



**CalViva Health
Finance
Committee Meeting Minutes**

Meeting Location
CalViva Health
7625 N. Palm Ave., #109
Fresno, CA 93711

May 16, 2024

Finance Committee Members in Attendance		CalViva Health Staff in Attendance	
✓	Daniel Maychen, Chair	✓	Cheryl Hurley, Director, HR/Office
✓	Jeff Nkansah, CEO	✓	Jiaqi Liu, Director of Finance
✓	Paulo Soares		
✓	Joe Neves		
✓	Jordan Wamhoff		
✓	John Frye		
✓	Rose Mary Rahn		
		✓	Present
		*	Arrived late/Left Early
		•	Teleconference

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	Comments	ACTION TAKEN
#1 Call to Order D. Maychen, Chair	The meeting was called to order at 11:30 am, a quorum was present.		
#2 Finance Committee Minutes dated March 21, 2024 Attachment 2.A Action, D. Maychen, Chair	The minutes from the March 21, 2024, Finance meeting were approved as read.		Motion: <i>Minutes were approved</i> 7-0-0-0 (Frye / Neves)
#3 Financials – as of March 31, 2024 Action D. Maychen, Chair	Total current assets recorded were approximately \$767.5M; total current liabilities were approximately \$621M. Current ratio is approximately 1.24. Total net equity as of the end of March 2024 was approximately \$156.3M, which is approximately 877% above the minimum DMHC required TNE amount.	<i>John Frye asked how is the Plan doing with the new version of the TNE requirement?</i>	Motion: <i>Financials as of March 31, 2024, were approved</i> 7-0-0-0 (Frye / Rahn)

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	<p>Interest earned was approximately \$6M, which is approximately \$3.3M more than budgeted due to interest rates being higher than projected. Premium capitation income actual recorded was approximately \$1.58B which is approximately \$265.4M more than budgeted due to MCO taxes; DHCS paid MCO taxes for one quarter related to FY 2023, April through June FY 2023 quarter. This accounts for approximately \$125.5M of the \$265.4M in increase, the remaining is related to rates and enrollment being higher than projected.</p> <p>Total cost of medical care expense is approximately \$1B which is approximately \$132.8M more than budgeted primarily due to rates and enrollment being higher than projected. Admin service agreement fees expense actual recorded was approximately \$43.2M, which is approximately \$3.6M more than budgeted due to enrollment being higher than projected, and Medicaid disenrollments came in less than what was projected. MCO taxes actual recorded was approximately \$517.3M, which is approximately \$125.5M more than budgeted due DHCS paying the Plan MCO taxes related to the prior FY 2023, in FY 2024.</p> <p>Net income through March 31, 2024, was approximately \$14.9M, which is approximately \$8.3M more than budgeted primarily due to interest income being approximately \$3.3M higher than projected, and rates and enrollment being higher than projected.</p>	<p><i>Daniel Maychen replied there's two regulatory entities, DMHC & DHCS. DMHC's calculation is not as practical as DHCS. DHCS looks at how much of reserves the Plan has based off average monthly contract revenues. Daniel Maychen stated that CalViva was slightly above the DHCS TNE reserve requirement.</i></p>	
<p>#4 Annual Review of Finance Committee Charter</p>	<p>No edits or revisions were recommended during the annual Charter review. This was approved to move to Commission for final approval.</p>		<p>Motion: <i>Approve Charter to move to Commission for approval.</i> 7-0-0-0 (Soares / Neves)</p>
<p>#5 Announcements</p>	<p>The Governor released the May revised State budget; within that budget the MCO Tax funds used to increase Provider rates remains in place for 2024 which will increase Medi-Cal rates to at least 87.5% of Medicare rates. For 2025, this will be cut.</p>	<p><i>John Frye asked what the impact is for CVH?</i></p> <p><i>Daniel Maychen stated within the budget for FY 2025, he increased the rates to account for this by approximately 1% which equates to approximately \$12M gross revenues and that</i></p>	

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		<i>the net income impact to the Plan will be approximately \$188K less.</i>	
#6 Adjourn	Meeting was adjourned at 11:38 am		

Submitted by: *Cheryl Hurley*
 Cheryl Hurley, Clerk to the Commission

Dated: *7-18-24*

Approved by Committee: *Daniel Maychen*
 Daniel Maychen, Committee Chairperson

Dated: *7/18/24*

