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Board/Committee Meetings
October 2-3, 2018

All meetings at Hyatt Hotel, Capitol View Room, 15th Floor
(with exception of CPG which will meet at CPCA office)

Tuesday, October 2, 2018

- Managed Care

12:30 – 1:00p LUNCH

1:00 – 2:00p 330 Committee

- SPA Negotiations
- Pay-for-Performance
- A&I Challenges
- MIPS
- Payment Reform
- Legal Update: Retrospective Dental Claims Litigation
- HRSA

2:00 – 3:30p Legislative Committee

- Federal Politics, Legislation and Advocacy
- State Politics, Legislation & Advocacy
- Policy Prioritization
- Ballot Initiatives
- Advocacy and Communications

3:30 – 3:45p BREAK

3:45 – 4:45p Consortia Policy Group (Meeting in CPCA Conference Room)

- CPG Nomination Process
- CPG Charter Documents
- NHCW Debrief
- Advocacy Communications Update
- Upcoming Advocacy

3:45 – 4:45p Executive Committee

- CEO Report
- Board Retreat 2019
- Discussion w/ CPCA Member Christina Velasco
- Advocates Board Seats 2019
- Association Health Plan Vendor Update
- Closed Session (for Executive Committee members only)

<u>Wednesday, October 3, 2018</u>

9:00 – 10:00a Clinicians Committee

- CPCA CMO Report
- Legislative Report
- CP3 & Data Report
- Behavioral Health PN Report

- CDPH Immunization
- Primary Care Peer Network
- Announce New Chair

10:00 – 10:15a BREAK

10:15a – 12:15p Board of Directors

- CEO Report
- Presentation of Financial Audit
- Financial Presentation
- Speaker: David Ford, ED, CalHIPSO
- Unity Workgroup Update
- CPCAs Diversity Policy revisions
- Approval of Committee Action Items
- NACHC Update
- RAC Update
- Outgoing Chair Report
- Seat New Board for 2018/18
- Election of 2018/19 Board Officers

Board Ventures

- Approval of Financial Audit 2017/18
- CEO Report
- Seat New Board for 2018/19
- Election of 2018/19 Ventures Board Officers

12:15 – 12:45p LUNCH

12:45 – 1:45p CaliforniaHealth+ Advocates Board of Directors

- Financial Report
- Approval of Legislative Committee Action Items
- Political Endorsements
- Fundraising
- Public Affairs Peer Network Update
- Seating of 2019 Board
- Election of Board Officers

Clinicians Committee

Wednesday, October 3, 2018

9:00 a.m. - 10:00 a.m.

Ellen Piernot, Chair

	ORDER OF BUSINESS	RELEVANT ATTACHMENTS	REPORTING	ACTION A = Approval D = Discussion I = Information
I.	Call to Order		Ellen Piernot	A
II.	Approval of Agenda		Ellen Piernot	A
III.	Approval of Minutes		Ellen Piernot	A
IV.	CPCA CMO Report		Mike Witte	I
V.	Legislative Report	• Refer to Legislative Committee packet	Beth Malinowski	I
VI.	CP3 & Data Report	• Memo	Cindy Keltner	I
VII.	Behavioral Health PN Report	• Memo	Peter Dy	I
VIII.	CDPH Immunization	• Memo	Allie Budenz	D/A
IX.	Primary Care Peer Network		Shadi Kanaan	D
X.	Announce New Chair		Mike Witte	I
XI.	Adjourn			A

CALIFORNIA PRIMARY CARE ASSOCIATION
CLINICIANS COMMITTEE
July 13, 2018
9:00am-10:00am

Members: Deb Farmer, Susie Foster, Cathy Frey, Kerry Hydash, Deborah Lerner, Anitha Mullangi, Rakesh Patel, Mary Szecsey, Christina Velasco

Guests: Sabra Matovsky, Doreen Bradshaw, Tim Rine, David Vliet, Louise McCarthy, Linda Costa, Christine Noguera, Nik Gupta, Scott McFarland, Chad Varga

Staff: Mike Witte, Janelle Mollgaard, Michael Helmick, Andie Patterson, Ginger Smith, Shadi Kannan, Jodi Samuels, Emili LaBass, Cindy Keltner, Nenick Vu, Buddy Orange, Kearsten Shepherd, Allie Budenz, Lucy Moreno, Beth Malinowski

I. Call to Order
Danielle Myers, called the meeting to order at 9:01am.

II. Approval of Agenda
A motion was made to approve the agenda as presented. **The motion carried. (Szecsey/Mullangi)**

III. Approval of Minutes
A motion was made to approve the minutes of April 27, 2018. **The motion carried. (Mullangi/Lerner)**

IV. CMO Report
Mike Witte reviewed his CMO report with priorities of focus workforce, provider and employer of choice, and increasing outreach to safety-net clinicians.

V. Legislative Report
Malinowski provided an update on bills of interest to clinicians.

VI. CP3 & Data Report
Budenz provided a brief update on the continued success of the CP3 program.

VII. Peer Network Report

a. Budenz provided an update on the Behavioral Health Peer Network and its continued efforts to provide education on the CMS Targeted Probe and training on the NCQA PCMH with Behavioral Health Distinction.
b. Xiong provided an update on the Dental Directors Peer Network and its efforts to expand and engage additional dental director participation.

VIII. Primary Care Peer Network
Witte brought up establishing a new PN to share best practices in an effective platform. A survey will go out to determine interest.

IX. Adjourn
The meeting was adjourned at 10:04am.

Respectfully submitted, Janelle Mollgaard, Meeting Minutes Recorder

California Primary Care Association

INFORMATIONAL

Date: October 3, 2018
To: Clinicians
From: Cynthia Keltner, Deputy Director of Health Center Transformation
Re: Practice Transformation and Readiness for Value Based Payment

MEMORANDUM

I. Capitation Payment Preparedness Program

CPCA continues to support health centers to be successful within a value-based, managed care capitated system. CPCA provides technical assistance and training to all CPCA members through a number of electronic and in-person mediums. This memo provides information on the training and technical assistance CPCA has implemented since the last board memo was presented.

Steering Committee

The CP3 steering committee continues to meet to review updates on the payment reform preparedness progress and resources including peer to peer sharing and discussions on topics identified as important by the group. In September, we provided updates and a discussion on empanelment and training and technical assistance needs to begin to capture data in a consistent and concerted manner for non-traditional services clinics are providing to their members. We also plan on having an in-person Steering Committee meeting on Friday, October 5th, as part of CPCA's Annual Conference.

II. Technical Assistance/Training

CP3 CFO Financial Health Plan Data Bootcamp

CP3 provided CFOs from 13 pilot sites the opportunity to attend a working meeting on September 26th with Curt Degenfelder where they were given the opportunity to receive support in developing a number of data reports from their health plan claims data. The training will assist sites in better understanding their data in key areas such as rate setting, member utilization, and panel sizes.

Non-Traditional Services

CPCA is working with multiple stakeholders such as EHR vendors, health plans and Health Center Controlled Networks (HCCNs) to ensure readiness to implement tracking of non-traditional services. We are having conversations and getting feedback from all stakeholders on training needs for clinic sites. Additionally, CPCA will coordinate with the health plans so that health centers will be successful in transmitting the codes to the health plans. We expect this effort to launch in the latter part of 2018.

Patient Centered Health Home (PCHH)

CPCA is hosting a three-part PCHH webinar series regarding the NCQA PCMH 2017 Standards, sustaining and spreading PCMH across multiple sites, and integrating quality improvement throughout community health center organization. To find more information about our webinars, click on the following titles:
Webinar 1: NCQA PCMH 2017 Standards: A Primer for Health Centers
Webinar 2: Using Non-Billable Staff in Care Teams for Quality Outcomes
Webinar 3: Sustaining and Spreading PCMH for Multi-Site Health Centers (TBD)

CPCA continues to support PCHH through in-person trainings, webinars and coaching services. CPCA is still recruiting for additional PCHH coaches through our Practice Transformation Coaching RFA.

NCQA-HRSA relationship is going well and their Government Recognition Initiative and Programs PCMH contract is expected to renew after their fiscal year ends on September 30, 2018. Future HRSA Quality Improvement Awards are expected for PCMH recognition in 2019.

Social Determinants of Health (SDOH)

CPCA has collaborated with the National Association of Community Health Centers and the Association of Asian Pacific Community Health Organizations and four Consortia to lead our original cohort including 8 FQHCs from throughout the state to begin to more effectively understand how CHCs are participating in leading SDOH efforts.

On February 7, 2018 CP3 launched the SDOH learning cohort for interested preparedness pilot sites, Consortia, and CPCA members, to begin the process of working with SDOH tools to collect data, analyze the data and develop needed resources for their members.

In May, these 52 participating sites began to collect data on their member's social determinant of health needs. We are working closely with those sites to address the challenges or barriers that are surfacing in this process and report out lessons learned. One such identified challenge was enhanced interviewing skills needed by staff. To address this concern we are provided a webinar training in July on motivational interviewing techniques. We are in the process of working with sites to identify their top 3 social determinants of health needs for resources, tools and support needed to address these needs.

CPCA is in the planning stages of rolling out our 3rd cohort beginning in January 2019.

California Primary Care ASSOCIATION

Informational

Date: October 3, 2018
To: Clinicians
From: Peter Dy, Program Coordinator
Re: Behavioral Health Peer Network Report

MEMORANDUM

Substance Use Disorder Treatment and Medication Assisted Treatment

The BPHC has committed to more funding for substance use disorder treatment within health centers. In addition to the $350 million BPHC has committed to health centers through the Expanding Access to Quality Substance Use Disorder and Mental Health Services, BPHC confirmed at the 2018 Policy and Issues forum that they are trying to ensure that a yearly $200 million allocation.

CPCA and the California Hub and Spoke System are co-convening a series of half-day trainings throughout California to enable providers to learn from experts about the management of patients with opioid dependence and chronic pain, as well as how to manage opioid use disorder in primary care. CPCA is working with UCLA Integrated Substance Abuse Programs on the four in-person trainings that will be hosted in Northern California (TBD), Southern California (San Bernardino, 9/26/18), Bay Area (Oakland, 9/18/18) and Central Valley (Fresno, 10/10/18). CPCA hopes these trainings will encourage providers to become DATA-2000 waivered so they can start prescribing buprenorphine for addiction after they learn more about the science of treating pain and opioid use.

CPCA's Behavioral Health Peer Network meets on a quarterly basis and attendees consist of Integrated Behavioral Health Directors and providers to share learning opportunities regarding provision of behavioral health services in primary care settings. BHPN attendees also troubleshoot current issues in an open forum styled roundtable as it relates to current barriers in 42 CFR Part 2 – Confidentiality of Substance Use Disorder Patient Records, recruitment and retention of BH workforce, becoming a trauma-informed organization, SBIRT, etc. On CPCA's next Behavioral Health Peer Network meeting, there will be a joint Community Clinic Association of Los Angeles County Behavioral Health Roundtable.

