



MARCH 27, 2024 BOARD MINUTES



GOVERNING BOARD MEETING MINUTES

Joint San Francisco Health Authority & San Francisco Community Health Authority Governing Board Minutes

March 27, 2024
(12:00 pm to 2:00 pm)

Board Attendance. In attendance were the following Board members:
Eddie Chan, PharmD, Norlissa Cooper, PhD, MSN, MBS, RN, Steven Fugaro, MD,
Deneen Hadley, Johanna Liu, PharmD, Roland Pickens, MHA, FACHE,
Adina Safer, and Jian Zhang, DNP, MS, FNP-BC.

Absent: Joseph Woo, MD

Guest: Eunice Majam-Simpson, external counsel from Daponte, Simpson and Rowe

1. **Welcome.** Steven Fugaro, MD, Chair, opened the meeting and welcomed everyone. Dr. Fugaro adjourned the meeting to Closed Session.
2. **Update on Department of Health Care Services (DHCS) Auto-Assignment Incentive Program.** This item was discussed in Closed Session.

The Board resumed in Open Session

3. **Report on Closed Session Action Items.**

Dr. Fugaro reported that no actions were taken during Closed Session.

4. **Board Business**

- a. Nomination of Deneen Hadley, Chief Contracting Officer, UCSF Health & VP, Health Plan Strategy, UCSF, for Secretary and Treasurer of the San Francisco Health Authority and San Francisco Community Health Authority Finance Committee

Dr. Fugaro stated the Finance Committee needed to fill the offices of Secretary and Treasurer, which also serves as the Chair of the Finance Committee. Dr. Fugaro informed the Board that the Finance Committee recommended Deneen Hadley, current Finance Committee member, to be nominated for the offices of Secretary and Treasurer.

Motion to approve the Nomination of Deneen Hadley for Secretary and Treasurer:
Roland Pickens

2nd: Johanna Liu, PharmD

Motion passed unanimously. Dr. Fugaro thanked Ms. Hadley for taking on this expanded role.

- b. Nomination of Jian Zhang, DNP, MS, FNP-BC, CEO, Chinese Hospital, to San Francisco Health Authority and San Francisco Community Health Authority Finance Committee.

Dr. Fugaro then stated the Finance Committee recommends Jian Zhang, DNP, MS, FNP-BC, CEO, Chinese Hospital, to fill the vacant seat on the Finance Committee.

Motion to approve the Nomination of Jian Zhang to the Finance Committee:

Eddie Chan, PharmD

2nd: Johanna Liu, PharmD

The motion passed unanimously. Dr. Fugaro thanked Dr. Zhang for her expanded role, too.

5. Consent Calendar. Dr. Fugaro introduced the Consent Calendar. Under the Consent Calendar, he stated the Board is requested to approve the following items:

- a. Review and Approval of Minutes from January 17, 2024, Board Meeting
- b. Review & Approval Quality Improvement Committee Minutes from November 2, 2023
- c. Review and Approval of Credentialing & Recredentialing Recommendations
- e. Review and Approval Employee Benefit Package for FY2024-2025
- f. Review and Approval of 2023 Quality Improvement (QI) Program Evaluation
- g. Review and Approval of 2024 Quality Improvement and Health Equity Transformation (QIHET) Program

Dr. Fugaro noted that the Finance Committee had a full discussion of the employee benefit package, did not have any issues, and recommended approval by the full Board.

Motion to approve Consent Calendar: Roland Pickens

Second: Jian Zhang

The motion passed unanimously.

6. Review and Approval of Year-End Unaudited Financial Statements and Investment Income Reports. Anne Price, Chief Financial and Strategy Officer, and Rand Takeuchi, Controller, reviewed the financial results and investment reports for the period ending January 31, 2024.

For the month of January, margin was \$1.0 million favorable to budget with a reported margin of \$2.6 million versus a budgeted margin of \$1.6 million. Excluding pass-throughs, the Medical Loss Ratio (MLR) came in at budget at 92.4%. Detailed financial memo and statements were included the packet. No significant issues were identified by the Finance Committee members or the Board.

Motion to approve the year-to-date and year-end unaudited financial and investment reports: Adina Safer

Second: Norlissa Cooper

The motion passed unanimously.

7. **Review and Approval of Medi-Cal Provider Rates.** Ms. Price reviewed the reimbursement from the Department of Health Care Services (DHCS) that increased calendar year 2024 rates to SFHP by 3.6%. A large driver of the 3.6% increase in the new 2024 revenue rates is the mandated Targeted Rate Increase (TRI) provider payments by Managed Care Plans (MCPs). MCPs are expected to begin paying providers for selected services related to primary care, obstetric care, and non-specialty mental health. The FY 2023/2024 budget included a 5.0% rate increase to our contracted providers effective January 1, 2024. With the 2024 calendar rates now confirmed, Ms. Price recommended the Board approve a rate increase to delegated and contracted fee-for service providers worth 5.2% retroactive to January 1st. The Finance Committee also recommended the increase for approval by the Board.

Motion to approve the Medi-Cal Rates: Deneen Hadley

Second: Eddie Chan, Pharm.D.

Unanimous vote to approve for forwarding to the full Governing Board for approval.

8. **Chief Executive Officer's (CEO) Report.** Yolanda R. Richardson provided the Board with highlights from her CEO Report. She discussed operational updates including being selected to participate on a small workgroup of CEOs with DHCS, Secretary Mark Ghaly, MD, and Director Michelle Baas. Ms. Richardson then introduced Edwin Poon, Officer, Health Services.

Mr. Poon presented the Practice Improvement Program (PIP) for the Board's approval that aligns with DHCS' new priorities and expectations of Managed Care Plans. The new PIP will take effect beginning in the second quarter of 2024.

Motion to approve the 2024 Practice Improvement Program: Roland Pickens

2nd: Adina Safer

The motion passed unanimously.

Ms. Richardson then introduced Julie Faulhaber and Margaret Tatar, HMA Consultants, who provided updates on the D-SNP implementation preparations. They provided an overview of the D-SNP landscape in San Francisco and preparations at SFHP. They reported that all activities were on track.

9. **Member Advisory Committee (MAC).** Nina Maruyama, Chief Officer, Compliance and Regulatory Affairs, informed the Board that the MAC will be meeting in April to select two Co-Chairs of MAC, which will be forwarded to the Board in May for approval. These two Co-Chairs would then become two new Board members.

10. **Adjourned**

Dr. Fugaro adjourned the meeting.

Secretary/Treasurer