UNFINISHED BUSINESS</b>			
S. Coffin	<p>Alliance Next steps:</p> <p>None</p>	None	None

AGENDA ITEM SPEAKER	DISCUSSION HIGHLIGHTS	ACTION	FOLLOW UP
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12. STAFF ADVISORIES ON BOARD BUSINESS FOR FUTURE MEETINGS			
Dr. Seevak	<ul style="list-style-type: none"> <li>• Reading and Approval of the Public Statement Opposing Racism</li> <li>• HEIDS results for measurement year 2019</li> </ul>	None	None
13. PUBLIC COMMENTS (NON-AGENDA ITEMS)			
Dr. Seevak	None	None	None
14. 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