California Primary Care Association

Discussion

Date: September 20, 2018
To: Clinicians Committee
From: Mike Witte, Chief Medical Officer; and Allie Budenz, Associate Director of Quality Improvement
Re: Improving Immunization Rates for Adult Medi-Cal Beneficiaries

MEMORANDUM

I. Background

The California Department of Public Health (CDPH) reached out to CPCA several months ago to inquire how we can partner to improve the rate of adult immunizations among Medi-Cal beneficiaries. Vaccines are among the most valuable, cost-effective and high yield preventative measures that our healthcare system can contribute to prevent disease and improve public health. Yet, several vaccination rates for adults – including for Hepatitis A, meningococcus, and herpes zoster - are staggeringly low for Medi-Cal beneficiaries. The CDPH has identified several potential reasons for the low vaccination rates among Medi-Cal adults in FQHCs:

- Some vaccines are prohibitively expensive and cannot be purchased within the existing PPS rate and no triggering event occurs to add the vaccine to the rate;
- CHCs without an on-site pharmacy have no means of reimbursement for the purchase costly vaccines;
- CHCs may prescribe a vaccine to be filled at a pharmacy but patients often do not follow through on getting the vaccine;
- Vaccine-only nurse-visits are non-reimbursable;
- Vaccines for Adults (VFA) program only provides no-cost vaccines for uninsured adults and most adults are covered by Medi-Cal. This is in contrast to the Vaccines for Children (VFC) program that provides no-cost vaccines for all children, regardless of coverage;
- Vaccines are actually being provided at the average rate but not being documented in the encounter as a coded claim.

CDPH has committed to working with the Department of Health Care Services to advocate for removing barriers that impede vaccinations within FQHCs. They have asked CPCA to weigh in on what the request of the Department should be. In order to better understand the barriers and suggest actionable steps for CDPH, CPCA would like to better understand the obstacles our CHCs face and think through potential solutions.

II. Opportunities to Consider

We anticipate all of the above barriers make it difficult to vaccinate, *but does this list seem comprehensive and accurate? What protocol do CHCs use to vaccinate adult Medi-Cal beneficiaries?*

CDPH suggested the following as potential action steps to address financial barriers health centers face in purchasing vaccines for insured patients.*

**For Medi-Cal patients in FQHCs, which (if any) of the following recommendations are feasible to act on?*

a. Work with DHCS to allow FQHCs to keep any reimbursement they receive for adult immunizations from MCPs. CDPH understands that some of the MCPs permit direct billing to the plan for the cost of the vaccine (outside the capitation payments), but that the FQHC must pay this cost back DHCS in reconciliation.
b. Work with DHCS to explore centralized purchasing for adult immunizations for Medi-Cal members.
c. Work with MCPs and the DCHS to identify an incentive structure (free from threats of reconciliation) for adult vaccinations.

CPCA staff also believes that vaccination rates would improve if limitations to the VFA program, like insurance coverage, were removed. We hypothesize that if the VFA program mirrored VFC eligibility guidelines allowing for primary or secondary Medi-Cal coverage, vaccination rates, particularly for costly immunizations, would improve. CDPH argues that VFA expansion is cost-prohibitive. CPCA's counter argument is that any solution will have associated costs but increasing immunization rates saves downstream costs. As an important precedent, the VFC program has proven effective at reducing access barriers for patients and providers; therefore any adult program should mirror these principles.

Finally, how much attention does the Committee wish for CPCA staff to engage in this effort? CDPH has committed to approaching DHCS directly, but the requests will be on behalf of CHCs. *In light of all the negotiations currently underway between DCHS, CPCA, and health centers, is this a member priority?*

Board of Directors

Wednesday, Oct. 3, 2018
10:15a – 12:15p
Hyatt Hotel – 15th Floor in Capitol View Room

Scott McFarland, Chair

Agenda

ORDER OF BUSINESS	RELEVANT ATTACHMENTS	REPORTING	ACTION A = Approval D = Discussion I = Information
I. Call to Order		Scott McFarland, Chair	A
II. Approval of Agenda		Scott McFarland, Chair	A
III. Consent Calendar • Approval of Minutes • REVISED 2019 Meeting Calendar	• July 13, 2018, minutes • *REVISED* 2019 Meeting Calendar	Scott McFarland, Chair	I/D/A
IV. CEO Report	• *Memo:* Training & TA Report	Carmela Castellano-Garcia	I/D
V. Presentation of Financial Audit	• Financial Audit Year Ended March 31, 2018	Matt Krehe, auditor	I/D
VI. Financial Presentation	• Board Financial Presentation as of 8.31.18 • Balance Sheets as of 8/31/18 (3)	Sandy Birkman	I/D
VII. **SPEAKER:** David Ford, Executive Director, CalHIPSO	• PowerPoint Slides	David Ford, CalHIPSO	I
VIII. Unity Workgroup Update	• Unity Workgroup Issue Identification Grid	Britta Guerrero, Unity Workgroup Chair	I/D
IX. CPCAs Diversity Policy revisions	• *Memo:* Revised Diversity Policy • Fostering Diversity: Policy #1020 *(final and w/ markup)*	Buddy Orange, Vice President Human and Organizational Development	I/D/A
X. Approval of Committee Action Items and Brief Informational Reports	• Audit • Clinicians • Executive • Finance/Ventures Finance • 330 • Governance • Government Programs • Legislative • SPARC • Workforce	• Tony Weber • Ellen Piernot • Scott McFarland • David Vliet • Louise McCarthy • Ben Flores • Robin Affrime • Kevin Mattson • Tim Rine • Paulo Soares	I/D/A
XI. NACHC Update (recurring)	• NACHC Report to CPCA Board of	David Vliet, NACHC	I

	Directors	Region IX Representative	
XII. RAC Update (recurring)		Louise McCarthy, CEO, CCALAC	I
XIII. Outgoing Chair Report		Scott McFarland	I
NEW BUSINESS XIV. Adjourn 2017/18 Board; Seating of New 2018/19 Board	*Chair-elect from 2017-18 immediately assumes Chair role*	Scott McFarland, outgoing; Kerry Hydash, incoming	
XV. Election of 2018-19 Board Officers * A. Chair-Elect B. Secretary C. Treasurer D. Speaker E. Vice-Speaker F. Members-at-Large (3) * Officer positions are elected one at a time in the order noted above.		Kerry Hydash, Chair	I/A
XIV. Adjourn Board (Kerry); convene Ventures Board (Scott)		Kerry Hydash, Incoming Chair and Scott McFarland, Outgoing Chair	A
Additional Attachments:	• CPCA Code of Conduct • Board Attendance Policy		

Board of Directors Meeting

July 13, 2018

Meeting Minutes

Board Members Present : Scott McFarland (Chair), Robin Affrime, Doreen Bradshaw, Deb Farmer, Ben Flores, Cathy Frey, Naomi Fuchs, Jane Garcia, Britta Guerrero, Nik Gupta, Sherry Hirota, Kerry Hydash, Deb Lerner, Marty Lynch, Kevin Mattson, Louise McCarthy, Anitha Mullangi, Danielle Myers, Christine Noguera, Tim Rine, Ralph Silber, Graciela Soto-Perez, Mary Szecsey, Henry Tuttle, David Vliet and Paula Zandi

Members Absent: Isabel Becerra, Paulo Soares, Richard Veloz

Guests: James Luisi and Lathran Woodard, NACHC; Karen Lauerbach, Corinne Sanchez, Vernita Todd, Rakesh Patel, Rosa Vivian Fernandez, Linda Costa, Raphael Irving, Tim Fraser, Dolores Alvarado, Anthony White, Gary Rotto, Lucresha Renteria, Courtney Powers, Becky Lee, Warren Brodine

Staff: Carmela Castellano-Garcia, Robert Beaudry, David Anderson, Sandy Birkman, Val Sheehan, Erin Perry, Kearsten Shepherd, Christina Hicks, Tiffany Ruvalcaba, Meghan Nousaine, Ginger Smith, Beth Malinowski, Victor Christy, Andie Patterson, Michael Helmick, Emily Shipman, Jodi Samuels, Andrea Chavez, Mary Ellen Mathias, Natalie Warren, Alicia Cuevas, Peter Dy, Emily Henry, Meaghan McCamman, and Heather Barclay

1. Call to Order

Board Chair Scott McFarland called the meeting to order at 10:17a.

2. Approval of Agenda

The Chair requested an agenda change moving the Closed Session to the first item on the agenda, and the Closed Session will also discuss the Epic agenda item.

Motion

A motion was made and seconded to approve the change to agenda item order. (Lynch/Bradshaw). **The motion carried.**

The Board adjourned to Closed Session from approx. 10:16 – 11:00a.

The Board Chair called the general meeting back to order at approx. 11:00a.

3. Approval of Consent Calendar

Motion

A motion was made and seconded to approve the Minutes from April 27, 2018, as presented. (Fuchs/Frey). The motion carried.

Motion
A motion was made and seconded to approve the 2019 Board Calendar as presented. (Lynch/Frey). **The motion carried.**

4. CEO Report
Carmela Castellano-Garcia, President and CEO, provided a brief report and thanked everyone for coming to the membership party that she hosted at her home the previous night. Carmela introduced CPCA's new interns and two (2) of the four (4) were present and introduced themselves. Carmela referred to the "Planning for Health Center Leadersehip" Concept Paper in the agenda packet, noting it is CPCAs proposal to ensure that the Clinic Leadership Program doesn't go away. She'd like CPCA to take some responsibility for helping build the workforce and in succession planning, developing future leaders, etc. . She noted that Sandra Hernandez, CEO of the California HealthCare Foundation (CHCF) is supportive of this effort. Members are welcome to contact Carmela with any feedback

5. Financial Presentation
Sandy Birkman noted the requested quarterly financial presentation was included in the agenda packet and members had previously requested that all subsidiaries be shown on one document. The Finance Committee also reviewed the report in advance.

6. Epic Discussion
This item was handled in Closed Session.

7. Association Health Plan Vendor Update
In the interest of time, this item was not discussed but members were directed to the informational memo in the meeting packet.

8. Strategic Plan Update
In the interest of time, there was no specific discussion about the current Strategic Plan, but members were directed to the PowerPoint slides in the meeting packet should they have any questions about Strategic Plan-related progress.

