AGENDA ITEM 2: FINANCE COMMITTEE MINUTES

Joint San Francisco Health Authority &
San Francisco Community Health Authority
Finance Committee Minutes
January 21, 2026
(11:00am to 12:00pm)

1. **Attendance.** In attendance were Steven Fugaro (Interim Chair), MD, and Eddie Chan, Pharm.D. Johanna Liu, Board member, attended as a guest.

2. **Welcome.** Dr. Fugaro, Interim Chair, opened the meeting. With the retirement of Jian Zhang, DNP, MS, FNP-BC, there is a vacancy on the Finance Committee. Johanna Liu, PharmD expressed interest in being appointed to position of Secretary/Treasurer, which would also serve as the Chair of the Finance Committee.

3. **Review and Approval of Minutes from November 19, 2025**
Dr. Fugaro asked for a motion to approve the minutes from the Finance Committee meeting that was held on November 19, 2025.

   Motion to approve the Finance Committee minutes from November 19, 2025:
   Eddie Chan, PharmD
   Second: Steve Fugaro, MD
   The motion passed unanimously.

4. **Review and Approval of Year-to-Date Unaudited Financial Statements and Investment Income Reports**

   Skip Bishop, Interim CFO, and Rand Takeuchi, Controller, reviewed the financial results and investment reports for the period ending November 30, 2025.

   Mr. Bishop and Mr. Takeuchi highlighted key metrics that demonstrated SFHP was in good financial condition, including a strong tangible net equity ratio. Mr. Bishop presented a detailed overview of a reforecast of the FY 25-26 budget due to the variance in actual membership compared to the budgeted membership.

   Motion to approve the year-to-date unaudited financial and investment reports:
   Eddie Chan, PharmD
   Second: Steven Fugaro, MD
   The motion passed unanimously to forward to the full Governing Board for approval.

5. **Review and Approval of the Contract with the Reinsurance Vendor**

   Mr. Bishop then provided a review of the proposal to renew the contract with RGA Reinsurance Company for CY 2026 for the Medi-Cal and Healthy Workers lines of business. Reinsurance rates for CY 2026 will remain the same for all categories of aid. Deductible levels will increase to $130,000 for professional services and $410,000 for hospital services. This was the best proposal received from reinsurance vendors that were asked for quotes through SFHP's broker, Risk Strategies.

Motion to approve the contract with RGA Reinsurance: Eddie Chan, PharmD
Second: Steven Fugaro, MD

The motion passed unanimously to forward to the full Governing Board for approval.

6. **Review and Approval of the SFHP Program Integrity (PI) Program Evaluation and PI Program for CY 2026**

The Finance Committee is designated as the SFHP Regulatory Compliance and Oversight Committee, per the SFHP By-laws. Nina Maruyama, Chief Officer, Compliance and Regulatory Affairs, presented a review of the evaluation of the Program Integrity program for FY 2024-25 (including through December 31, 2025) and the CY 2026 Program Integrity program for the committee's approval.

Motion for the Approval of Program Integrity Program Evaluation and CY 2026 Program Integrity Program: Eddie Chan, PharmD
Second: Steven Fugaro, MD

The motion passed unanimously.

7. **Adjourn.** Dr. Fugaro adjourned the meeting.