



AGENDA

Finance/Executive Committee

February 7th, 2024

12:00 PM

512 W. Aten Rd.

Imperial, CA 92251

All supporting documentation is available for public review at <https://chpiv.org>

Committee Members	Representing	Present
Lee Hindman	LHA Chairperson – Joint Chambers of Commerce Nominee	
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair – CEO, Innercare	
Dr. Carlos Ramirez	Finance Committee Chair – COO Unicare	
Mayra Widmann	Deputy CEO - Budget Fiscal.	
Dr. Unnati Sampat	LHA Commissioner – Imperial Valley Medical Society	
Dr. Allan Wu	LHA Commissioner – Innercare	

1. Call to Order *Lee Hindman, Chair*
2. Roll Call *Donna Ponce, Commission Clerk*
3. Approval of Agenda
 - a. Items to be pulled or added from the Information/Action/Closed Session Calendar
 - b. Approval of the order of the agenda
4. Public Comment *Lee Hindman, Chair*

Public Comment is limited to items NOT listed on the agenda. This is an opportunity for members of the public to address the Commission on any matter within the Commission’s jurisdiction. Any action taken as a result of public comment shall be limited to the direction of staff. When addressing the Commission, state your name for the record prior to providing your comments. Please address the Commission as a whole, through the Chairperson. Individuals will be given three (3) minutes to address the board.

CONSENT CALENDAR

5. Approval of Minutes from 1/3/2024



CLOSED SESSION

Larry Lewis, CEO

6. Pursuant to Welfare and Institutions Code § 14087.38 (n) Report Involving Trade Secret new product discussion (estimated date of disclosure, 01/2024)
 - a. Update/Action on Contract with Health Net Community Solutions, Inc.
 - b. Compliance Reports

ACTION

7. Report on actions taken in closed session.
8. Motion that the Executive/Finance Committee recommend to the Full Commission, approval of the financial reports as presented.

Mark A. Southworth, CFO

 - a. Revenue & Expenses - December 31, 2023
 - b. Financial Position - December 31, 2023
 - c. Transactions - December 31, 2023
9. Motion that the Executive/Finance Committee recommend to the Full Commission, approval to open an investment account at City National Bank.
10. Motion that the Executive/Finance Committee recommend to the Full Commission, approval of the 2024 Budget, as presented.

INFORMATION

11. Administrative Reports
 - a. *Health Services*
 - b. *Financial Services*
 - c. *Compliance*
 - d. *Human Resources and Community Relations*
 - e. *CEO Report*

Dr. Arakawa, CMO
Mark A. Southworth, CFO
Elysse Tarabola, CCO
Michelle S. Ortiz-Trujillo, SDHRCR
Larry Lewis, CEO
12. Other new or old business *Lee Hindman, Chair*
13. Commissioner Remarks *Lee Hindman, Chair*

Adjournment

Next Meeting: March 6th, 2024



IMPERIAL COUNTY
Local Health Authority Commission

MINUTES

Finance/Executive Committee

January 3, 2024

12:00 PM

512 W. Aten Rd.

Imperial, CA 92251

All supporting documentation is available for public review at <https://chpiv.org>

Committee Members	Representing	Present
Lee Hindman	LHA Chairperson – Joint Chambers of Commerce Nominee	A
Yvonne Bell	LHA Vice-Chair & Finance Committee Vice-Chair – CEO, Innercare	X
Dr. Carlos Ramirez	Finance Committee Chair – COO Unicare	X
Mayra Widmann	Deputy CEO - Budget Fiscal.	X
Dr. Unnati Sampat	LHA Commissioner – Imperial Valley Medical Society	X
Dr. Allan Wu	LHA Commissioner – Innercare	X

1. Call to Order *Yvonne Bell, Vice-Chair*
Meeting called to order at 12:08 p.m.
2. Roll Call *Donna Ponce, Commission Clerk*
Roll call taken and quorum confirmed. Attendance is as shown.
3. Approval of Agenda
 - a. Items to be pulled or added from the Information/Action/Closed Session Calendar
 - b. Approval of the order of the agenda
(Sampat/Wu) To approve the agenda. Motion carried.
4. Public Comment *Yvonne Bell, Vice-Chair*
No public comment

CONSENT CALENDAR

5. Approval of Minutes from 12/6/2023
(Sampat/Wu) To approve the Consent Calendar. Motion carried.

CLOSED SESSION

Larry Lewis, CEO

6. Pursuant to Welfare and Institutions Code § 14087.38 (n) Report Involving Trade Secret new product discussion (estimated date of disclosure, 01/2024)
 - a. Update/Action on Contract with Health Net Community Solutions, Inc.

ACTION

7. Report on actions taken in closed session.
No action taken.
8. Discussion/Action regarding financial reports: *Mark A. Southworth, CFO*
(Ramirez/Widmann) To recommend to the full commission to accept the financial statements ended on November 30, 2023. Motion carried.
 - a. Revenue & Expenses
 - i. Through November 30, 2023
 - b. Balance Sheet
 - i. Through November 30, 2023
 - c. Transactions Report
 - i. Through November 30, 2023

INFORMATION

9. Administrative Reports
 - a. *Health Services* *Dr. Arakawa, CMO*
Chief Medical Officer (CMO) Gordan Arakawa, updated the commission on the following:
 - *Audit/Monitoring Program-KPI Sweep Completed*
 - *NCQA Accreditation Process*
 - *DHCS Quality Measures Sanctions*
 - *Health Services Staffing*
 - b. *Financial Services* *Mark A. Southworth, CFO*
Chief Financial Officer (CFO) Mark Southworth, updated the commission on the following:
 - *Exit from Imperial County fund entirely and moving forward with Chase. CFO will manage spending controls.*
 - *Relationship with City National Bank has begun with Commission Chair and Vice-Chair as signatories on all accounts.*
 - *2024 Budget preparation has begun and the 2024 budget will be submitted for commissioner review and approval in the February meeting.*
 - c. *Compliance* *Elysse Tarabola, CCO*
Chief Compliance Officer (CCO) Elysse Tarabola updated the commission on the following:
 - *Compliance Training Report*
 - *Knox Keene application*
 - *Go-Live monitoring activities.*
 - d. *Human Resources and Community Relations* *Michelle S. Ortiz-Trujillo, SDHRCR*
Senior Director of Human Resources and Community Relations, (SDHRCR), Michelle S. Ortiz-Trujillo updated the commission on the following:
 - *Payroll company change from Deluxe to Paychex*
 - *CHPIV website updates*

e. *CEO Report*

Larry Lewis, CEO

Chief Executive Officer (CEO), Larry Lewis updated the commission on the following:

- Reliability of Provider Resources phone number*
- Press release introducing/identifying CHPIV*

10. Other new or old business

Yvonne Bell, Vice Chair

CEO, Larry Lewis commended CHPIV team for their hard work and effort.

11. Commissioner Remarks

Yvonne Bell, Vice Chair

CEO, Larry Lewis commented that CHPIV has agreed and submitted a lease with Health Net. He included that the lease is still in legal review with Sentene and rent will begin on February 1, 2024. Larry added that office space is still available for occupancy.

Adjournment

The meeting was adjourned at 12:50 p.m.