9. Approval of Committee Action Items.

Audit – no report
Clinicians - no report
Executive – no report
Finance – Committee Chair David Vliet presented one (1) item for consideration:

Motion
A motion was made and second to approve the financial reports for CPCA and CPCA Ventures. (Vliet/Szecsey). **The motion carried.**

330 - no report
Governance – Committee Chair Ben Flores presented one (1) item for consideration:

Motion
A motion was made and seconded to approve member Irma Cota for Emeritus membership status. (Flores/Farmer). **The motion carried.**

Government Programs – Committee Chair Robin Affrime presented one (1) item for consideration:

Motion

A motion was made and seconded to that CPCA work with members to explore the concept of commonly reporting specific programs or areas where 340B savings ca be invested for the purposes of effective and coordinated 340B advocacy. (Affrime/Farmer). **The motion carried.**

Legislative – Committee Chair Kevin Mattson presented four (4) items for consideration:

1) **Motion** A motion was made and seconded for CPCA to take a "support" position on the Uniting and Securing America (USA) Act of 2018 and the Dream Act (Mattson/Garcia.). **The motion carried**.
2) **Motion** A motion was made and seconded for CPCA Staff to direct CaliforniaHealth+ Advocates to pursue sponsorship of proposed legislation on FQHC/RHC and MCO Incentive Payments upon bill introduction (Mattson/Bradshaw). **The motion carried.**
3) **Motion** A motion was made and seconded for CPCA to take a "support" position on AB 2029 (Mattson/Hydash). **The motion carried.**
4) **Motion** A motion was made and seconded to approve all staff recommended bill position changes as presented in the July 2 CPCA bill tracking report (Mattson/Hydash). **The motion carried.**

SPARC – no report
Workforce – no report

10. NACHC Report

David Vliet, NACH Region IX representation, gave a brief report and noted a more comprehensive written report in the meeting packet. He noted that we need to mobilize the Western region on a NACHC Executive Committee proxy vote campaign to support candidate Dr. Kimberly Chang from Asian Health Services. He and Carmela will serve as proxy voters and CPCA will help with outreach. He also urged non-NACHC members to consider joining. It was noted a minimum dues payment of 25% is required to vote.

11. RAC Report

In the interest of time, RAC Chair Henry Tuttle reported all is well with RAC and yielded his time so the NACHC discussion can begin.

12. NACHC Listening Session with Board Chair James Luisi and Incoming Board Chair Lathran Woodard

Board member and RAC Chair Henry Tuttle made introductions and introduced Jim and Lathran. Henry noted that today's discussion should center around "What is ideal future state of NACHC across the six domains." He urged members to focus on being positive and constructive. Jim will be using the feedback during the NACHC Strategic Planning session in August. Another goal is to create open lines of communication between the National Association, the PCA and its members. Jim addressed the Board and thanked them for the opportunity to be here today. He has less than a year left on his NACHC Board term, then Lathran will serve for a full 2 year term.

Summarized below are some key points from the conversation and comprehensive flip chart notes were recorded by Health Center Partners of California (HCP) and will be combined with discussion notes from the RAC meeting and will be provided to Jim and Lathran by HCP. Members can also send additional feedback to Henry offline.

The conversation kicked off with the question – **"What would a diverse NACHC look like?"**

- Reflect the diversity of its members
- More young people in leadership roles
- Clear succession plan
- 50 state strategy (both "red" and "blue")
- Women's issues and more women represented in both policy work, and in staffing at NACHC
- More caucusing from special populations and underrepresented groups
- More representation of the West Coast and related issues (they seem very East Coast-centric)
- Improved methods of engagement; meeting locations can be difficult for West Coast members to attend
- Meaningful participation for Community Board members, including translation services at events.
- A pipeline to develop leaders/people of color is needed.

Goal Area: Inclusion

- NACHC can feel like an inclusive club; lots of old stories and inside jokes are told around the members, leaving some to feel left out
- Innovation plays a role in this area - are there ways to include West Coast members without requiring them to travel?
- Hardships due to travel costs/time away
- Too much social/down time at conferences – build in more value and be more thoughtful in planning the sessions
- Do more to include a role for all levels of staff within the health centers beyond the C-suite.

Goal Area: Positioning

- Collective ideas from all states on how to move forward on value-based care. Bring the best thinking to the table, think ahead and be innovative.
- Focus more on PPS and 330 and look at related emerging grassroots issues.
- NACHC succession planning raised again; concern about lack of young leaders.
- Need for more strategic partnerships in DC with organizations such as the National Council of La Raza (NCLR), for example.
- More resources for how to expand/start a community clinic.
- Mechanisms for inclusion and taking a firm(er) stand on issues; can NACHC do more to assist members in the event NACHC cannot take a strong stance on a given issue?
- Strategy around "building strong states"

Goal Area: Communications

- Bidirectional communication needed; and possibly communication training is needed to address concerns.
- More technology tools – a better website, interactive member portal, etc.
- Explore avenues to increase meeting participation (not conference calls) but a chance to meet outside of P&I and CHI conferences.
- Use polling technology at the January 2018 Strategy Session was a "plus" and members would like to see it used more frequently.

Goal Area: Content

- Consider updating presentations and/or not resusing them at multiple events to maximize participants time (avoiding repetitive info.)
- A new routine at P&I was suggested, including more targeting of consumer Board members.
- Less vendor-heavy/focused events.

Goal Area: Innovation

- Partnerships – harness PCAs and HCCNs in a collaborative way
- How to extend NACHC's West Coast presence.
- Looking toward the future (especially in regard to PPS). What is the future-looking care model?
- Look at workforce meaningfully
- Alternative delivery models; learning from past models
- Move forward and lead the way in payment reform; help states via replication (avoid having every PCA "recreate the wheel")

Goal Area: Climate

- What do our communities need, regardless of party?
- Consider forming workgroups around these goal area

Both Jim and Lathran thanked the Board for the opportunity to be here today and to have these discussions. They reassured members that NACHC is here to support health centers, regardless if they are members or not. They look forward to reviewing the discussion notes and sharing during the NACHC Strategic Planning process.

13. Adjourn

Board Chair Scott McFarland adjourned the meeting at approx. 12:30p.

CPCA 2019 BOARD MEETING CALENDAR

Board & Committee Meetings

Thursday - Friday, February 7-8, 2019 — Sacramento – CPCA Office

Th., Feb. 7
10:00a – 5:00p – Board Retreat (*Committee's will meet via phone in weeks prior to the Retreat)*
6:30p – Board Dinner

Fri., Feb. 8
8:00a – 10:00a – Retreat Wrap-up, Debrief & Next Steps
10:00 – 11:30a – Board Meeting
11:30a – Adjourn; lunch on your own

(NACHC Winter Strategy Mtg. - January 23-25, 2019 in Delray Beach, FL)

Day at the Capitol / Board & Committee Meetings

Wednesday, Apr. 24, 2019	Day at the Capitol & Reception	Sacramento
Thursday-Friday, Apr. 25-26, 2019	Committee & Board meetings	Sacramento

(NACHC P&I – March 27-31, 2019 in Washington, D.C.)
(NACHC Conf. for Agricultural Worker Health – May 6-8, 2019 in Albuquerque, NM)

April 20-27, 2019	*(Passover Week)*
April 21, 2019	*(Easter Sunday)*

Board & Committee Meetings

Thursday-Friday, July 11-12, 2019 — Sacramento – CPCA Office

(NACHC CHI – August 16-20, 2019 in Chicago, IL)

** Annual Conference / Board & Committee Meetings

Tuesday-Wednesday, Oct. 15-16, 2019	Board & Committee meetings	Sheraton San Diego Hotel/Marina
Thursday-Friday, Oct. 17-18, 2019	Annual Conference	Sheraton San Diego Hotel/Marina

(NACHC FOM/IT Conference – Oct. 23-25, 2019 in Chicago, IL)
(NACHC PCA/HCCN Conference – Nov. XX, 2019 in XX)

Sept. 30, 2019	*(Rosh Hashanah)*
Oct. 9, 2019	*(Yom Kippur)*
Oct. 14-20, 2019	*(Sukkot)*

Additional CPCA Conference Dates

CPCA Quality Care Conference	Feb. 21-22, 2019	Santa Rosa, CA
CPCA CFO/Billing Managers	May 14-17, 2019	San Diego, CA
Region IX Conference	June 23-25, 2019	Newport Beach, CA

Date: September 20, 2018

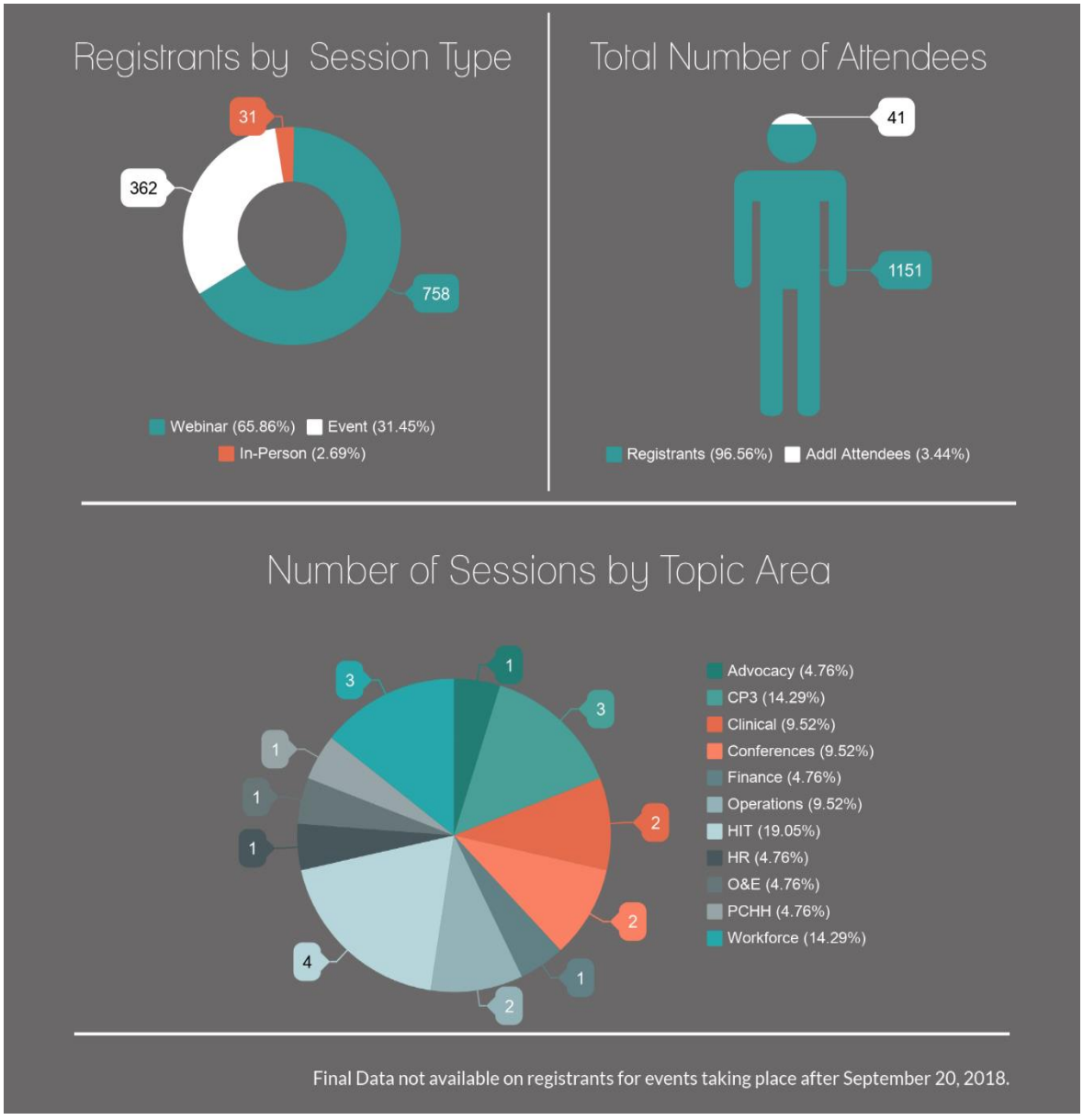
To: CPCA Board of Directors

From: Erin Perry, Assistant Director of Education and Training

Re: CPCA Training Program

MEMORANDUM

Below are the training numbers for the 2nd quarter of the 2018-2019 fiscal year. Any questions or inquiries regarding the Training Program can be addressed to eperry@cpca.org.



