



**CalViva Health
Finance
Committee Meeting Minutes**

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

March 19, 2026

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		Hector Torres, Sr. Accountant & MIS Analyst
✓	Joe Neves		
✓	Supervisor Rogers		
	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 October 16, 2025 Attachment 2.A Action, D. Maychen, Chair	The minutes from February 19, 2026, Finance meeting were approved as read.		Motion: Minutes were approved 6-0-0-1 (Neves / Rahn)
#3 Financials – as of January 31, 2026 Action D. Maychen, Chair	As of January 2026, total current assets were approximately \$411.8M; total current liabilities were approximately \$224.6M. Current ratio is approximately 1.83. TNE as of the end of January 2026 was approximately \$196.9M which is approximately 661% above the minimum DMHC required TNE amount. For the DHCS standard, the minimum required TNE is approximately \$193.7M, which the		Motion: Financials as January 31, 2026, were approved 6-0-0-1 (Rogers / Soares)

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	<p>Plan is approximately \$3.2M above the DHCS standard.</p> <p>Interest income actual recorded was approximately \$5.5M which is approximately \$2.3M more than budgeted due to rates being higher than projected. Premium capitation income actual recorded was approximately \$1.36B which is approximately \$162.6M more than budgeted primarily due to rates and enrollment being higher than projected. Total Cost of Medical Care expense actual recorded was approximately \$868.1M which is approximately \$157M more than budgeted due to enrollment and rates being higher than projected. Admin Service Agreement fees expense actual recorded was approximately \$33M which is approximately \$1.9M more than budgeted due to enrollment being higher than projected. Labor expense actual recorded was approximately \$2.7M which is approximately \$470K less than projected mainly due to open positions (e.g., an open position related to succession planning for a key management position). All other expense items are below or in line with what was budgeted.</p> <p>Total net income through January 2026 was approximately \$12.8M, which is approximately \$7.4M more than budgeted primarily due to interest income being approximately \$2.3M more than projected and enrollment and rates being higher than projected.</p>		
<p>#4 Fiscal Year 2027 Proposed Budget</p> <p>Action D. Maychen, Chair</p>	<p>The revised basic assumptions for FY 2027 budget were presented to the Committee. One change was made related to revenue assumption. The change relates to incorporating state directed payments into the Plan's main capitation rates that are paid monthly. DHCS has confirmed they will begin incorporating state directed payments into the Plan's main capitation rates on a monthly basis beginning January 2027. Historically and currently, the Plan accounted for the state directed payments as a balance sheet entry as it was viewed as a pass-thru type mechanism. However, since it is being paid in the main capitation rates on a monthly basis and the federal government is pushing for the rates to be at risk to Plans, the payments will be deemed at-risk, therefore if DHCS pays the Plan more or less than what the Plan has to pay to the hospitals and providers, the Plan is at-risk for those amounts. This necessitates a change in the way the Plan accounts for these payments from a balance sheet entry transaction to an income statement transaction, which explains the increase in revenues and corresponding expense. It amounts to approximately \$167M for FY 2027.</p> <p>The actual proposed budget for FY 2027, medical revenue is projected to be \$1.88B, which is \$133.2M less than FY 2026 budgeted revenues primarily due to</p>		<p>Motion: <i>Approve Budget Timetable and Budget Assumptions</i></p> <p>6-0-0-1 (Frye / Rahn)</p>

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	Comments	ACTION TAKEN
	<p>the decrease in MCO taxes by approximately \$376.8M, net of an increase in rates and decrease in membership relative to budgeted FY 2026 enrollment . Admin Service Agreement Fee expense is projected to be approximately \$48M which is approximately \$4M less than what was budgeted in FY 2026 due to a projected decline in enrollment. Salary, wages, and benefits is projected to be approximately \$5.7M which is approximately \$285K more than prior year budget due to the projection of hiring additional staff and succession planning for key management roles reaching retirement age. Grants (Community Reinvestment) expense is projected to be \$6M which is approximately \$1.6M more than FY 2026 due to the Plan accounting for making investments in phase one (using CY 2024 net income) and phase two (using CY 2025 net income) during FY 2027 as required by DHCS' Community Reinvestment APL. Insurance expense is projected to be approximately \$554K which is approximately \$69K more than budgeted in FY 2026 due to accounting for an increase in premiums primarily related to the Plan's cyber security insurance policy.</p> <p>All other expense line items are relatively consistent with budgeted amounts for FY 2026. MCO taxes projected to be approximately \$376.8M which is approximately \$376.8M less due to MCO taxes projected to end midway through FY 2027 as the current MCO tax structure sunsets on 12/31/2026. Other income is projected to be approximately \$504K which is approximately \$149K more than budgeted in FY 2026 due to now having full occupancy in the building CalViva owns and operates. Capital expenditures budget is projected to be \$500K which is \$100K less than budgeted in FY 2026 due to actual FY 2026 tenant improvements being less than previously anticipated in addition to accounting for any building improvements that may be needed during FY 2027.</p> <p>Net income is projected to be approximately \$10.6M, which is approximately \$1.6M more than budgeted for FY 2026 primarily due to interest income increasing by approximately \$1.9M net of a decrease in membership.</p>		
#5 Announcements/Comments	None.		
#6 Adjourn	Meeting was adjourned at 11:47 am		

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

Dated: *May 21, 2026*

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

Dated: *5/21/26*