Finance Commission Presentation

February 2023

1. 202312 Commission P&L Variance Report
2. 202312 Cash Transactions
3. 202312 StatementofActivity
4. 202312 StatementofFinancialPosition
5. 202312 YTD StatementofActivity
6. CNB review
7. Discussion to move backup operating account from Chase to CNB
8. 2024 Budget Draft

Discussion

1. CNB
 - a. 36th largest bank in the US
 - i. <https://www.mx.com/blog/biggest-banks-by-asset-size-united-states/>
 - ii. \$96b AUM
 - iii. Compares to First Foundation with \$13b AUM (137th largest)
 - b. Most recommended bank by out LHPC sister plans
2. CNB has offered us a restricted deposit account that can earn interest (CDs), allowing us to not be hostage to First Foundation and earn more interest at the same time.
 - a. LHA Commission authorized this account in November.
3. Follow up on investment account
 - a. We need to have an investment account with an experienced investment manager up before our quarterly financial reports to DMHC in April
 - b. Asked both CNB and Chase about managing investments
 - i. Chase declined, as they did with the restricted deposit on account of us being a government entity
 - ii. CNB agreed
 - c. LHA Commission authorized this account in November.
4. Discuss authorizing commission authorize Mark Southworth open the backup operating account in addition to the restricted deposit.
 - a. A backup operating account at CNB would enable us to access the liquidity in our reserve investments should Chase be inaccessible for any reason (cyber attack, accounts frozen, workers strike etc)

IMPERIAL COUNTY LOCAL HEALTH AUTHORITY
dba Community Helath Plan of Imperial Valley
Year to Date P&L Variance
1/1/2023 to 12/31/2023

	December	December	December	
	Forecast	Actual	Variance	Explanation
REVENUE				
Capitation Revenue	1,415,904	1,595,701	179,797	Higher than expected enrollment
Other Revenue		1,947,414	1,947,414	Profit Share
Reinsurance Revenue				
Interest Income	85,038	425,075	340,036	Higher than expected interest rates
TOTAL REVENUE	1,375,864	3,968,190	2,592,326	
HEALTH CARE COSTS				
	0	0	0	Health Benefit Capitation Starts 1/1
ADMINISTRATIVE EXPENSE				
Wages and Salaries	1,876,946	1,761,534	(115,412)	Hiring took longer than expected for many positions
Benefits	373,690	125,190	(248,500)	
Total Labor Costs	2,250,636	1,886,724	(363,913)	
Benefits % of Salaries	20%	7%		Our sister plans run around 35%
Contract Services/Marketing	2,067	302,022	299,955	Various small costs
Consulting, Audit, Legal, other Prof	1,362,550	1,261,699	(100,851)	Pulled back on HMA spending
Office Occupancy	227,658	170,673	(56,985)	
Total Administrative Expense	1,592,275	1,734,394	142,119	
Non-Operating	200,000	200,000	0	Pioneer EMT Base Station
Excess Revenues from Operations	(2,126,411)	347,072	2,473,482	Profit Share and Hiring Schedule

**Community Health Plan of Imperial Valley
December 2023 Transactions**

Date	Description	Full name	Amount
FFB Payroll			
12/31/2023	12/13 Transfer	FFB Payroll	\$ 100,000.00
12/31/2023	12/27 Transfer	FFB Payroll	\$ 100,000.00
12/31/2023	ACH Payment Deluxe People	FFB Payroll	-\$ 330.00
12/31/2023	ACH Payment Payce, Inc.	FFB Payroll	-\$ 26,628.12
12/31/2023	ACH Payment Imperial County Payroll	FFB Payroll	-\$ 53,818.06
12/31/2023	ACH Payment Payce, Inc.	FFB Payroll	-\$ 27,656.78
12/31/2023	ACH Payment Imperial County Payroll	FFB Payroll	-\$ 61,985.58
12/31/2023	ACH Payment Card Assets CC Payment	FFB Payroll	-\$ 11,698.82
12/31/2023	Wire Fee	FFB Payroll	-\$ 10.00
12/31/2023	Wire Fee	FFB Payroll	-\$ 10.00
Total for FFB Payroll			\$ 17,862.64

Chase Checking			
12/05/2023	ORIG CO NAME:MID ATLANTIC TR ORIG ID:XXXXXX Chase Checking		-\$ 769.23
12/05/2023	ORIG CO NAME:MID ATLANTIC TR ORIG ID:XXXXXX Chase Checking		-\$ 72.73
12/05/2023	ORIG CO NAME:MID ATLANTIC TR ORIG ID:XXXXXX Chase Checking		-\$ 4,285.00
12/05/2023	ORIG CO NAME:MID ATLANTIC TR ORIG ID:XXXXXX Chase Checking		-\$ 3,075.57
12/20/2023	ORIG CO NAME:MID ATLANTIC TR ORIG ID:XXXXXX Chase Checking		-\$ 11,595.64
12/21/2023	ORIG CO NAME:MID ATLANTIC TR ORIG ID:XXXXXX Chase Checking		-\$ 4,546.58
12/31/2023	Dividend Payment	Chase Checking	\$ 41,982.25
12/31/2023	Centene Management	Chase Checking	\$ 134,742.00
12/31/2023	State Compensation Fund	Chase Checking	-\$ 1,346.34
Total for Chase Checking			\$ 151,033.16

Imperial County LHA Funds			
12/31/2023	12/13 Transfer	Imperial County LHA Funds	-\$ 100,000.00
12/31/2023	Entry made in error - 12/19 Transfer	Imperial County LHA Funds	-\$ 100,000.00
12/31/2023	12/27 Transfer	Imperial County LHA Funds	-\$ 100,000.00
12/31/2023	Rent	Imperial County LHA Funds	-\$ 4,065.75
12/31/2023	The Holt Group	Imperial County LHA Funds	-\$ 4,200.00
12/31/2023	Reimbursement from vendor	Imperial County LHA Funds	\$ 673.17
12/31/2023	Troy Arthur - Printing	Imperial County LHA Funds	-\$ 867.85
12/31/2023	Imperial Irrigation District	Imperial County LHA Funds	-\$ 978.09
12/31/2023	State of California	Imperial County LHA Funds	-\$ 1,503.84
12/31/2023	Imperial County Tax Collector	Imperial County LHA Funds	-\$ 4,806.12
12/31/2023	AccUSource - Employee Background Check	Imperial County LHA Funds	-\$ 733.09
12/31/2023	William Smerdon	Imperial County LHA Funds	-\$ 2,860.00
12/31/2023	Nossman LLP	Imperial County LHA Funds	-\$ 5,579.60
Total for Imperial County LHA Funds			-\$ 324,921.17

Imperial County Local Health Authority

Statement of Financial Position

As of December 31, 2023

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Chase Checking	200,000.00
Chase Money Market	10,729,947.47
FFB Payroll	56,054.51
FFB Restricted	300,000.00
Imperial County LHA Funds	-137,488.33
Total Bank Accounts	\$11,148,513.65
Accounts Receivable	
Accounts Receivable (A/R)	100,000.00
Interest Receivable	43,694.73
Total Accounts Receivable	\$143,694.73
Other Current Assets	
Prepaid expenses	32,504.00
Total Other Current Assets	\$32,504.00
Total Current Assets	\$11,324,712.38
Fixed Assets	
Accumulated depreciation	-17,482.08
Buildings	3,077,173.09
Computer Hardware & Office Equipment	10,084.49
Construction In Progress	0.00
Improvements	3,031.00
Total Fixed Assets	\$3,072,806.50
Other Assets	
Operating ROU Asset	10,134.16
ROU Accumulated Amortization	-281.50
Total Other Assets	\$9,852.66
TOTAL ASSETS	\$14,407,371.54
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	336,275.41
Total Accounts Payable	\$336,275.41
Credit Cards	
First Foundation Bank Credit Card	8,891.80

Imperial County Local Health Authority

Statement of Financial Position

As of December 31, 2023

	TOTAL
Total Credit Cards	\$8,891.80
Other Current Liabilities	
Payroll wages and tax to pay	34,008.63
Short Term Lease Liability	3,209.11
Unearned Revenue	6,000.00
Vacation Accrual	60,203.51
Total Other Current Liabilities	\$103,421.25
Total Current Liabilities	\$448,588.46
Long-Term Liabilities	
Long Term Lease Liability	6,665.49
Total Long-Term Liabilities	\$6,665.49
Total Liabilities	\$455,253.95
Equity	
3000 Retained Earnings	13,622,809.25
Opening balance equity	0.00
Net Revenue	329,308.34
Total Equity	\$13,952,117.59
TOTAL LIABILITIES AND EQUITY	\$14,407,371.54