Relax
We got this.℠

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

Communications With Those Charged With Governance

Submitted by

Gilbert Associates, Inc.

We have audited the consolidated financial statements of California Primary Care Association and Affiliates (Association) for the year ended March 31, 2018. We are providing the Association's Audit Committee with information regarding the scope and results of the audit to assist in their oversight of management's financial reporting and disclosure process. This information is intended solely for the use of the Audit Committee and management of the Association and is not intended to be, and should not be, used by anyone other than these specified parties. The following pages summarize these required communications.

September 10, 2018

Gilbert Associates, Inc.
CPAs and Advisors
Relax. We got this.℠

RESPONSIBILITIES AND OPINIONS

Auditors' Responsibilities under Generally Accepted Auditing Standards (GAAS), *Government Auditing Standards,* issued by the Comptroller General of the United States, Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The financial statements are the responsibility of management. As stated in our engagement letter, our responsibility is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities. In planning and performing our audit, we considered the Association's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with Uniform Guidance. As part of obtaining reasonable assurance about whether the Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also in accordance with Uniform Guidance, we examined, on a test basis, evidence about the Association's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Compliance Supplement" applicable to its major federal program for the purpose of expressing an opinion on the Association's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Association's compliance with those requirements.	We plan to issue an unmodified opinion on the consolidated financial statements of the Association for the year ended March 31, 2018.

INTERACTIONS WITH MANAGEMENT

Management Consultations with Other Independent Accountants In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Association's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts.	To our knowledge, there were no such consultations with other accountants.
Disagreements with Management For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.	We are pleased to report that no such disagreements arose during the course of our audit.
Management Representations	We have requested certain representations from management that are included in their letter to us.
Difficulties Encountered in Performing the Audit	We encountered no significant difficulties in dealing with management in performing and completing our audit. Management and staff were well prepared and very cooperative.

QUALITATIVE ASPECTS OF ACCOUNTING PRACTICES

Significant Accounting Policies Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application.	The significant accounting policies used by the Association are described in notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2018. We noted no transactions entered into by the Association during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.
Management Judgments and Accounting Estimates Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.	We considered the methodologies and judgments used in assessing the collectability of loans and accounts receivable, selection of useful lives of property and equipment, and the allocation of functional expenses. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole. In addition, the related financial statement disclosures are neutral, consistent and clear.
Supplementary Information With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.	The supplementary consolidating financial statements, as listed in the table of contents, is presented for the purpose of additional analysis for financial statement users, and in our opinion is fairly stated in all material respects to the consolidated financial statements as a whole. The schedule of expenditures of federal awards is required by the Uniform Guidance and in our opinion is fairly stated in all material respects to the consolidated financial statements as a whole.

RESULTS OF THE AUDIT

Planned Scope and Timing of the Audit	We performed the audit according to the planned scope and timing previously communicated to you in our engagement letter.
Other Audit Findings or Issues	We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Association's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Significant Adjustments or Disclosures Not Reflected in the Financial Statements Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.	No significant adjustments or omitted disclosures were identified during our audit.

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATED FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT

YEARS ENDED MARCH 31, 2018 AND 2017

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

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MARCH 31, 2018 AND 2017

INDEPENDENT AUDITOR'S REPORT

Board of Directors
California Primary Care Association
Sacramento, California

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of California Primary Care Association and Affiliates (Association), which comprise the consolidated statements of financial position as of March 31, 2018 and 2017, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of California Primary Care Association and Affiliates as of March 31, 2018 and 2017, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental consolidating financial statements are presented for the purpose of additional analysis and are not a required part of the basic consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulation (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2018, on our consideration of the Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Association's internal control over financial reporting and compliance.

Gilbert Associates, Inc.

GILBERT ASSOCIATES, INC.
Sacramento, California

September 10, 2018

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2018 AND 2017

	2018	2017
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 4,772,972	$ 7,259,561
Grants receivable	461,156	510,692
Dues and accounts receivable	785,085	324,242
Current portion of loans receivable	2,351,527	2,278,220
Prepaid expenses	128,582	187,495
Total current assets	8,499,322	10,560,210
NONCURRENT ASSETS:		
Certificates of deposit	849,336	806,713
Loans receivable, Net	6,141,716	4,099,372
Property and equipment, Net	4,627,660	4,871,647
TOTAL ASSETS	$ 20,118,034	$ 20,337,942
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	$ 400,475	$ 215,905
Accrued expenses	294,233	275,029
Deferred revenues	237,945	427,794
Current portion of loans payable	138,606	176,879
Total current liabilities	1,071,259	1,095,607
LOANS PAYABLE, Net	3,499,764	3,635,667
Total liabilities	4,571,023	4,731,274
NET ASSETS:		
Unrestricted	13,670,950	13,465,732
Temporarily restricted	1,876,061	2,140,936
Total net assets	15,547,011	15,606,668
TOTAL LIABILITIES AND NET ASSETS	$ 20,118,034	$ 20,337,942

The accompanying notes are an integral part of these consolidated financial statements.

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED MARCH 31, 2018 AND 2017

	2018	2017
UNRESTRICTED NET ASSETS:		
REVENUES:		
Grants and contributions	$ 3,725,489	$ 3,930,754
Membership dues	2,517,716	1,966,044
Clinic support services	1,716,583	1,270,863
Training and workshops	1,125,976	811,780
Conferences	966,593	906,360
Interest income from loans	184,825	195,509
Interest and investment income	12,696	15,762
Other income	241,009	175,023
Net assets released from restrictions	1,464,875	1,614,377
Total revenues	11,955,762	10,886,472
EXPENSES:		
Program services:		
Clinic operations support	8,736,630	7,829,363
Legislative	919,835	852,503
Information systems and loan program	189,252	210,642
Total program services	9,845,717	8,892,508
Management and general	1,904,827	1,885,170
Total expenses	11,750,544	10,777,678
INCREASE IN UNRESTRICTED NET ASSETS	205,218	108,794
TEMPORARILY RESTRICTED NET ASSETS:		
Grants and contributions	1,200,000	1,120,000
Net assets released from restrictions	(1,464,875)	(1,614,377)
DECREASE IN TEMPORARILY RESTRICTED NET ASSETS	(264,875)	(494,377)
DECREASE IN NET ASSETS	(59,657)	(385,583)
NET ASSETS, Beginning of Year	15,606,668	15,992,251
NET ASSETS, End of Year	$ 15,547,011	$ 15,606,668

The accompanying notes are an integral part of these consolidated financial statements.

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2018

	Program Services			Supporting Services	
	Clinic Operations Support	Legislative	Info. Sys. & Loan Program	Management & General	Total
Salaries and wages	$ 3,222,964	$ 273,681	$ 117,321	$ 805,741	$ 4,419,707
Consultants	1,005,745	373,742	8,565	251,436	1,639,488
Conferences, meetings, and trainings	1,234,405	2,338	1,122	308,601	1,546,466
Contracted member support	1,298,081				1,298,081
Employee benefits	739,016	61,627	26,692	184,754	1,012,089
Travel	264,701	9,426	5,000	66,175	345,302
Marketing and outreach	106,896	120,416		26,724	254,036
Occupancy	193,639	6,919	960	49,277	250,795
Depreciation	173,230	14,640	7,320	48,797	243,987
Interest expense	129,727	12,020	13,967	31,204	186,918
Dues, publications, and subscriptions	89,369	7,839	1,192	22,342	120,742
Supplies	91,998	2,965	1,824	21,750	118,537
Professional services	34,609	24,825	2,395	8,652	70,481
Board of Directors expenses	51,525			12,881	64,406
Telecommunications	41,456	2,198	1,318	10,364	55,336
Printing and reproduction	24,456	6,074	1,000	6,114	37,644
Facilities and equipment rental	16,693	980	576	4,173	22,422
Provision for bad debts	6,350			1,587	7,937
Postage and delivery	5,395	145		1,349	6,889
Other expenses	6,375			42,906	49,281
Total	$ 8,736,630	$ 919,835	$ 189,252	$ 1,904,827	$ 11,750,544

The accompanying notes are an integral part of these consolidated financial statements.

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2017

	Program Services			Supporting Services	
	Clinic Operations Support	Legislative	Info. Sys. & Loan Program	Management & General	Total
Salaries and wages	$ 3,034,308	$ 204,096	$ 140,036	$ 758,577	$ 4,137,017
Consultants	969,684	375,134	5,613	251,171	1,601,602
Conferences, meetings, and trainings	1,143,119	3,095	1,629	285,780	1,433,623
Contracted member support	952,206				952,206
Employee benefits	687,166	53,017	31,842	171,791	943,816
Travel	220,315	11,287		94,420	326,022
Marketing and outreach	12,811	126,412		26,267	165,490
Occupancy	174,299	14,058	7,424	34,853	230,634
Depreciation	196,569	21,841		54,602	273,012
Interest expense	132,571	10,918	14,889	41,864	200,242
Dues, publications, and subscriptions	50,471	343	374	14,232	65,420
Supplies	93,362	2,868	2,868	22,850	121,948
Professional services	30,446	7,232	1,870	7,611	47,159
Board of Directors expenses				88,354	88,354
Telecommunications	38,326	2,915	1,713	9,582	52,536
Printing and reproduction	36,082	15,654		9,020	60,756
Facilities and equipment rental	16,825	1,284	772	4,206	23,087
Provision for bad debts	4,587			1,147	5,734
Postage and delivery	1,296			324	1,620
Other expenses	34,920	2,349	1,612	8,519	47,400
Total	$ 7,829,363	$ 852,503	$ 210,642	$ 1,885,170	$ 10,777,678

The accompanying notes are an integral part of these consolidated financial statements.

