

Regular Meeting of the

Santa Clara Community Health Authority Governing Board

Thursday, June 27, 2019, 2:15 PM - 2:30 PM

Santa Clara Family Health Plan, Boardroom

6201 San Ignacio Ave, San Jose, CA 95119

AGENDA

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| 1. Roll Call | Mr. Brownstein 2:15 | 5min |
| 2. Public Comment
Members of the public may speak to any item not on the agenda; two minutes per speaker. The Board reserves the right to limit the duration of public comment period to 30 minutes. | Mr. Brownstein 2:20 | 3min |
| 3. Meeting Minutes
Review meeting minutes of the March 22, 2018 Regular Board Meeting.
Possible Action: Approve March 22, 2018 Regular Board Meeting minutes | Mr. Brownstein 2:23 | 2min |
| 4. Continuation of Santa Clara Community Health Authority
Discuss potential dissolution of the Santa Clara Community Health Authority.
Possible Action: Approve resolution authorizing management to surrender the QIF Plan license and dissolve Santa Clara Community Health Authority | Mr. Cameron 2:25 | 5min |
| 5. Adjournment | | 2:30 |

Notice to the Public—Meeting Procedures

Persons wishing to address the Governing Board on any item on the agenda are requested to advise the Recorder so that the Chairperson can call on them when the item comes up for discussion.

The Governing Board may take other actions relating to the issues as may be determined following consideration of the matter and discussion of the possible action.

In compliance with the Americans with Disabilities Act, those requiring accommodations in this meeting should notify Jayne Giangreco 48 hours prior to the meeting at (408) 874-1896.

To obtain a copy of any supporting document that is available, contact Jayne Giangreco at (408) 874-1896. Agenda materials distributed less than 72 hours before a meeting can be inspected at the Santa Clara Family Health Plan offices at 6201 San Ignacio Avenue, San Jose, CA 95119.

This agenda and meeting documents are available at www.scfhp.com.

Regular Meeting of the Santa Clara Community Health Authority Governing Board

Thursday, March 22, 2018
210 E. Hacienda Avenue
Campbell, CA 95008
Board Room

Board Members Present

Michele Lew
Dolores Alvarado
Brian Darrow
Chris Dawes
Kathleen King
Liz Kniss
Paul Murphy
Ria Paul, M.D.
Brenda Taussig
Linda Williams

Board Members Absent

Bob Brownstein
Darrell Evora
Jolene Smith

Staff Present

Christine Tomcala, Chief Executive
Officer
Dave Cameron, Chief Financial Officer
Robin Larmer, Chief Compliance &
Regulatory Affairs Officer
Chris Turner, Chief Operating Officer
Jeff Robertson, M.D., Chief Medical
Officer
Jonathan Tamayo, Chief Information
Officer
Sharon Valdez, VP, Human Resources
Neal Jarecki, Controller
Beth Paige, Compliance Officer
Rita Zambrano, Executive Assistant

Minutes - DRAFT

1. Roll Call

Ms. Lew called the meeting to order at 4:48 pm. Roll call was taken and a quorum was established.

2. Public Comment

There were no public comments.

3. Meeting Minutes

The minutes of the December 14, 2017 Regular Board Meeting were reviewed.

It was moved, seconded, and the December 14, 2017 Regular Board meeting minutes were **unanimously approved.**

4. Continuation of Santa Clara Community Health Authority

Christine Tomcala, Chief Executive Officer, discussed the potential dissolution of the Santa Clara Community Health Authority. Linda Williams commented that an additional plan license might be useful in the future.

It was moved, seconded and approved to authorize Management to move forward with dissolution of the Santa Clara Community Health Authority. Linda Williams opposed and Dolores Alvarado abstained.

5. Adjournment

The meeting was adjourned at 4:57 pm.

Bob Brownstein, Chair

Resolution to Relinquish Knox-Keene Act License and Terminate Joint Powers Authority

WHEREAS, the Santa Clara Community Health Authority, a Joint Powers Authority (Community Health Authority), was established by a Joint Powers Agreement executed by the Santa Clara County Health Authority dba Santa Clara Family Health Plan (the Plan) and the County of Santa Clara in 2005;

WHEREAS, the Community Health Authority was formed in order to shield non-Medi-Cal revenue, including revenue from the Healthy Kids program, from the Quality Incentive Fee (QIF), a then-newly-enacted tax on Medi-Cal revenue;

WHEREAS, the Community Health Authority was licensed by the Department of Managed Health Care (DMHC) to offer commercial products, including the Healthy Kids program, pursuant to a Knox-Keene Act license commonly referred to as a QIF Plan License;

WHEREAS, QIF Plan licensees, including the Community Health Authority, have historically (and informally) been exempt from most of the Knox-Keene Act filing and other compliance requirements;

WHEREAS, the QIF tax ended in 2009, rendering moot the primary purpose for which the Community Health Authority was established, with the entity continuing to be maintained for the sole purpose of holding the commercial license required to offer the Healthy Kids product;

WHEREAS, the May 2019 Revise of the Governor's 2019-2020 budget instructed the Department of Health Care Services (DHCS) to move Healthy Kids' CCHIP beneficiaries into Medi-Cal, with an October 1, 2019 target date for that transition;

WHEREAS, as a result of the above-referenced transition, on or about October 1, 2019, all but 3 of the Community Health Authority's Healthy Kids enrollees (who are not CCHIP beneficiaries) will become enrolled in the Plan's Medi-Cal product;

WHEREAS, in May 2019, responding in part to the Governor's May 2019 Revise, DMHC issued a directive that requires the Plan to either fully comply with extensive Knox-Keene filing and compliance requirements for the QIF Plan license beginning January 1, 2020, or surrender the QIF Plan license;

WHEREAS, continuing to offer the Healthy Kids product after October 1, 2019, with few or no enrolled members, would require (1) the continued existence of the Community Health Authority, (2) continued maintenance of the QIF Plan license, subject to full Knox-Keene Act filing and compliance requirements, and (3) investment of substantial Plan resources, yet yield little to no benefit;

WHEREAS, similarly situated local plans have withdrawn, or intend to withdraw, from participation in Healthy Kids and have surrendered, or intend to surrender, their associated QIF Plan licenses;

WHEREAS, the Governing Board of the Plan, by Resolution dated June 27, 2019, authorized Plan staff to Complete a DMHC Service Area Withdrawal filing, move non-CCHIP Healthy Kids enrollees into identified alternative coverage options, and cease to offer the Healthy Kids product;

Resolution to Relinquish Knox-Keene Act License and Terminate Joint Powers Authority

NOW, THEREFORE, BE IT RESOLVED:

Upon such time as substantially all CCHIP Healthy Kids enrollees have been moved into the Plan's Medi-Cal product, and the non-CCHIP Healthy Kids enrollees have been moved into alternative coverage options, Plan staff shall take all actions necessary to relinquish the County Health Authority's QIF Plan license, and accomplish the orderly termination and winding down of the Community Health Authority.

PASSED AND ADOPTED by the Governing Board of the Santa Clara County Health Authority this 27th day of June, 2019.

BY:

Robin Larmer, Secretary