	Budget	Tim's Original	Variance
	CY 2024	CY 2024	
Enrollment	1,103,562		
REVENUE			
HN Settlements	1,135,000		
Premium	266,992,341		
Pass-Through	10,603,100		
Interest Income	1,090,666		
TOTAL REVENUE	279,821,106	309,566,061	(29,744,955)
HEALTH CARE COSTS	269,585,670	300,320,249	(30,734,579)
Gross Margin	10,235,436	9,245,812	989,624 Combination lower rates and lower projected enroll
ADMINISTRATIVE EXPENSE			
Salaries	2,805,338	2,703,750	101,588 Tim put FICA in benefits, I put it in wages
Benefits and Bonus	915,960	471,476	444,484
Total Labor Costs	3,721,298	3,175,226	546,073 Biggest drivers: employer medical and 403b match
Benefits % of Salaries	33%		
IT Hardware/Software	222,836		222,836
Insurance and Banking	76,562		
Consulting, Audit, Legal, Audit	261,350	169,524	91,826 NCQA Accred not originally forecast
Office Expense	175,272		
Other Admin	121,985		
		756,681	(160,025) Tim had a really high occupancy costs
Total Administrative Exense	4,579,304	4,101,431	477,874
Non-Operating	0		
Excess Revenues from Operations	5,656,132	5,144,382	511,750 Mostly HN Profit Share

IMPERIAL COUNTY LOCAL HEALTH AUTHORITY
dba Community Helath Plan of Imperial Valley
Budget CY 2024

	Budget CY 2024												
	January	February	March	April	May	June	July	August	September	October	November	December	CY 2024
Enrollment	91,964	91,964	91,964	91,964	91,964	91,964	91,964	91,964	91,964	91,964	91,964	91,964	1,103,562
REVENUE													
HN Settlements	135,000					1,000,000							1,135,000
Premium	22,249,362	22,249,362	22,249,362	22,249,362	22,249,362	22,249,362	22,249,362	22,249,362	22,249,362	22,249,362	22,249,362	22,249,362	266,992,341
Pass-Through	883,592	883,592	883,592	883,592	883,592	883,592	883,592	883,592	883,592	883,592	883,592	883,592	10,603,100
Interest Income	43,600	43,600	100,347	100,347	100,347	100,347	100,347	100,347	100,347	100,347	100,347	100,347	1,090,666
TOTAL REVENUE	23,311,553	23,176,553	23,233,300	23,233,300	23,233,300	24,233,300	23,233,300	23,233,300	23,233,300	23,233,300	23,233,300	23,233,300	279,821,106
HEALTH CARE COSTS	22,465,472	269,585,670											
Gross Margin	846,081	711,081	767,827	767,827	767,827	1,767,827	767,827	767,827	767,827	767,827	767,827	767,827	10,235,436
ADMINISTRATIVE EXPENSE													
Salaries	206,532	213,677	235,344	243,677	235,344	236,186	237,413	237,705	238,122	239,059	241,139	241,139	2,805,338
Benefits and Bonus	67,694	69,959	76,826	79,468	76,826	77,093	77,482	77,575	77,707	78,004	78,663	78,663	915,960
Total Labor Costs	274,225	283,636	312,170	323,145	312,170	313,279	314,896	315,280	315,828	317,063	319,803	319,803	3,721,298
Benefits % of Salaries													33%
IT Hardware/Software	12,320	9,820	34,820	12,320	9,820	34,820	9,820	9,820	34,820	9,820	9,820	34,820	222,836
Insurance and Banking	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	6,380	76,562
Consulting, Audit, Legal, Audit	10,508	10,508	10,508	10,508	10,508	10,508	10,508	10,508	15,508	15,508	15,508	130,758	261,350
Office Expense	14,606	14,606	14,606	14,606	14,606	14,606	14,606	14,606	14,606	14,606	14,606	14,606	175,272
Other Admin	8,777	5,777	5,777	5,777	5,777	12,443	12,443	12,443	12,443	12,443	12,443	15,443	121,985
Total Administrative Exense	326,816	330,727	384,261	372,736	359,261	392,036	368,653	369,037	399,586	375,821	378,560	521,810	4,579,304
Non-Operating													0
Excess Revenues from Operations	519,265	380,354	383,566	395,092	408,566	1,375,791	399,174	398,790	368,241	392,007	389,267	246,017	5,656,132

**Community Health Plan of Imperial Valley
Cash Reconciliation - December 2023**

Chase Bank - Checking Account #3723

Bank Balance - December 2023	\$	200,000.00	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - December 2023	\$	<u>200,000.00</u>	[A]

First Foundation Bank - Payroll Account #2698

Bank Balance - December 2023	\$	56,054.51	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - December 2023	\$	<u>56,054.51</u>	[A]

Imperial County Auditor-Controller's Office

County's Balance - December 2023	\$	(137,488.33)	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - December 2023	\$	<u>(137,488.33)</u>	[A]

Chase Bank - Operating Account #3723

Bank Balance - December 2023	\$	10,729,947.47	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - December 2023	\$	<u>10,729,947.47</u>	[A]

First Foundation Bank - Restricted Deposit #4602

Bank Balance - December 2023	\$	300,000.00	
Add: Deposits in Transit		0.00	
Less: Outstanding Transactions		0.00	
CHPIV Balance - December 2023	\$	<u>300,000.00</u>	[A]

Total Cash Reconciliation

Total Cash Per Reconciliation	\$	11,148,513.65	[A]
Total Cash Per QuickBooks		<u>11,148,513.65</u>	
Difference		0.00	

Preparer:  Tony Godinez, Jr. - Senior Accounting Manager

Approver:  Mark Southworth - Chief Financial Officer

Imperial County Local Health Authority

Statement of Activity

December 2023

	TOTAL
Revenue	
Contributed income	
Government grants & contracts	134,742.00
Total Contributed income	134,742.00
Investment income	85,676.98
Total Revenue	\$220,418.98
GROSS PROFIT	\$220,418.98
Expenditures	
Advertising & marketing	1,732.50
Contract & Professional Fees	62,327.82
Legal fees	22,691.60
Total Contract & Professional Fees	85,019.42
Insurance	
Liability insurance	3,919.32
Total Insurance	3,919.32
Interest paid	46.45
Labor Costs	
Benefits Expense	
Workers' compensation insurance	1,402.43
Total Benefits Expense	1,402.43
Salaries & wages	235,489.92
Total Labor Costs	236,892.35
Occupancy	
Cleaning	1,145.00
Rent	6,565.75
Utilities	4,073.95
Total Occupancy	11,784.70
Office expenses	17,858.47
Bank fees & service charges	2,295.07
Memberships & subscriptions	556.52
Small tools & equipment	1,919.58
Software & apps	288.47
Total Office expenses	22,918.11
Phone	110.30
Repairs & maintenance	1,200.00
Taxes & Licenses	1,503.84
Total Expenditures	\$365,126.99
NET OPERATING REVENUE	\$ -144,708.01
Other Expenditures	
Amortization expenses	281.50

Imperial County Local Health Authority

Statement of Activity

December 2023

	TOTAL
Depreciation	8,741.04
Total Other Expenditures	\$9,022.54
NET OTHER REVENUE	\$ -9,022.54
NET REVENUE	\$ -153,730.55

Imperial County Local Health Authority

Statement of Activity

January - December 2023

	TOTAL
Revenue	
Contributed income	
Government grants & contracts	3,543,115.12
Total Contributed income	3,543,115.12
Interest Income	233,915.39
Investment income	191,159.32
Total Revenue	\$3,968,189.83
GROSS PROFIT	\$3,968,189.83
Expenditures	
Advertising & marketing	1,732.50
Charitable Contributions	5,000.00
Consulting	569,868.67
Contract & Professional Fees	740,050.93
Investment management fees	1,130.89
Legal fees	150,648.30
Total Contract & Professional Fees	891,830.12
Insurance	23,632.49
Directors & officers insurance	5,754.78
Liability insurance	18,961.21
Total Insurance	48,348.48
Interest paid	46.45
Labor Costs	0.00
Benefits Expense	
Employee Health Insurance	84,121.15
Employee Retirement Plan Employer Match	16,735.68
Employer FICA	6,836.67
FICAM	1,422.04
FICAS	3,040.17
FIT	9,609.94
Total Employer FICA	20,908.82
Unemployment	308.66
Workers' compensation insurance	3,115.65
Total Benefits Expense	125,189.96
Salaries & wages	1,761,533.62
Total Labor Costs	1,886,723.58
Meals and Entertainment	278.96
Employee Appreciation	56.24
Total Meals and Entertainment	335.20