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED MARCH 31, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:		
Decrease in net assets	$ (59,657)	$ (385,583)
Reconciliation to net cash provided (used) by operating activities:		
Depreciation	243,987	273,012
(Increase) decrease in fair value of certificates of deposit	(967)	5,008
Loan loss reserve	(134,112)	(57,044)
Changes in:		
Grants receivable	49,536	1,119,684
Dues and accounts receivable	(460,843)	(137,601)
Prepaid expenses	58,913	(91,547)
Accounts payable	184,570	73,807
Accrued expenses	19,204	26,436
Deferred revenues	(189,849)	333,504
Net cash provided (used) by operating activities	(289,218)	1,159,676
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of certificates of deposit	(241,831)	(103,320)
Maturities of certificates of deposit	200,175	100,000
Funding of loans receivable	(4,626,548)	(1,950,000)
Principal payments received on loans	2,645,009	3,469,787
Purchases of property and equipment		(39,824)
Net cash provided (used) by investing activities	(2,023,195)	1,476,643
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on loans payable	(174,176)	(656,277)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,486,589)	1,980,042
CASH AND CASH EQUIVALENTS, Beginning of year	7,259,561	5,279,519
CASH AND CASH EQUIVALENTS, End of year	$ 4,772,972	$ 7,259,561
OTHER CASH FLOW INFORMATION:		
Interest paid	$ 186,918	$ 200,242

The accompanying notes are an integral part of these consolidated financial statements.

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

California Primary Care Association (CPCA) is a nonprofit public benefit corporation whose purpose is to promote and facilitate equal access to quality healthcare for individuals and families. CPCA accomplishes its mission through organized primary care clinics and clinic networks that seek to maintain cost-effective, affordable medical services as well as meet the linguistic and cultural needs of California's diverse population.

CPCA Ventures (Ventures) is a nonprofit public benefit corporation that raises funds to enhance the capacity of California community clinics and health centers. Ventures provides a healthcare safety net in a competitive, managed-care environment through increased utilization of information systems. Ventures also provides access to low-interest financing for information systems and short-term emergency loans.

CaliforniaHealth Plus Advocates (Advocates) is a nonprofit public benefit corporation established in February 2016 to advance the mission of community health centers through state and federal advocacy.

Principles of consolidation – The accompanying financial statements reflect the consolidation of CPCA, Ventures and Advocates (collectively, the Association) who share common facilities and management. CPCA and Ventures are commonly controlled by the same Board of Directors and the Board of Directors of Advocates is selected by CPCA. Material transactions among the entities have been eliminated in the consolidated financial statements.

Basis of presentation – The consolidated financial statements are presented in conformity with professional standards for not-for-profit entities. The Association reports information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. The Association has no permanently restricted net assets.

Revenue recognition – Revenues from government grants are recognized when qualifying expenses are incurred. Grants from private foundations are treated as contributions and recognized in full when received or unconditionally promised. Such contributions are initially reported as an increase in temporarily restricted net assets. When a restriction expires (generally as payments are made to fulfill the grantor-imposed purpose of the contribution), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of activities as net assets released from restrictions.

Membership dues are recognized as revenues in the applicable membership period. Revenue from training, conferences, and clinic support services is recognized when the related events occur. Dues and fees collected in advance are recorded as deferred revenues until earned.

Cash and cash equivalents – For financial statement purposes, the Association considers all investments with a maturity at purchase of three months or less to be cash equivalents.

The Association maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts. Management believes the Association is not exposed to any significant credit risk related to cash.

Certificates of deposit are stated at fair value.

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Management believes that all accounts are collectible and no allowance is necessary.

Property and equipment are stated at cost and depreciated using the straight-line method over estimated useful lives of three to thirty years. The Association's policy is to capitalize such items with a cost of $5,000 or more.

Income taxes – CPCA and Ventures are publicly supported and exempt from income taxes under Internal Revenue Code Section (IRC §) 501(c)(3) and by the California Franchise Tax Board under Section 23701(d). Advocates is exempt from income taxes under Internal Revenue Code Section (IRC §) 501(c)(4) and by the California Franchise Tax Board under Section 23701(f). The Association has applied the accounting principles related to accounting for uncertainty in income taxes and has determined that there is no material impact on the consolidated financial statements. With some exceptions, the Association is no longer subject to U.S. federal and state income tax examinations by tax authorities for years prior to 2014.

Functional allocation of expenses – The costs of providing the program services have been summarized on a functional basis in the consolidated statements of activities and of functional expenses. Accordingly, certain costs have been allocated among the program services based on employees' time incurred and management's estimates of the usage of resources.

Use of estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates included in these financial statements are management's estimate of the loan loss reserve and selection of useful lives of property and equipment. Accordingly, actual results could differ from those estimates.

Subsequent events have been reviewed through September 10, 2018, the date the financial statements were issued. Management concluded that no material subsequent events have occurred since March 31, 2018 that require recognition or disclosure in the financial statements.

2. LOANS RECEIVABLE

The Association manages a revolving loan program for its community health centers. A third-party administrator, in a manner similar to a lending institution, approves the loans, manages the loan portfolio, and establishes the reserve for loan loss. The allowance for loan loss is calculated using a transaction risk rating as outlined in the third-party administrator's credit policies. A reasonable possibility exists that amounts ultimately uncollectible may differ materially from the amounts estimated. However, the amount of the difference cannot be determined. All loan payments are due on the first day of each month. If payment is not received by the first day of the subsequent month, the loan becomes past due. When the payment is 90 days past due the loan is placed on non-accrual and when any portion of a loan is deemed uncollectible, a full or partial charge off against the loan loss is made.

Interest income on the loans is recognized when payments are received. Servicing fees are deducted from interest income by the third-party administrator, before remittance to the Association.

Loans receivable are as follows:

	2018	2017
Capital loans, with interest at 3.175%, secured by equipment or receivables financed and a covenant not to encumber, if applicable. Maximum amount of each loan is $1,000,000, interest-only due for the first six months followed by 5-year, fully amortizing payments.	$ 8,849,250	$ 6,867,711
Less loan loss reserve	(356,007)	(490,119)
Loans receivable – net of loan loss reserve	8,493,243	6,377,592
Less current portion	(2,351,527)	(2,278,220)
Total long-term loans receivable	$ 6,141,716	$ 4,099,372

3. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	2018	2017
Building	$ 6,476,678	$ 6,476,678
Equipment	406,260	406,260
Furniture	329,157	329,157
Total	7,212,095	7,212,095
Less accumulated depreciation	(2,584,435)	(2,340,448)
Property and equipment, net	$ 4,627,660	$ 4,871,647

4. LOANS PAYABLE

Loans payable are as follows:

	2018	2017
Loan payable to First Citizens Bank for the purchase of a suite in a commercial building in Sacramento, California. The loan is secured by the suite. The terms of the loan were modified on September 26, 2012 to fix the interest rate at 4.95%. Under the loan agreement, as modified, the balance of the loan is payable in monthly payments of $26,330 with one final payment of the entire balance due February 1, 2020.	$ 3,638,370	$ 3,767,592
Loan payable to Dignity Health for the purpose of providing capital for financing loans to community clinics and health centers. Monthly payments of $45,047 were due beginning June 1, 2012, including principal and interest of 2.475% per annum. The loan matured on April 30, 2017 and was repaid in full.		44,954
Total	3,638,370	3,812,546
Less current portion	(138,606)	(176,879)
Total long-term loans payable	$ 3,499,764	$ 3,635,667

Principal payments of loans payable as of March 31, 2018 are as follows:

2019	$ 138,606
2020	3,499,764
Total	$ 3,638,370

Interest expense totaled $186,918 and $200,242 for the years ended March 31, 2018 and 2017, respectively.

5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets represent unexpended funds restricted by grantors for the following programs:

	2018	2017
The California Endowment – Capitated Payment Preparedness	$ 1,023,359	$ 670,475
CA Wellness Foundation – Advocacy	379,899	
Kaiser Foundation – Capitated Payment Preparedness		344,289
CA Wellness Foundation – Capitated Payment Preparedness	200,709	221,079
Blue Shield – Capitated Payment Preparedness	141,445	140,307
The California Endowment – Policy & Advocacy	68,739	222,322
DentaQuest Foundation – National Oral Health Innovation and Integration Network	61,910	62,139
Blue Shield – Strengthening SafetyNet		131,929
CA Healthcare Foundation – Capitated Payment Preparedness		128,986
Blue Shield – Act Now Fund		100,000
DentaQuest Foundation – Strengthening SafetyNet		78,160
National Association of Community Health Centers/Blue Shield of California Foundation - PRAPARE		30,000
Kaiser Foundation - ECHO		11,250
Total	$ 1,876,061	$ 2,140,936

6. RETIREMENT PLANS

The Association sponsors a retirement plan under IRC §403(b). All regular employees of the Association are eligible to participate at the start of employment. The Association contributes up to 5% of gross salary, and such contributions vest with completion of one year of service. The Association incurred plan expenses of $189,910 for 2018 and $196,398 for 2017.

The Association also sponsors a retirement plan under IRC §457 for employees at the Director level. The plan allows for additional Association contributions and salary deferrals subject to limitations for eligible employees. The Association incurred plan expenses of $6,940 and $7,009 for 2018 and 2017, respectively.

7. CONCENTRATIONS OF CREDIT RISK

Loans receivable and related interest income are primarily concentrated among the Association's members in the primary care industry.

