



Financial Solvency Standards Board (FSSB) Meeting
February 24, 2020
Meeting Summary
[\(see full transcript for more details\)](#)

Financial Solvency Standards Board (FSSB) Members in Attendance:

John Grgurina, Jr., San Francisco Health Plan
Dr. Larry deGhetaldi, Palo Alto Medical Foundation
Paul Durr, Sharp Community Medical Group
Jen Flory, Western Center on Law and Poverty
Dr. Theodore Mazer, Independent Physician
Dr. Jeff Rideout, Integrated Healthcare Association
Mary Watanabe, Department of Managed Health Care
Amy Yao, Blue Shield of California

Department of Managed Health Care (DMHC) Staff in Attendance:

Pritika Dutt, Deputy Director, Office of Financial Review
Amanda Levy, Deputy Director, Health Policy and Stakeholder Relations
Sara Ortiz, Staff Services Manager I
Sarah Ream, General Counsel
Jordan Stout, Associate Governmental Program Analyst
Michelle Yamanaka, Supervising Examiner, Office of Financial Review

Department of Health Care Services (DHCS) Staff Present:

René Mollow, Deputy Director for Health Care Benefits and Eligibility at the Department of Health Care Services

Agenda Item 1 – Welcome & Introductions

(Transcript, P. 5 – 7)

Chairperson John Grgurina called the meeting to order, reviewing housekeeping notes for attendees and Board members.

Agenda Item 2 – [Transcript from November 18, 2020 FSSB Meeting](#) (Transcript, P. 8 – 9)

Mr. Grgurina asked if there were any changes to the November 18, 2020, FSSB meeting transcript and summary. Dr. Theodore Mazer requested a change to the transcript to reflect that he was in attendance at the November Board meeting. Motion to approve transcript by Member deGhetaldi, seconded by Member Yao. The Board approved the November 18, 2020 Transcript.

Agenda Item 3 – Director’s Remarks

(Transcript, P. 9 – 15)

Director Mary Watanabe discussed the Department’s organizational changes which included her appointment as Director, the appointments of Sarah Ream as Chief Counsel, Christin Hemann as Deputy Director of Legislative Affairs, and Jenny Phillips as Deputy Director for the Office of Plan Licensing. She also announced the reappointment of Rachel Arrezola as the Deputy Director of Communications and noted the departure of Elizabeth Landsberg, former Help Center Deputy Director, who was appointed as the new Director of the Office of Statewide Health Planning and Development (OSHPD). Ms. Watanabe briefly highlighted the health and human services items in Governor Newsom’s fiscal year 2021-22 budget, discussed recent All Plan Letters (APLs) issued in response to COVID-19, and announced Centene’s intent to acquire Magellan Health Inc.

Agenda Item 4 – FSSB Board Member Selection

(Transcript, P. 18 – 19)

Ms. Watanabe discussed the FSSB member recruitment and the decision, after careful consideration, to reappoint five board members. Ms. Watanabe informed the current Board Members that Mr. Grgurina agreed to serve as Board Chair for the remainder of the year.

Agenda Item 5 – [Department of Health Care Services Update](#) (Transcript, P. 19 – 45)

René Mollow, Deputy Director for Health Care Benefits and Eligibility at the Department of Health Care Services (DHCS) provided an update on the Medi-Cal budget, California Advancing and Innovating Medi-Cal (CalAIM), the Medi-Cal Rx project, and the department’s response to COVID-19.

Agenda Item 6 – [Legislation Implementation](#)

(Transcript, P. 46 – 51)

Amanda Levy, Deputy Director, Health Policy and Stakeholder Relations provided an overview of the following bills: Assembly Bill (AB) 731, AB 1124, AB 2118, and Senate Bill (SB) 855.

Agenda Item 7 – [Regulations Update](#) (Transcript, P. 52 – 62)

Sarah Ream, General Counsel, provided an update on regulations that recently went into effect and those currently in process. Ms. Ream also discussed nine regulations that are not yet in the formal rulemaking process.

Agenda Item 8 – [Federal Update](#)

(Transcript, P. 63 – 67)

Ms. Ream provided an update on the federal governments new special enrollment period for individuals and families, two Presidential Executive Orders that were issued in January, and the pending fate of the Affordable Care Act (ACA).

Agenda Item 9 – [Dental Medical Loss Ratio](#) (Transcript, P. 68 – 74)

Pritika Dutt, Deputy Director, Office of Financial Review, provided an overview of the 2019 Dental Medical Loss Ratio (MLR) data submitted by health plans on July 31, 2020. Health plans that offer commercial dental coverage and contract directly with enrollees or employer groups are required to annually file the dental MLR data.

Agenda Item 10 – [Provider Solvency Quarterly Update](#) (Transcript, P. 74 – 85)

Michelle Yamanaka, Supervising Examiner, Office of Financial Review, provided an update on the financial solvency of Risk Bearing Organizations (RBOs) for the quarter ending September 30, 2020.

Agenda Item 11 – [Health Plan Quarterly Update](#) (Transcript, P. 85 – 94)

Ms. Dutt presented an update on the financial status of health plans for the quarter ending September 30, 2020.

Agenda Item 12 – Public Comments on Matters not on the Agenda (Transcript, P. 94)

Mr. Grgurina asked for public comment on items not on the agenda. There was no public comment.

Agenda Item 13 – Agenda Items for Future Meetings (Transcript, P. 95)

Mr. Grgurina asked for agenda items for future meetings. The Board requested the following items: COVID-19 update, upcoming health plan financials, and the FSSB focus.

Agenda Item 14 – Closing Remarks/Next Steps (Transcript, P. 95)

The meeting was adjourned at 12:59 p.m. The next meeting is scheduled for May 12, 2021.