Imperial County Local Health Authority

Statement of Activity

January - December 2023

	TOTAL
Occupancy	
Cleaning	2,515.00
Rent	24,046.75
Utilities	6,371.81
Total Occupancy	32,933.56
Office expenses	99,923.98
Bank fees & service charges	7,062.51
Memberships & subscriptions	2,341.15
Office supplies	58.36
Printing & photocopying	323.20
Shipping & postage	30.84
Small tools & equipment	32,261.50
Software & apps	28,671.84
Total Office expenses	170,673.38
Phone	190.30
Repairs & maintenance	1,785.07
Rotary	815.00
Taxes & Licenses	6,499.08
Travel	1,011.77
Taxis or shared rides	3,324.75
Total Travel	4,336.52
Total Expenditures	\$3,621,117.91
NET OPERATING REVENUE	\$347,071.92
Other Expenditures	
Amortization expenses	281.50
Depreciation	17,482.08
Total Other Expenditures	\$17,763.58
NET OTHER REVENUE	\$ -17,763.58
NET REVENUE	\$329,308.34



Health Services Report

1. Population Health & Health Equity Efforts-Intro
2. Completing Rosters for PAC & QIHEC

Compliance Agenda Items January 2024

1. Compliance Presentation

- 2023 Year-End Review (see below)
- Compliance Training Report
- Pre-Delegation Audit
 - Review of current pre-delegation audit activities
- DHCS Transition Monitoring Results
 - Overview of the required bi-weekly transition reporting. The data provides an overview of continuity of care requests and activities as well as member issues reported via the call center and through grievances and appeals.
- Member Issues Escalated to DHCS
 - Summary of the resolution and response process
 - Overview of member issues received to date.

2. 2023 Year-End Review

This document presents a comprehensive review CHPIV's compliance achievements and strategic initiatives in 2023, highlighting our proactive approach to compliance and commitment to achieving operational efficiency.

Compliance Department

2023 Year-End Review

February 2, 2024



**Community
Health Plan**
OF IMPERIAL VALLEY

Compliance Department 2023 Year-End Review

DHCS Contract Review and Organizational Structure

The first action we took was a meticulous review of the 2024 DHCS contract, underscoring our commitment to building the organization's foundation on compliance. This initial step was pivotal, as it laid the groundwork for establishing an organizational structure that was not only aligned with the requirements of the contract but also conducive to maintaining the highest standards of compliance and delegation oversight. This proactively ensured our operations were in adherence to the contractual obligations from the beginning, setting a solid foundation for our ongoing partnership with the State.

Compliance Department Development and Team Structure

The Compliance Department was established in February 2023, beginning with Elysse Tarabola, Chief Compliance Officer (CCO) and Chelsea Hardy, Senior Director of Compliance, bringing their expertise in managed care operations and implementing proactive compliance programs. This foundational leadership team was tasked with setting the strategic direction and infrastructure for the department's compliance activities.

In June 2023, the department expanded with the addition of Jadira Alcaraz as the Delegation Oversight (DO) Manager, with experience in developing delegation oversight programs, including audit tools and methodologies, as well as managing delegate relationships. Further strengthening the team, Rosa Sanchez joined as a Compliance Advisor in the same month, bringing her expertise in Medi-Cal managed care, regulatory affairs, and a strong background in utilization management, audits, monitoring, reports, remediation, and change management. In July 2023, Amanda Delgado was brought on board as a Compliance Coordinator with an education and background in policy administration, positioning her well for training up to support regulatory affairs and compliance program activities. The department's capabilities were further enhanced in August 2023 with the final addition of Fernanda Ortega, Delegation Oversight Specialist who brings valuable experience in quality assurance audits from her tenure at the Imperial County Behavioral Health Department.

By adopting a staggered approach to recruitment and hiring, starting with leadership roles and gradually incorporating entry-level positions, the Compliance Department has meticulously built a robust foundation. This strategic sequence allowed for the establishment and standardization of processes, ensuring that each team member was integrated into a well-defined operational framework. This methodical buildup has been instrumental in fostering a cohesive and efficient team, optimally positioned to meet the demands of the organization's go-live date on January 1, 2024.

DHCS Contract Operational Readiness

DHCS required CHPIV to submit evidential documentation as defined in the DHCS contract during the implementation phase, before starting operations on January 1, 2024. Documents were submitted in batches specified by DHCS. As Health Net is our delegated Subcontractor, most documents were owned by Health Net with CHPIV contributing as needed. Compliance established a formal quality review process to ensure all submissions complied with the DHCS contractual requirements. This involved thoroughly reviewing and providing effective

Compliance Department 2023 Year-End Review

feedback to Health Net. This new process resulted in significantly fewer issued AIRs (findings) received by DHCS. To date, Compliance has successfully submitted 131 document requests of which 127 were approved and 4 are currently pending review by DHCS.

Knox Keene License

Compliance worked closely with DMHC to address all outstanding Knox Keene application deliverables and clarifications timely to meet the approval deadline of September 1, 2023. CHPIV received conditional approval from DMHC on August 31, 2023, and full approval on December 15, 2023. Licensure is contingent upon specific undertakings outlined in the application, ensuring adherence to the Knox-Keene Health Care Service Act and related regulations.

Plan-to-Plan Contract Review and Amendment

In response to the evolving requirements of the 2024 DHCS contract, we undertook a thorough review of the existing plan-to-plan agreement with our Subcontractor, Health Net. We worked together to amend the agreement to align with both the new contractual requirements and CHPIV's strategic vision for delegation oversight.

Code of Conduct Development and Implementation

The Compliance department finalized the Code of Conduct, a cornerstone document outlining the ethical standards and expectations for CHPIV. Implementing it involved developing an attestation process, ensuring thorough staff and Commission understanding. This process required careful drafting, review, and communication strategies to embed the Code into the organization's culture.

Establishment and Operation of Compliance & Policy Committee

A Compliance & Policy Committee was established to oversee the Compliance Program and organization's policies. Writing the committee's charter, establishing its membership, and preparing for its meetings involved strategic planning, defining roles and responsibilities, and creating a framework for regular, effective communication and decision-making.

Compliance Training Program

Compliance developed a comprehensive Compliance Training Program to educate and train employees and Commission members on federal and State standards and requirements of the DHCS contract. Compliance training is required upon hire and annual thereafter and includes three mandatory modules: General Compliance Training, Fraud Waste and Abuse Training, and HIPAA Training. Compliance training. The implementation process involved verifying employee and Commissioner understanding of the material through quizzes, establishing a tracking system, and issuing certifications upon completion of the training.

Compliance Inbox and Administration

Setting up the Compliance Inbox was critical in streamlining communication with external stakeholders, particularly regulators. This centralized communication hub aims to enhance our

Compliance Department 2023 Year-End Review

responsiveness and efficiency by ensuring all regulatory inquiries and correspondences are managed promptly and accurately.

Delegation Oversight - Communications

The implementation and ongoing effort to engage in effective and efficient communication with our Subcontractor, Health Net, and internal CHPIV departments, is an integral aspect of our CHPIV Delegation Oversight program. The Delegation Oversight communications process aims to streamline all incoming and outgoing regulatory requests, regulatory notices, regulatory guidance, material review, and ad hoc material both internally and externally by implementing day to day monitoring of all open communications from the Delegation Oversight team and inbox. Thus, in making use of these crucial elements as a part of the communications process it ensures adequate monitoring and oversight for the fulfillment of all Delegation Oversight communications.

Delegation Oversight - Pre-Delegation Audit

The pre-delegation audit was a comprehensive evaluation of our Subcontractor Health Net's ability to effectively manage and execute its delegated functions, ensuring adherence to both regulatory standards and contractual obligations. This audit was methodically divided into three phases, focusing on areas t The first phase examined their operational processes and systems readiness. The second phase assessed their reporting capabilities crucial for monitoring high-risk areas and maintaining service level agreements. The final phase reviewed their policies and procedures to ensure compliance with the 2023 DHCS All Plan Letters, ensuring their operational readiness before service initiation.

Delegation Oversight - Monitoring Program

To ensure continuous oversight and management of CHPIV's delegates' performance, a comprehensive monitoring program has been established. This program is centered around the development of Key Performance Indicators (KPIs) that are designed to align with regulatory requirements and contractual stipulations, as well as with the protocols set forth for regulatory audits. The KPIs serve as quantifiable metrics that provide a clear and objective assessment of the Health Net's compliance with established standards. These KPIs encompass a wide range of performance aspects, including but not limited to, service quality, compliance rates, response times, and the accuracy and timeliness of reporting. The monitoring program is structured to facilitate more frequent evaluations of Health Net's performance, going beyond the traditional scope of annual audits. This approach allows for the early identification of potential issues, enabling timely interventions and corrective actions.