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
MARCH 31, 2018

	CPCA	Ventures	Advocates	Consolidated
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 2,310,532	$ 2,327,588	$ 134,852	$ 4,772,972
Grants receivable	461,156			461,156
Dues and accounts receivable	785,085			785,085
Current portion of loans receivable		2,351,527		2,351,527
Prepaid expenses	103,805		24,777	128,582
Due from (to) affiliate	433,744	(314,757)	(118,987)	
Total current assets	4,094,322	4,364,358	40,642	8,499,322
NONCURRENT ASSETS:				
Certificates of deposit	849,336			849,336
Loans receivable, Net		6,141,716		6,141,716
Property and equipment, Net	4,627,660			4,627,660
TOTAL ASSETS	$ 9,571,318	$ 10,506,074	$ 40,642	$ 20,118,034
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts payable	$ 397,337		$ 3,138	$ 400,475
Accrued expenses	294,233			294,233
Deferred revenues	237,945			237,945
Current portion of loans payable	138,606			138,606
Total current liabilities	1,068,121		3,138	1,071,259
LOANS PAYABLE, Net	3,499,764			3,499,764
Total liabilities	4,567,885		3,138	4,571,023
NET ASSETS:				
Unrestricted	3,127,372	$ 10,506,074	37,504	13,670,950
Temporarily restricted	1,876,061			1,876,061
Total net assets	5,003,433	10,506,074	37,504	15,547,011
TOTAL LIABILITIES AND NET ASSETS	$ 9,571,318	$ 10,506,074	$ 40,642	$ 20,118,034

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION
MARCH 31, 2017

	CPCA	Ventures	Advocates	Consolidated
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 3,090,327	$ 4,168,171	$ 1,063	$ 7,259,561
Grants receivable	510,692			510,692
Dues and accounts receivable	324,242			324,242
Current portion of loans receivable		2,278,220		2,278,220
Prepaid expenses	186,649		846	187,495
Due from (to) affiliate	99,241	(128,849)	29,608	
Total current assets	4,211,151	6,317,542	31,517	10,560,210
NONCURRENT ASSETS:				
Certificates of deposit	806,713			806,713
Loans receivable, Net		4,099,372		4,099,372
Property and equipment, Net	4,871,647			4,871,647
TOTAL ASSETS	$ 9,889,511	$ 10,416,914	$ 31,517	$ 20,337,942
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts payable	$ 215,905			$ 215,905
Accrued expenses	275,029			275,029
Deferred revenues	427,794			427,794
Current portion of loans payable	131,925	$ 44,954		176,879
Total current liabilities	1,050,653	44,954		1,095,607
LOANS PAYABLE, Net	3,635,667			3,635,667
Total liabilities	4,686,320	44,954		4,731,274
NET ASSETS:				
Unrestricted	3,062,255	10,371,960	$ 31,517	13,465,732
Temporarily restricted	2,140,936			2,140,936
Total net assets	5,203,191	10,371,960	31,517	15,606,668
TOTAL LIABILITIES AND NET ASSETS	$ 9,889,511	$ 10,416,914	$ 31,517	$ 20,337,942

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2018

	CPCA	Ventures	Advocates	Consolidated
UNRESTRICTED NET ASSETS:				
REVENUES:				
Grants and contributions	$ 3,709,439		$ 16,050	$ 3,725,489
Membership dues	1,922,583		595,133	2,517,716
Clinic support services	1,716,583			1,716,583
Training and workshops	1,125,976			1,125,976
Conferences	966,593			966,593
Interest income from loans		$ 184,825		184,825
Interest and investment income	8,267	4,429		12,696
Other income	106,897	134,112		241,009
Net assets released from restrictions	1,464,875			1,464,875
Intercompany revenue (expense)	(300,000)		300,000	
Total revenues	10,721,213	323,366	911,183	11,955,762
EXPENSES:				
Program services:				
Clinic operations support	8,736,630			8,736,630
Legislative	14,639		905,196	919,835
Information systems and loan program		189,252		189,252
Total program services	8,751,269	189,252	905,196	9,845,717
Management and general	1,904,827			1,904,827
Total expenses	10,656,096	189,252	905,196	11,750,544
INCREASE IN UNRESTRICTED NET ASSETS	65,117	134,114	5,987	205,218
TEMPORARILY RESTRICTED NET ASSETS:				
Grants and contributions	1,200,000			1,200,000
Net assets released from restrictions	(1,464,875)			(1,464,875)
DECREASE IN TEMPORARILY RESTRICTED NET ASSETS	(264,875)			(264,875)
INCREASE (DECREASE) IN NET ASSETS	(199,758)	134,114	5,987	(59,657)
NET ASSETS, Beginning of Year	5,203,191	10,371,960	31,517	15,606,668
NET ASSETS, End of Year	$ 5,003,433	$ 10,506,074	$ 37,504	$ 15,547,011

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2017

	CPCA	Ventures	Advocates	Consolidated
UNRESTRICTED NET ASSETS:				
REVENUES:				
Grants and contributions	$ 3,930,754			$ 3,930,754
Membership dues	1,525,527		$ 440,517	1,966,044
Clinic support services	1,270,863			1,270,863
Training and workshops	811,780			811,780
Conferences	906,360			906,360
Interest income from loans		$ 195,509		195,509
Interest and investment income	10,689	5,073		15,762
Other income	117,979	57,044		175,023
Net assets released from restrictions	1,614,377			1,614,377
Intercompany revenue (expense)	(262,500)		262,500	
Total revenues	9,925,829	257,626	703,017	10,886,472
EXPENSES:				
Program services:				
Clinic operations support	7,829,363			7,829,363
Legislative	149,486		703,017	852,503
Information systems and loan program		210,642		210,642
Total program services	7,978,849	210,642	703,017	8,892,508
Management and general	1,886,782	(1,612)		1,885,170
Total expenses	9,865,631	209,030	703,017	10,777,678
INCREASE IN UNRESTRICTED NET ASSETS	60,198	48,596		108,794
TEMPORARILY RESTRICTED NET ASSETS:				
Grants and contributions	1,120,000			1,120,000
Net assets released from restrictions	(1,614,377)			(1,614,377)
DECREASE IN TEMPORARILY RESTRICTED NET ASSETS	(494,377)			(494,377)
INCREASE (DECREASE) IN NET ASSETS	(434,179)	48,596		(385,583)
NET ASSETS, Beginning of Year	5,637,370	10,323,364	31,517	15,992,251
NET ASSETS, End of Year	$ 5,203,191	$ 10,371,960	$ 31,517	$ 15,606,668

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED MARCH 31, 2018

	CFDA Number	Federal Expenditures
U.S. Department of Health and Human Services:		
Direct programs:		
State and Regional Primary Care Associations	93.129	$ 2,900,973

The accompanying notes to the schedule of federal awards is an integral part of this statement.

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
MARCH 31, 2018

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards of California Primary Care Association (CPCA) is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic consolidated financial statements.

2. INDIRECT COST RATE

CPCA has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Independent Auditor's Report

Board of Directors
California Primary Care Association
Sacramento, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of California Primary Care Association and Affiliates (Association), which comprise the consolidated statements of financial position as of March 31, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 10, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Association's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gilbert Associates, Inc.

GILBERT ASSOCIATES, INC.
Sacramento, California

September 10, 2018

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Independent Auditor's Report

Board of Directors
California Primary Care Association
Sacramento, California

Report on Compliance for Each Major Federal Program

We have audited California Primary Care Association and Affiliates' (Association) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Association's major federal program for the year ended March 31, 2018. The Association's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Association's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Association's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the Association's major federal program. However, our audit does not provide a legal determination of the Association's compliance.

Opinion on Major Federal Program

In our opinion, the Association complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2018.

Report on Internal Control Over Compliance

Management of the Association is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Association's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Gilbert Associates, Inc.

GILBERT ASSOCIATES, INC.
Sacramento, California

September 10, 2018

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED MARCH 31, 2018

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	____Yes	✓ No
• Significant deficiency(ies) identified?	____Yes	✓ No
Noncompliance material to financial statements noted?	____Yes	✓ No

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	____Yes	✓ No
• Significant deficiency(ies) identified?	____Yes	✓ None reported
Type of auditor's report issued:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	____Yes	✓ No

Identification of major programs:

Name of Federal Program or Cluster	CFDA Number
State and Regional Primary Care Associations	93.129

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000	
Auditee qualified as low-risk auditee?	✓ Yes	____No

CALIFORNIA PRIMARY CARE ASSOCIATION AND AFFILIATES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED MARCH 31, 2018

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None noted.

SECTION IV – STATUS OF PRIOR YEAR AUDIT FINDINGS

None noted.

Financial 8-31-18

	March 31, 2018				August 31, 2018			
	CPCA	**Ventures**	**Advocates**	**Combined**	**CPCA**	**Ventures**	**Advocates**	**Combined**
Statement of Financial Position								
ASSETS:								
Current Assets								
Cash & Equivalents	$ 2,310,532	$ 2,327,588	$ 134,852	$ 4,772,972	$ 3,439,641	$ 2,714,210	$ 76,007	$ 6,229,858
Grants Receivable	$ 461,156		$ -	$ 461,156	$ 365,746			$ 365,746
Dues and Accounts Receivable	$ 785,085		$ -	$ 785,085	$ 494,821		$ 3,250	$ 498,071
Current Portion of Loan Receivable		$ 2,351,527		$ 2,351,527		$ 2,319,269		$ 2,319,269
Prepaid Expenses/Undeposited Funds	$ 103,805		$ 24,777	$ 128,582	$ 99,130			$ 99,130
Due from (to) affiliate	$ 433,744	$ (314,757)	$(118,987)	$ -	$ 94,977	$ (89,901)	$ (5,076)	$ -
Noncurrent Assets								
Certificates of Deposit	$ 849,336		$ -	$ 849,336	$ 877,708			$ 877,708
Loan Receivable, Net		$ 6,141,716	$ -	$ 6,141,716		$ 5,488,144		$ 5,488,144
Property and Equipment, Net	$ 4,627,660		$ -	$ 4,627,660	$ 4,627,660			$ 4,627,660
TOTAL ASSETS	**$ 9,571,318**	**$ 10,506,074**	**$ 40,642**	**$ 20,118,034**	**$ 9,999,683**	**$ 10,431,722**	**$ 74,181**	**$ 20,505,586**
LIABILITIES & NET ASSETS								
Current Liabilities								
Accounts Payable	$ 397,337	$ -	$ 3,138	$ 400,475	$ -	$ -	$ -	$ -
Accrued Expenses	$ 294,233	$ -	$ -	$ 294,233	$ 300,103	$ -	$ -	$ 300,103
Deferred Revenue	$ 237,945	$ -	$ -	$ 237,945	$ 785,194	$ -	$ -	$ 785,194
Current Portion of Loan Payable	$ 138,606	$ -	$ -	$ 138,606	$ 92,941	$ -	$ -	$ 92,941
Loan Payable (net)	$ 3,499,764	$ -	$ -	$ 3,499,764	$ 3,489,864	$ -	$ -	$ 3,489,864
TOTAL LIABILITIES	**$ 4,567,885**	**$ -**	**$ 3,138**	$ 4,571,023	**$ 4,668,102**	**$ -**	**$ -**	**$ 4,668,102**
				$ -				
TOTAL NET ASSETS	**$ 5,003,433**	**$ 10,506,074**	**$ 37,504**	**$ 15,547,011**	**$ 5,331,581**	**$ 10,431,722**	**$ 74,181**	**$ 15,837,484**
Unrestricted	$ 3,127,372	$ 10,506,074	$ 37,504	$ 13,670,950	$ 3,916,116	$ 10,431,722	$ 74,181	**$ 14,422,019**
Temporarily Restricted	$ 1,876,061	0	0	$ 1,876,061	$ 1,415,465	$ -	$ -	**$ 1,415,465**
Cash on Hand - how many days organization could operate with no further cash				*172 days*				*187 days*
Current Ratio - compares current assets to current liabilities to show ability to meet short-term financial obligations				*7.99*				*8.76*
-								
Profit and Loss								
Total Income	$ 10,721,213	$ 323,366	$ 911,183	$ 11,955,762	$ 4,827,151	$ 90,801	$ 469,602	$ 5,387,554
Total Expenses	$ 10,656,096	$ 189,252	$ 905,196	$ 11,750,544	$ 4,499,004	$ 165,152	$ 432,925	$ 5,097,081
Net Income	**$ 65,117**	**$ 134,114**	**$ 5,987**	**$ 205,218**	**$ 328,147**	**$ (74,351)**	**$ 36,677**	**$ 290,473**

