



## Regular Meeting of the Santa Clara County Health Authority Executive Committee

Thursday, March 24, 2016  
8:30 AM - 10:00 AM  
210 E. Hacienda Avenue  
Campbell, CA 95008

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### Minutes - **APPROVED**

#### **Members Present:**

Michele Lew, Chair  
Bob Brownstein  
Wally Wenner, M.D.

#### **Members Not Present:**

Liz Kniss  
Linda Williams

#### **Staff Present:**

Christine Tomcala, CEO  
Dave Cameron, CFO  
Sharon Valdez, VP Human Resources  
Rita Zambrano, Executive Assistant

#### **Others Present:**

Richard Noack, Hopkins & Carley LLC

#### **1. Roll Call**

Chairperson Lew called the meeting to order at 8:30 am. Roll call was taken and a quorum was established.

#### **2. Minutes Review and Approval**

**It was moved, seconded, and the February 25, 2016 meeting minutes were approved as presented.**

#### **3. Public Comment**

There were no public comments.

#### **4. Adjourn to Closed Session**

##### **a. Conference with Labor Negotiators**

The Executive Committee conferred with its Designated Representatives: Dave Cameron, Sharon Valdez, and Mr. Richard Noack.

##### **b. Pending Litigation**

The Executive Committee conferred regarding one item of existing litigation.

##### **c. Significant Exposure to Litigation**

The Executive Committee conferred relating to one item of significant exposure to litigation.

#### **4. Report from Closed Session**

Michele Lew reported that the Executive Committee met with its designated representatives for item 4(a) and conferred on items 4(b) & (c) and no action was taken.

#### **5. February 2016 Financial Statements**

Dave Cameron reported on the February and February YTD 2016 financials.

For YTD February, the Plan showed a surplus of \$10.2 million. This represents a negative variance from the budget of \$0.9 million. The primary driver of the variance is higher than expected Long Term Care (LTC) costs.

Receivables from DHCS have increased \$30m since the beginning of the FY, primarily because of the delays in the State performing the recast of premium rates for both CCI and CMC populations. The Plan's payable to DHCS has also increased substantially this FY with the continued overpayments of the higher prior year MCE rates. In January, DHCS began recouping the overpayments and will continue to do so until it is fully paid back.

YTD February member months are 0.1% favorable to budget and 22.2% higher than February YTD last year.

**It was moved, seconded, and approved** to accept the February 2016 Financial Statements as presented.

#### **7. External Audit RFP Update**

Mr. Cameron reported that the Audit RFP was sent to three regional firms and requested a PDR analysis be done. The review process has begun and meetings will be scheduled in mid-April with a decision being made in early May.

#### **8. Policy Review: GO.01 Organizational Policies**

Christine Tomcala discussed the need for overhauling the structure, content, and review process of SCFHP's policies for consistency, and to ensure they meet State, Federal, and NCQA guidelines. Ultimately, it is the Board's role to oversee policies, which provide guidance regarding how the organization is operated. The draft policy on Organizational Policies provides guidance on the development of policies, and it outlines the designated approval process. Following executive approval of a policy, it will be brought to the Board for review.

**It was moved, seconded, and approved** to recommend to the Governing Board adoption of Policy GO.01.

#### **9. CEO Update 30:00**

Ms. Tomcala announced that Pat McClelland accepted a position with DHCS as Chief of the Systems of Care Division and will be leaving SCFHP after 20 years of service. The Committee wished to convey appreciation to Ms. McClelland for her years of dedicated service.

Ms. Tomcala also reported that DHCS/DMHC would be on-site for a joint audit the last two weeks of April. Staff are actively preparing for the audit.

In addition, Ms. Tomcala noted that DHCS has officially requested CMS to approve the MCO tax proposal.

Lastly, Ms. Tomcala indicated discussion continues with Valley representatives Paul Lorenz and Bruce Butler

regarding default PCP assignments for Medi-Cal Expansion (MCE) members.

Wally Wenner asked for an update regarding his request to have input on appointments to the Board. Ms. Tomcala provided a document summarizing the current Board appointments and terms. Discussion ensued regarding meeting with the Supervisors prior to future appointments.

It was noted the Board Team designated to address Unified Managed Care Strategy is scheduled to meet April 1<sup>st</sup>.

**It was moved, seconded, and approved** to accept the CEO update as presented.

#### **10. Adjournment**

The meeting was adjourned at 9:50 am.

Elizabeth Pianca, Secretary to the Board