Policy Management

To have a formal, streamlined process for company Policy & Procedures, Compliance developed the Policy Management program. The program features a policy template, standardized approval process, workflow management, and a centralized repository for all finalized policies via Monday.com. The formal approval process incorporates a Standard review process and an Expedited review process, specifically designed to fast-track policies

Compliance Department 2023 Year-End Review

requiring urgent approval for regulatory submissions. The comprehensive approval process ensures thorough review by key stakeholders, including Compliance, Health Services for NCQA accreditation, Legal, the Compliance & Policy Committee, and ultimately, the Commission. Further streamlining the P&P process, Compliance implemented a P&P submission form, allowing business units to efficiently submit new or revised policies for review. To-date, we successfully reviewed and approved 32 new policies using this process.

Privacy Program

CHPIV designated Chelsea Hardy, Senior Director of Compliance as the Privacy Officer. The Privacy Program, designed and implemented by the Privacy Officer, focuses on protecting personal information and ensuring immediate response to data breaches. It includes strict processes for handling breaches and emphasizes the importance of keeping member information secure. The program is committed to adhering to legal requirements and maintaining the confidentiality of sensitive data. The organization has been trained in the principles of the Privacy Program, ensuring a unified understanding of the importance of protecting member information. Since go-live there have been 4 potential breaches of CHPIV member information. One of the breaches occurred through a CHPIV vendor, while 3 occurred through Health Net's operations.

Regulatory Compliance Oversight Committee of the Commission

Establishing a Regulatory Compliance Oversight Commission and developing its compliance process were critical for maintaining organizational compliance. This involved defining the scope by establishing a charter, designating a chairperson, and setting up processes for regular oversight and reporting. We are in the process of selecting membership and will be meeting quarterly.

Regulatory Reporting Matrix, Quality Review, and Submission Process

Creating and sharing a regulatory reporting matrix was a key step in ensuring timely and accurate compliance reporting. This required a comprehensive understanding of State reporting requirements, establishing a system for tracking reportable events, and assigning clear responsibilities including specifying which reports are delegated. To ensure completeness and accuracy, regulatory reports will undergo quality assurance processes which will include Compliance review and business owner review. There are currently 51 recurring regulatory reports with various submission frequencies (e.g. monthly, quarterly, annually, etc.) and 12 ad hoc reports that are required when events occur. These reports encompass a wide range of operational areas including, but not limited to, Finance, Care Management, Utilization Management, Appeals & Grievances, Provider Network, Member Services, Claims, and Quality Improvement.

Regulatory Change Management

Over the past year, Compliance developed a Regulatory Change Management process to manage and communicate new regulations effectively. This process ensures that when new rules are released, our Compliance team quickly summarizes and communicates them to our

Compliance Department 2023 Year-End Review

delegate, Health Net, and our internal business owners. Compliance confirms these updates are implemented by reviewing the updated policies and procedures from Health Net and our teams. The process also involves assessing how new requirements affect our audit and monitoring activities. Since implementing the Regulatory Change Management process, Compliance has made improvements to the Regulatory Notice summaries, making them clearer and more focused, aiming to provide a concise overview of the key points and impacts of the regulations, rather than detailing all aspects. To-date, we've summarized and communicated 35 DHCS APLs.

Compliance Updates

February 7, 2024



**Community
Health Plan**

OF IMPERIAL VALLEY

Agenda

1. 2023 Year-End Review
2. Compliance Training
3. Pre-Delegation Audit
4. DHCS Transition Monitoring Results
5. CHPIV I HN Go-Live Issues



2023 Year-End Review



2023 Year-End Review

This document presents a comprehensive review CHPIV's compliance achievements and strategic initiatives in 2023, highlighting our proactive approach to compliance and commitment to achieving operational efficiency.



Compliance Training



Compliance Training

Completion Report

CHPIV Employees	Count
Complete	16
Incomplete	0
TOTAL	16

CHPIV Commissioners	Count
Completed	9
Incomplete	2
TOTAL	11

Steps Taken to Address Noncompliance

- On 1/2/2024 Compliance escalated noncompliance to the Compliance & Policy Committee
- Compliance reported noncompliance to the Finance & Executive Committee of the Commission on 1/3/2023 and the full Commission on 1/8/2023.
- Compliance continues to coordinate with the Commission Clerk and CEO on following up with the Commissioners who have not completed training.
- On 2/2/2024, the number of noncompliance decreased from 3 to 2.

Pre-Delegation Audit



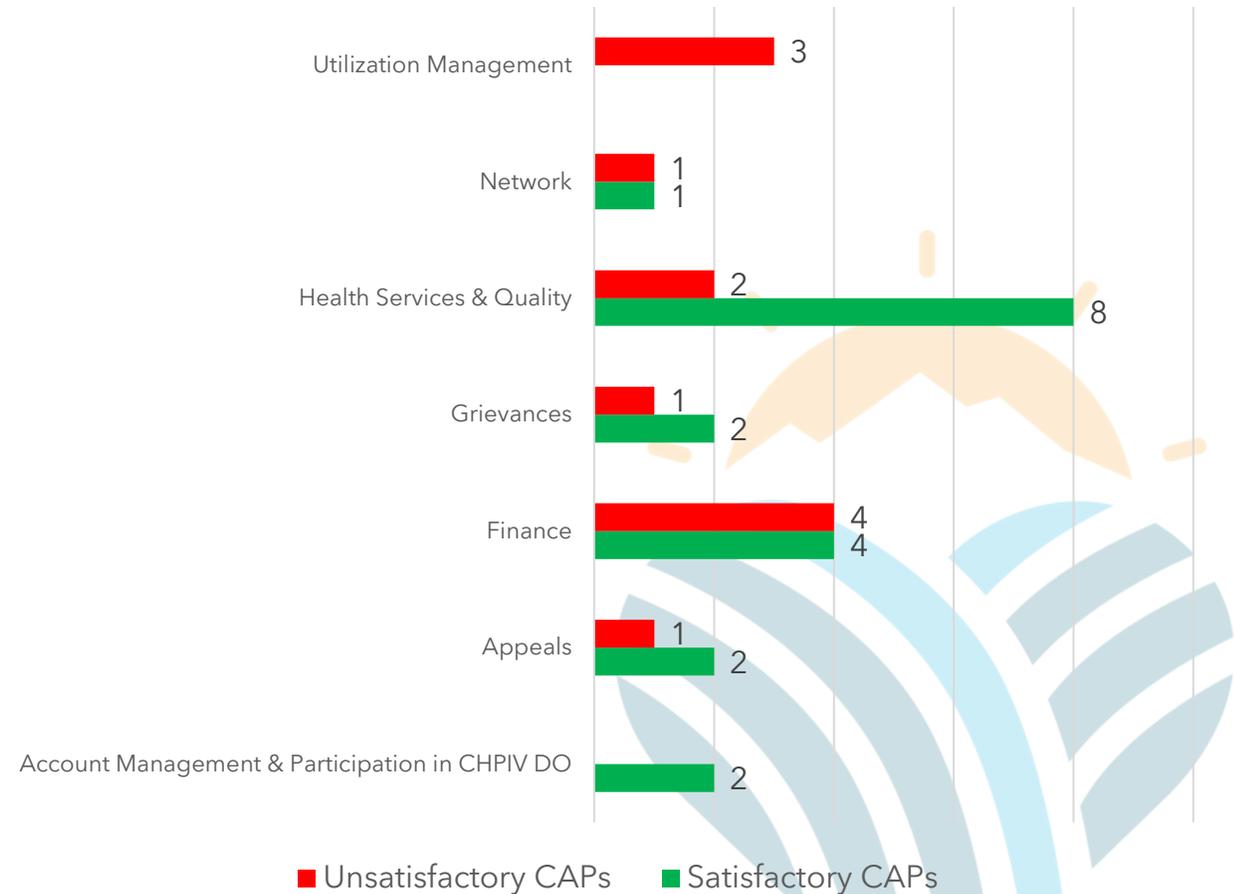
Pre-Delegation Audit

Phase	Audit Scope	Scope Overview	Status	CAPs Issued
1	Processes and Workflows	Review Health Net's processes and workflows to ensure readiness to meet Plan-to-Plan and DHCS requirements	CAP Review In Progress	Yes
2	KPIs and Finance Reports	Tests Health Net's ability to submit complete and accurate data to CHPIV to measure compliance and performance	Closed	NA
3	DHCS 2023 APL Implementation	Validate Health Net's timely implementation of regulatory changes issued by DHCS in 2023	Audit In Progress	Pending