CALIFORNIA PRIMARY CARE ASSN
Balance Sheet
As of August 31, 2018

	Aug 31, 18
ASSETS	
Current Assets	
Checking/Savings	
1000.00 · Cash	
1015.00 · Petty Cash	100.00
1016.00 · Checking - First Citizens	1,347,394.08
1017.00 · First Citizens - MMA	885,199.58
1060.00 · Morgan Stanley Smith Barney	877,708.04
1090.00 · NCBFSB MMDA Plus	1,206,946.92
Total 1000.00 · Cash	4,317,348.62
Total Checking/Savings	4,317,348.62
Accounts Receivable	
1300.00 · Grants Receivable	
1300.01 · BPHC	223,894.85
1300.10 · CDPH - MAT Project	141,851.00
1300.23 · CDPH - Emergency Preparedness	0.02
Total 1300.00 · Grants Receivable	365,745.87
1320.00 · Due from CPCA Ventures	89,900.91
1323.00 · Due from CA Health+ Advocates	5,076.01
1350.00 · Other Receivables	
1380.00 · Revenue Cycle Management	54,451.19
1350.00 · Other Receivables - Other	179,748.95
Total 1350.00 · Other Receivables	234,200.14
1400.00 · IMIS Receivable	
1400.00 · IMIS Receivable - Other	260,621.22
Total 1400.00 · IMIS Receivable	260,621.22
Total Accounts Receivable	955,544.15
Other Current Assets	
1490.00 · Prepaid Expenses	81,500.00
1499.00 · Undeposited Funds	4,130.06
Total Other Current Assets	85,630.06
Total Current Assets	5,358,522.83
Fixed Assets	
1600.00 · 1231 I Street Suite 400	6,407,085.91
1650.00 · Furniture	331,111.39
1660.00 · Equipment	406,259.55
1670.00 · Capitalized Interest	69,592.00
1700.00 · Accumulated Depreciation	-683,801.00
1710.00 · Building Depreciation	-1,840,902.00
1740.00 · Interest Amortization	-59,732.00
1750.00 · Loss on Disposal of Assets	-1,954.00
Total Fixed Assets	4,627,659.85
Other Assets	
1810.00 · Deposits/PrePaid	13,500.00
Total Other Assets	13,500.00
TOTAL ASSETS	**9,999,682.68**

CALIFORNIA PRIMARY CARE ASSN
Balance Sheet
As of August 31, 2018

	Aug 31, 18
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2025 · Accrued Vacation	291,694.10
2030.01 · Deferred/Unearned Revenue	54,000.00
2040.00 · Prepaid Dues	731,194.21
2055.01 · Payroll FSA	8,335.87
2200.00 · Sales Tax Payable	72.73
Total Other Current Liabilities	1,085,296.91
Total Current Liabilities	1,085,296.91
Long Term Liabilities	
2510.00 · Loan Payable IronStone Bank	3,582,805.14
Total Long Term Liabilities	3,582,805.14
Total Liabilities	4,668,102.05
Equity	
3000.00 · Opening Bal Equity	1,101,200.47
4000.00 · Net Assets	3,902,233.69
Net Income	328,146.47
Total Equity	5,331,580.63
TOTAL LIABILITIES & EQUITY	**9,999,682.68**

CALIFORNIA PRIMARY CARE ASSN
Profit & Loss Budget vs. Actual
April through August 2018

	Apr - Aug 18	Budget	$ Over Budget	% of Budget	
Income					
4500.00 · Dues	883,090.81	883,090.81	0.00	100.0%	
4600.00 · Grants	1,319,619.31	1,391,644.16	-72,024.85	94.82%	
4621.00 · Contributions	578,933.34	430,556.18	148,377.16	134.46%	
4750.00 · Sponsorship	35,000.00	90,666.70	-55,666.70	38.6%	many are on calendar year
4900.01 · Interest	5,881.01	3,750.00	2,131.01	156.83%	
4950.01 · Clinic Operations Support	240,809.81	273,333.31	-32,523.50	88.1%	
4955.00 · Miscellaneous Income	33,586.64	31,249.97	2,336.67	107.48%	
4960.00 · Conference Income	537,230.00	625,000.00	-87,770.00	85.96%	
4999.99 · Training Income	618,092.88	344,166.70	273,926.18	179.59%	
Total Income	4,252,243.80	4,073,457.83	178,785.97	104.39%	
Gross Profit	4,252,243.80	4,073,457.83	178,785.97	104.39%	
Expense					
6100.00 · Salaries	1,740,245.32	1,798,077.05	-57,831.73	96.78%	
6300.00 · Employee Benefits	407,319.34	475,825.21	-68,505.87	85.6%	
6500.00 · Occupancy	156,632.56	144,618.71	12,013.85	108.31%	
6505.10 · Building Repair	1,904.63	3,681.82	-1,777.19	51.73%	
6510.10 · Communications	21,933.11	19,351.65	2,581.46	113.34%	
6520.10 · Postage & Delivery	5,314.32	3,354.05	1,960.27	158.45%	
6530.10 · Supplies	28,324.10	29,768.50	-1,444.40	95.15%	
6540.00 · Printing	9,999.44	17,187.47	-7,188.03	58.18%	
6552.10 · Equipment Lease/Maintenance	11,370.48	9,512.88	1,857.60	119.53%	
6554.10 · Small Equipment	4,874.23	11,104.09	-6,229.86	43.9%	
6560.10 · Insurance	7,370.09	11,312.37	-3,942.28	65.15%	
6565.10 · Dues & Licenses	5,889.75	5,997.91	-108.16	98.2%	
6570.10 · Subscriptions/Pubs	39,664.84	30,114.57	9,550.27	131.71%	
6580.10 · Marketing and Outreach	71,428.00	77,083.25	-5,655.25	92.66%	
7010.10 · Audit/Accounting	23,877.73	14,478.98	9,398.75	164.91%	timing, audit is complete
7020.10 · Legal Services	3,500.00	4,166.70	-666.70	84.0%	
7040.10 · Temporary Staffing	31,209.00	28,000.00	3,209.00	111.46%	
7110.10 · Board of Directors	33,327.73	22,916.62	10,411.11	145.43%	July bd mtg
7200.10 · Travel & Registration Fees	103,744.46	103,333.34	411.12	100.4%	
7275.00 · Staff Development	14,531.56	22,916.62	-8,385.06	63.41%	
7300.00 · Meetings	36,458.12	98,069.50	-61,611.38	37.18%	
7350.00 · Training Expense	425,661.24	346,145.67	79,515.57	122.97%	see income
7450.00 · Annual Conference	87,993.55	441,666.70	-353,673.15	19.92%	timing
7500.00 · Consultants	641,335.40	927,144.87	-285,809.47	69.17%	
7800.00 · Sub-Grants	0.00	404,166.62	-404,166.62	0.0%	not paid grant to Advocates
7900.10 · Bad Debt	10,188.33	2,083.32	8,105.01	489.04%	dues dropped membership
Total Expense	3,924,097.33	5,052,078.47	-1,127,981.14	77.67%	
Net Income	**328,146.47**	**-978,620.64**	**1,306,767.11**	**-33.53%**	

CALHIPSO
California Health Information Partnership & Services Organization

HealthIT 2019
After Meaningful Use

MAY 13
SACRAMENTO

CalHIPSO Update

CPCA Board Meeting

October3, 2018

CalHIPSO Updates

- CTAP (Medi-Cal Meaningful Use) is still going. The program was just extended for two more years (until June 30, 2020).
- CalHIPSO is moving into new areas of Health IT:
  - Statewide Provider Directory Utility
  - Encounter Data
  - Diabetes Measure Reporting

90/10 Funding for HIE & CURES

CalHIPSO, CPCA, CMA, and many others worked together to get a $5 million allocation in the 2018-19 State Budget for HIE onboarding. This will be matched 9-to-1 by the Federal Government, making a $50 million program.

What is HIE Onboarding?

Generally, “onboarding” encompasses all of the technical needs and support required to bring a health care provider onto an HIE and help them engage in meaningful data exchange.

How it Works

Providers agree to join an HIE

Included in the HIE's project plan

HIE is paid directly by the State based on milestones

Timeline

- State Budget took effect July 1st.
- APD Update submitted to CMS on October 1st.
- Expected approval by the end of the year.
- Program begins in January 2019.
- Program ends September 30, 2021.

Steps You Can Take

- Research and contact your local HIE.
- Look for **CTEN-participating** HIEs:
  http://www.ca-hie.org/initiatives/cten/
- Develop your internal budget and project plan (timelines are very short for this type of project).

What's the Connection to CURES?

Convergence of Events:

1. **October 1st:** CA DoJ published API for HIT systems to interface with CURES.
2. **October 2nd:** Mandatory Consult Began.
3. **Upon Federal Approval:** 90/10 funds will be available to help HIOs connect to the CURES API.

To Receive More Updates

- Email info@calhipso.org to be added to the CalHIPSO monthly e-newsletter.
- Watch www.calhipso.org for more information.

HealthIT 2019

After Meaningful Use

Sacramento Conference • May 13, 2019

CALHIPSO California Health Information Partnership & Services Organization | HealthIT 2019 After Meaningful Use | MAY 13 SACRAMENTO

Unity Workgroup

Attendees: Naomi, Jane, Paulo, Louise, Tim, Carmela, Britta

Absent: Henry, Reymundo

Purpose: To build unity among members while respecting differences/diversity of perspectives. This workgroup provides an opportunity to reflect on what works and what processes can be improved through improved collaboration and communication. Ultimately the workgroup is tasked with improving processes that facilitate overall effectiveness of Association mission, advocacy, and achievement of strategic goals.