Pre-Delegation Audit - Phase 1

- CHPIV issued total of **31 Corrective Action Plans (CAPs)**
 - 19 of the 31 CAPs have been marked as **satisfactory** and can be closed
 - 12 of the 31 CAPs have been marked as **unsatisfactory** due to pending documentation or not addressing deficiency and require CAP follow-up
- CHPIV sent communication to Health Net on January 31, 2024, requiring additional documentation
- Health Net's CAP response deadline is February 14, 2024

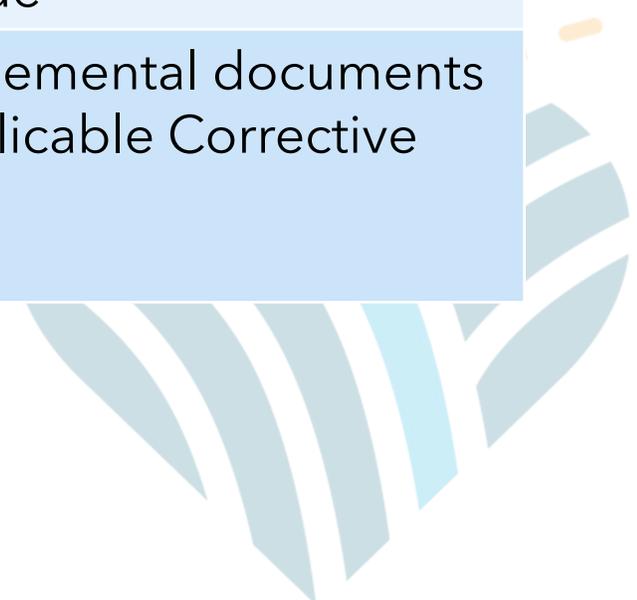
CHPIV Pre-Delegation Audit - Phase 1 CAPs



Pre-Delegation Audit - Phase 3

CHPIV has completed the review of Health Net's implementation of the DHCS 2023 All Plan Letters (APLs)

Date	Action
January 31	Preliminary results were sent to Health Net
February 14	Health Net's response for Phase 3 preliminary results due
February 21	CHPIV will review Health Net's responses and any supplemental documents provided and will issue audit report along with any applicable Corrective Action Plans (CAPs) by



DHCS Transition Monitoring Results



DHCS Transition Monitoring Results

- **Purpose:** Enables DHCS to monitor potential access to care or technical issues resulting from the transition.
- **Report Frequency:** every 2 weeks
- **Survey focus:**
 - Continuity of care (CoC)
 - ✓ All members & special populations (SP),
 - ✓ Enhanced Care Management (ECM) & Community Supports (CS) services & providers
 - Member issues
 - ✓ Reported via call centers
 - ✓ Reported through appeals & grievances (A&G).

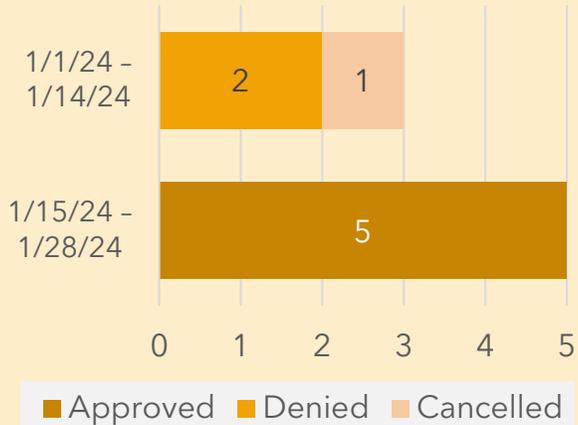


DHCS Transition Monitoring Results

Continuity of Care

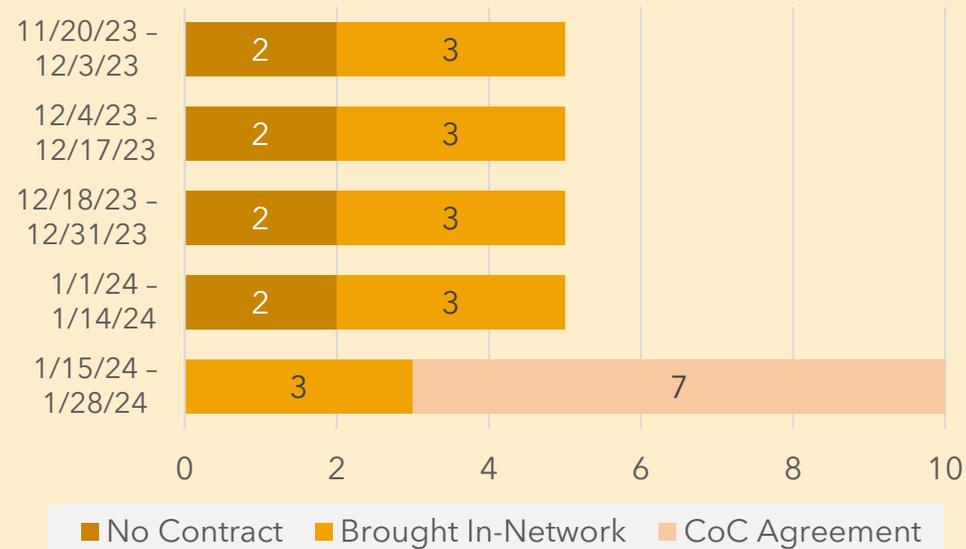
All Members

CoC Requests per Reporting Period



Special Populations

Special Population Provider Contracting Status - Accumulated Over Time



As of 1/31/2024, 10 eligible Specialty Population Providers were identified.

- 3 providers were brought into the network
- 7 providers entered CoC agreements

Community Supports

- 9 transitioning members automatically authorized to receive CS services
- No identified Community Supports providers out of network- all are in-network with CHPIV

Enhanced Care Management

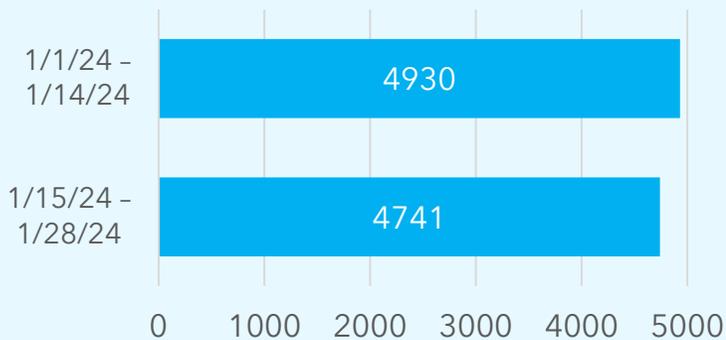
- 212 members automatically authorized to receive ECM services
- No identified Enhanced Care Management providers out of network- all are in-network with CHPIV

DHCS Transition Monitoring Results

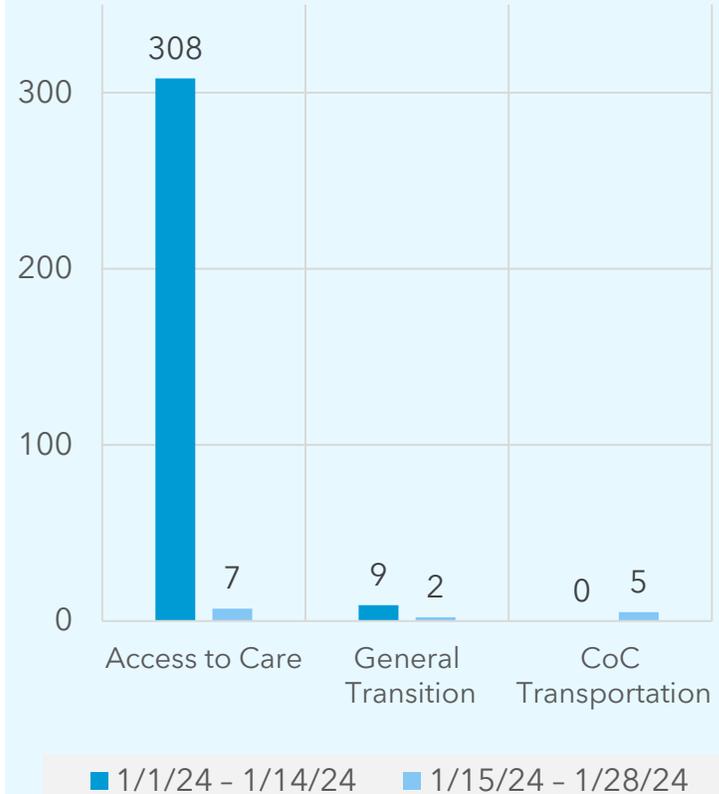
Member Issues

Call Center

Total Calls per Reporting Period



Calls by Category



Grievances & Appeals

Transition-Related Grievances per Reporting Period



Transition-Related Calls per Reporting Period



- 18 total grievances since go-live
 - Highest grievance categories are Provider Availability (7 grievances) & Transportation (7 grievances)
 - Other grievances related to enrollment, Pharmacy, DME, & CoC

0 total appeals reported since go-live

CHPIV | HN Go-Live Issues



CHPIV | HN Go-Live Issues

Issue	Issue Description	Current Status	Remediation Activities
Delay with 834 Eligibility Files	Loading of the 834 eligibility files used to transfer enrollment information was delayed which impacted membership processing, call center metrics, care management, claims submission and authorizations.	Resolved	Delay was caused by increased system time needed to process membership for all new counties. HN confirmed that all CHPIV eligibility files were completed on 01/08/24.
Retro Authorizations with CH&W Records	HN was not able to update the 2023 authorizations in their system as the merge in the records from CH&W had different member identifier number from what HN was using and resulted in authorizations not linking to the system.	Resolved	HN identified the issue and completed a reconciliation of all authorizations. About 92% of the authorizations were updated through the reconciliation conducted by IT and the rest were manually updated to fully resolve the issue.
PCP Contract Types	Provider contract types displaying incorrectly for some CHPIV capitated providers and Clinics are not showing in production, which is preventing members from being assigned to providers and Member ID cards being mailed without the PCP name.	In Progress	HN's IT department tried fixing the issue on 01/25 with a system update but were not able to resolve it. HN has an upcoming meeting to determine next steps, still pending resolution.
CH&W Newborn Claims	CH&W newborn claims for DOS 01/01/24 and after are being routed to HN and being placed in pending status, when claims should be automatically denying for member not eligible on date of service (DOS).	In Progress	HN is working with their IT Department to determine the cause and working on resolving issue by having the claims automatically deny for member not eligible when claim gets submitted by the provider.

Questions





Human Resources | Member Services | Community Relations

Human Resources:

1. Updates with Paychex: Commissioners are to sign up to Paychex to continue receiving stipends.

Member Services:

1. Member Escalations to DHCS in collaboration with Compliance

Community Relations:

1. CAC Selection Committee Recommendation (Slide Attached)
2. 2024 Dates established to meet:
 - a. Q1 March 21st 2024
 - b. Q2 June 6th 2024
 - c. Q3 September 26th 2024.
 - d. Q4 December 13th 2024
3. ***Events to participate in this year:***
 - a. Blues, Brews, & BBQ (Imperial) 03/23/2024
 - b. Taco Festival (Brawley) 05/04/2024
 - c. Summer Kick Off Pool Party (El Centro) 06/08/2024
 - d. Cattle Call Week (Brawley) 11/02/2024

Proposed Imperial Stakeholders

Key:
 Black = participated in Q1 2023 CAC
 Orange = proposed

CAC Selection Committee

Contract requirement:

Demonstrate a good faith effort to ensure the CAC Selection Committee is comprised of a representative sample of Safety Net Providers to bring different perspectives, ideas and views to the CAC. Definition of Safety Net Providers = including FQHCs, behavioral health, regional centers, local education authorities, dental Providers, IHS Facilities, and home and community based service Providers;

and Persons and community-based organizations who are representatives of each county within Contractor’s Service Area

Our strategy to meet requirements: Create a “swirl” + ensure representation from each service area + meet Contract requirements = Broad CBO representation, kid org, LGBT org, Justice Involved, minority group org, disability, FQHC, HIS, BH, RC, LEA, Dental, CBAS/Independent Living, Small practice Physician

County	FQHCs or Indian Health Service (IHS)	Behavioral Health	Regional Center	Local Education Authorities	Dental	Home & Community Based Services	Community Based Organizations
Imperial	<ul style="list-style-type: none"> InnerCare – Yvonne Bell 	<ul style="list-style-type: none"> Dr. Bushra Ahmad 	<ul style="list-style-type: none"> San Diego/Imperial Regional Center 	<ul style="list-style-type: none"> ICOE 	<ul style="list-style-type: none"> (ask dr. Martinez for recommendation) 	<ul style="list-style-type: none"> Dr. Carlos Ramirez 	<ul style="list-style-type: none"> Cancer Resource Center of the Desert Helen Palomino hpalomino@crdcinc.org

CAC – 10% of committee should be consumers

County/Region	County Partners & Local Government Agencies	Healthcare Services Providers	Community Based Organizations	Community Advocates
Imperial <i>Needs review/input from CHP-IV</i>	<ol style="list-style-type: none"> Imperial County Public Health Department <ul style="list-style-type: none"> Janette Angulo janetteangulo@co.imperial.ca.us Imperial County Behavioral Health Services (ICBHS) 	<ol style="list-style-type: none"> InnerCare <ul style="list-style-type: none"> Maira ‘Molly’ Arreola MairaAr@innercare.org El Centro Regional Medical Center (RHC) <ul style="list-style-type: none"> Belen Gonzalez belen.gonzalez@ecrmc.org 	<ol style="list-style-type: none"> Imperial Valley Equity & Justice Coalition California Telephone Access Program Imperial Valley Cancer Support Center <ul style="list-style-type: none"> sara@ivcsc.org Children’s Abuse Prevention Council Calexico Wellness Center Imperial Valley LGBT <ul style="list-style-type: none"> Joey Espinoza joey@ivlgbtcenter.com, Vincent Pollizzi v.pollizzi@ivlgbtcenter.com 	<ol style="list-style-type: none"> Children’s Abuse Prevention Council Sure Helpline Center <ul style="list-style-type: none"> Margaret Sauza msauza1@yahoo.com



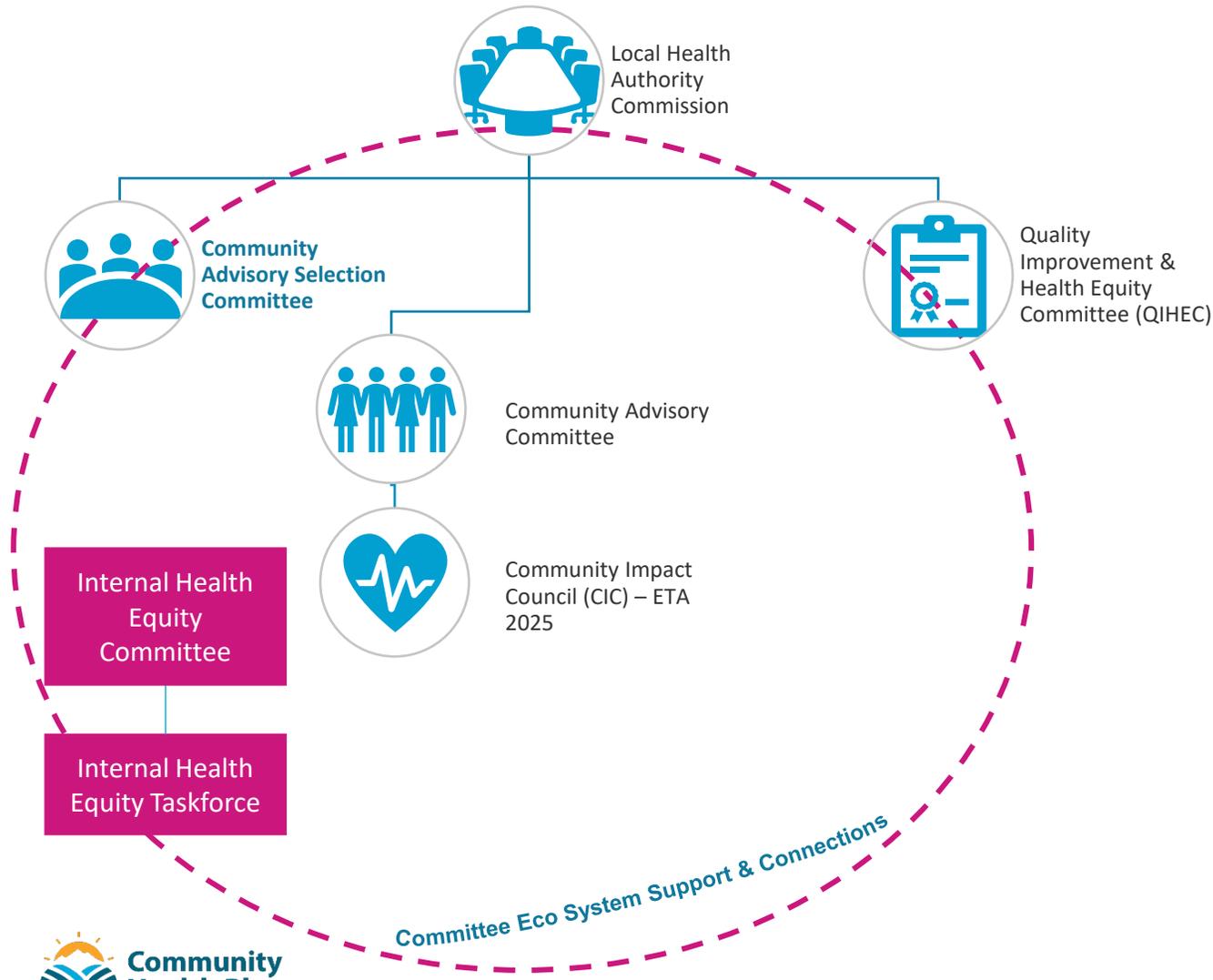


**Community
Health Plan**
OF IMPERIAL VALLEY

Proposed Strategy: Community Advisory Selection Committee

Date / Subtitle / Presenter name here

Committee Governance & Ecosystem



Committee Name	Brief Description: Purpose, Frequency & Reporting
Community Advisory Committee (CAC)	<ul style="list-style-type: none"> • Purpose: County or regional convenings with external stakeholders intended to provide local presence to engage and collaborate with local community partners and resources to ensure community needs are met. • Mtg Frequency: Quarterly • Reports to: (1) LHA Commission (2) QIHEC
CAC Selection Committee	<ul style="list-style-type: none"> • Purpose: Identifies and selects committee representatives to the CAC • Mtg Frequency: Annually • Reports to: N/A

Community Advisory Selection Committee



CHPIV will leverage the Local Health Authority Commission to approve the Selection Committee stakeholders and appoint authority to select the CAC membership.



New 2024 contract requirement – Convene a CAC selection committee tasked with selecting the members of the CAC.

Objective of the CAC Selection Committee – Ensure the CAC membership reflects the general Medi-Cal Member population in Contractor’s Service Area are represented and engaged.

Expectations

CAC Selection Committee members will be asked to participate in the following:

- Annual selection committee to review and approve new committee members
- Review annual CAC Demographic Report
- Provide feedback based on the Demographic report to maximize outreach efforts and ensure CAC committees reflects population being served

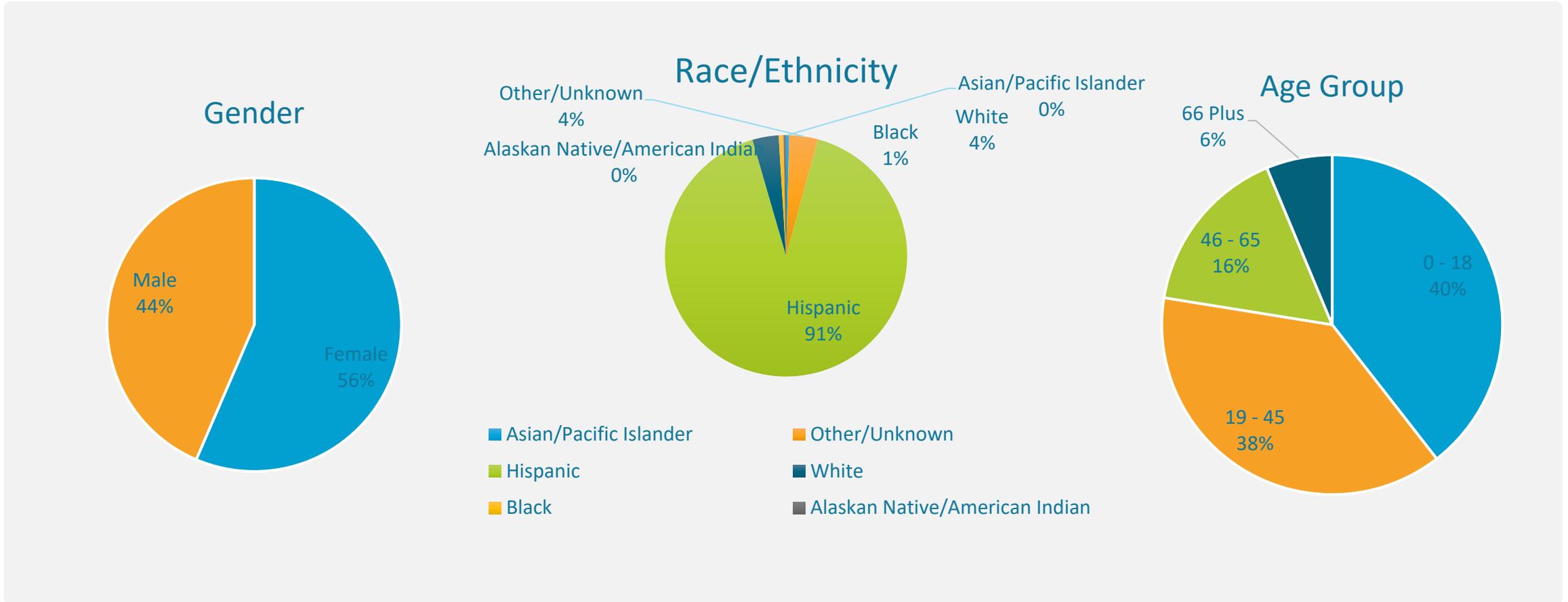
Reflection Questions:

1. Are the objectives of the CAC Selection Committee clear?
2. What data or information do you need to approve the CAC member composition?
3. Does this require an additional meeting? Or can the “selection” occur during a scheduled PPC?

Examples

Supporting information to enable selection process

- Below is an example of the information that will be provided to the Selection Committee to support the approval process.
 - In the future, CHPIV will also do the same analysis for the Medi-Cal Members who participate in the CAC.
- CHPIV will also provide the list of entities participating in the CAC for approval



Proposed Selection Committee Stakeholders

Contract requirement: Demonstrate a good faith effort to ensure the CAC Selection Committee is comprised of a representative sample of Safety Net Providers to bring different perspectives, ideas and views to the CAC.

- Required to have Medi-Cal Members and a stakeholder from each of the categories below.

Proposed stakeholders for Community Advisory Selection Committee:

County	FQHCs or Indian Health Service (IHS)	Behavioral Health	Regional Center	Local Education Authorities	Dental	Home & Community Based Services	Community Based Organizations
Imperial	InnerCare	Dr. Bushra Ahmad	San Diego / Imperial Regional Center	ICOE		Dr. Carlos Ramirez	<ul style="list-style-type: none"> • Women Haven • Sister Evelyn Mourey Center <p><u>2ndary Target List:</u></p> <ul style="list-style-type: none"> • Cancer Resource Center of the Desert