Issues/Challenges	Signs of Progress	Ideal Future State
Members should feel safe to disagree and/or speak up Members report not feeling heard	1) Create opportunities for meaningful conversation 2) Clarify member position, support process to engage members who are in disagreement with Board direction	
What is the process for handling disagreement? How do we translate policy into practice?	1) Board ownership- Board developed guidelines for behavior 2) Organizational commitments to processes	
Lack of stakeholder engagement. Finding out decisions after they have been made or feeling like we don't have a choice or a voice	1) Committee Chairs create Pre-fab questions to membership for consideration to further engage members 2) Create space for thoughtful conversation	
Association/membership taking different route and "undermining" strategy or Board decision	1) Coordination and alignment of advocates and stakeholders-create clear communication process 2) Create the ability to have difficult conversations	
Lack of trust in DHCS negotiations, feelings of being forced into negotiations or CPCA quick to negotiate	1) Member agenda? How does it differ? 2) Create talking points for and against a specific issue allow for additional conversation	
Association not getting feedback/input from clinics/members that do not attend meetings or participate	1) RAC engagement 2) CPCA engagement at local level 3) CPCA taking credit for members work	

Members feeling like CPCA is disconnected from issues happening locally	1) CPCA support local clinic initiatives 2) Create platform for clinic voice with CPCA taking supportive role	
Board Culture- Board Ownership	1) Board retreat – Shared agreements and responsibilities determined by the members 2) Board Buddy assignment	
Board/staff misalignment- Not a clear understanding of strategic direction (Epic), revenue generation activities	1) Board Retreat 2) Clear Strategic plan (Growth Plan) 3) Identification of revenue generation priorities/opportunities 4) Develop Committee tasked with process	

Date: September 21, 2018

To: CPCA Board of Directors

From: David "Buddy" Orange, Vice President of Human and Organizational Development

Re: Revised Diversity Policy

MEMORANDUM

I. Background

In order to ensure that all staff are fully engaged and heard, CPCA embarked on an organization-wide initiative to define and operationalize diversity. This decision is informed by the results of an internal staff survey in which we asked staff to identify high priority organizational needs using the following criteria:

- ✓ The organizational needs I select feels "doable "and can be built out this year
- ✓ The organizational needs I select are important needs not only to me but many staff at CPCA
- ✓ The organizational needs (when built out) will leverage, positively impact, and address other needs in the organization

A number of high priority needs were identified including the following:

- ✓ Articulation of a common definition of diversity that is broad and mutually agreed upon by all staff
- ✓ Creation of recruitment, on-boarding, development, and retention strategies that value CPCA's diversity across multiple existing identities, and that ensures staff are fully engaged and heard

The Human and Organizational Development Team (HOD), a volunteer workgroup consisting of staff across all levels and functions at CPCA meet twice a month to build out high priority needs that are presented to all staff for vetting and feedback, which include the two organizational needs described above.

II. Discussion/Issues

Articulating a mutually agreed upon definition of diversity by all staff presented challenges and opportunities particularly because a working definition of "diversity" widely varies among staff. We recognize the societal discrimination and roadblocks protected classes (age, race, ethnicity, sexual orientation, gender identity, etc.) continue to experience. The challenge and opportunity at CPCA is to define and operationalize diversity that mitigates discrimination yet ensures that all staff across identities are valued and heard.

HOD chose to revise our current diversity policy so that it represents the definitive and collective voice of CPCA staff. The revision was an iterative process that included thoughtful, honest and

sometimes difficult conversations within the HOD workgroup regarding diversity and inclusion. HOD presented a latter edit of the policy revision to all staff during an all-staff meeting for input and feedback, which was followed by input from legal counsel.

III. Recommendations

We recommend that the Board approve this revision of the diversity policy document. This revision also serves as a value statement that will continue to inform the buildout of systems and structures to ensure continuous learning and growth. Our desire is that each staff member is valued, heard and engaged.

California Primary Care Association (~~Association~~CPCA) values equal employment opportunity as stated in our policies and demonstrated in our practices. We intend to comply fully with all applicable laws in this regard. ~~Through these policies and laws, the Association~~CPCA is committed to promoting and fostering a diverse and inclusive workplace. The constituency ~~the Association~~that CPCA services is diverse and varied. ~~To~~ To best serve this constituency, ~~the Association~~CPCA works with local community groups and organizations ~~who supports~~that support diversity and equal employment opportunity in order to recruit and retain qualified candidates for employment.

We ~~expect~~strive for our workforce to ~~not only~~ represent ~~our constituency, but~~California's diverse population, including capabilities, culture, language, experience, and socio-economic background, while also ~~to meet~~meeting the highest standards and qualifications of our industry. Consequently, all ~~employment-related~~ decisions regarding recruitment, hiring, promotion, professional development, training, transfers, compensation, benefits, programs, and other terms and conditions of employment are made consistent with all lawful equal employment opportunity protections and in alignment with CPCA's policies and procedures, with an eye toward fostering a diverse and varied workforce. CPCA will develop operating procedures to support the ~~fullest extent those laws permit. This includes an appropriate consideration~~goal of ~~relevant and innovative criteria (beyond any outmoded standards) that we believe will enhance our workplace~~fostering a diverse and ~~the services we provide.~~ varied workforce. Our initiatives are designed to provide opportunities for growth and advancement for ~~all employees~~each and every employee.

To this end, employees are expected to engage in respectful and meaningful communication, teamwork, and cooperation with all co-workers, regardless of any personal ~~or individual~~ differences. Employees should welcome and value the expression of different perspectives and viewpoints based on the diverse cultures, ~~experience,~~ knowledge, innovations, background, expression, ~~capabilities,~~ and talents that constitute our workforce. ~~All~~ All employees of ~~the Association~~CPCA have a responsibility to treat others with dignity and respect at all times. Employees ~~are expected to~~will exhibit conduct that reflects inclusion during work and at all ~~Association~~ CPCA ~~sponsored or associated~~ events. ~~From time to time, the Association~~CPCA will offer equal employment opportunity and diversity awareness training to enhance our knowledge and to strengthen our resolve to this commitment. CPCA is invested in an ongoing and iterative process of valuing and sustaining diversity within the organization as we move forward.

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California Primary Care Association (CPCA) values equal employment opportunity as stated in our policies and demonstrated in our practices. We intend to comply fully with all applicable laws in this regard. CPCA is committed to promoting and fostering a diverse and inclusive workplace. The constituency that CPCA services is diverse and varied. To best serve this constituency, CPCA works with local community groups and organizations that support diversity and equal employment opportunity in order to recruit and retain qualified candidates for employment.

We strive for our workforce to represent California's diverse population, including capabilities, culture, language, experience, and socio-economic background, while also meeting the highest standards and qualifications of our industry. Consequently, all decisions regarding recruitment, hiring, promotion, professional development, training, transfers, compensation, benefits, programs, and other terms and conditions of employment are made consistent with all lawful equal employment opportunity protections and in alignment with CPCA's policies and procedures, with an eye toward fostering a diverse and varied workforce. CPCA will develop operating procedures to support the goal of fostering a diverse and varied workforce. Our initiatives are designed to provide opportunities for growth and advancement for each and every employee.

To this end, employees are expected to engage in respectful and meaningful communication, teamwork, and cooperation with all co-workers, regardless of any personal differences. Employees should welcome and value the expression of different perspectives and viewpoints based on the diverse cultures, knowledge, innovations, background, expression, and talents that constitute our workforce. All employees of CPCA have a responsibility to treat others with dignity and respect at all times. Employees will exhibit conduct that reflects inclusion during work and at all CPCA-sponsored events. CPCA will offer equal employment opportunity and diversity awareness training to enhance our knowledge and to strengthen our resolve to this commitment. CPCA is invested in an ongoing and iterative process of valuing and sustaining diversity within the organization as we move forward.

NACHC Board Report to the CPCA Board

David B. Vliet, CPCA Representative, Region IX

October, 2018

The National Association of Community Health Centers (NACHC) Board of Directors convened Orlando, Florida in conjunction with the NACH Community Health Institute (CHI) and conference on August 24, 2018, one of four annual meetings held by the Board. The agenda for the meeting was relatively light; this report will briefly cover key highlights of the most recent meeting and the overarching conference themes.

General Updates

The NACHC conferences generally carry several themes of importance that are covered in general session and breakout sessions and committee meetings. This year's CHI was no different and the NACHC Board meeting reflected these same themes, issues and concerns.

The Fiscal Cliff

Senior officials from the Bureau of Primary Care (BPHC), Jim Macrae and Tonya Bowers presented in several sessions throughout the conference with Mr. Macrae expressing concerns related to the "funding/fiscal cliff" (which is now seemingly a permanent descriptor for the reauthorization and re-funding of the health center program). The most recent funding period proved a steep and difficult challenge, with health centers squarely facing questions related to our efficacy and the renewed importance of proving the return on investment (ROI) that we provide particularly in light of the significant amount of funding and scale of our program.

Mr. Macrae stated that there will be a greater emphasis on how the program will actually "save money" and that expectations are higher than in times past due to the most recent legislation. The monetary investment is "significant" and expectations of program compliance (as described below) have come further into focus as evidenced by the changes in the Operational Site Visit (OSV), with greater focus on quality outcomes and the "C" word: Compliance.

"One-One and Done" now known as "All Compliance, All the Time"

The road to compliance is now codified in the Bureaus "Compliance Manual" that will serve as an "open book test", a tool that HRSA describes as providing transparency, clarity and adherence to the program. While the repercussions of failing to correct matters of non-compliance at a given health center will cause them to their 330 grant funding, Bureau representatives seem confident that no center will be or should be, left behind. If a health center does lose their 330 funding, it's because they've failed to meet the requirements and comply with what the Bureau believes are straightforward compliance guidelines, according to officials.

Staff members from the Bureau that spoke to the NACHC Board appeared to feel reasonably assured that health centers should have success in achieving compliance, correcting compliance issues in timely fashion, and ultimately remaining in compliance. The shift, Bureau heads say, allows for greater focus on "quality" with the expectation that health centers will thus "be in compliance, all the time". Also, of note:

- Starting September 18, 2018, health centers must directly employ the CEO (no longer permitted to contract for their services).
- The health center's Project Officers (PO's) will no longer attend the OSV after January 1, 2019; rather, there will be a "federal presence" at the review to ensure "greater objectivity".
- Onsite "spot" fixes resolved by the health center Board of Director's (as we have all learned to do by scheduling a Board meeting during the OSV) involvement, as in times past, will no longer be (needed) or permitted.
- Instead, an "express compliance" module wills be launched allowing corrections during a prescribed period after the visit (14 days)
- Awardees that receive one-year project periods:
    - Will receive an OSV within two to four months of their project period start date.
    - Must submit an overall plan for achieving compliance within 120 days of the award. (This plan is in addition to the specific actions required to lift the condition.)
    - Starting with FY19 SACs – and only for those Service Areas where the existing health center is the only applicant -- there will be a 14-day period during which the HRSA reviewer may communicate with the applicant, and offer them an opportunity to submit additional information to demonstrate compliance. This communication may take place only through the EHB External Correspondence Management module.
    - Health centers are strongly encouraged to resolve all outstanding conditions by the time that they submit their SAC/RD applications, as any opportunity to have a condition lifted after that time -- and before it results in a one-year project period – will be very limited.*
- A greater number of site visits will be made as HRSA was criticized for only reviewing 11% of the health centers.
- Mr. Macrae discussed the Bureau's ongoing interest in looking at "targeted need" to ensure there are not duplications of service in given area (aka service overlap)

CMS Deputy Secretary Strongly Supports the Health Center Program

Mr. Macrae advised the Board that Health and Human Services Deputy Secretary, Eric Hargan, is a strong supporter ("big fan") of community health centers and makes an effort to see health centers in the various market as he travels and he's very enthusiastic about the work health centers do.

Additionally, HRSA has given several awards for Quality to health centers in the various regions. See this link: https://www.hrsa.gov/enews/past-issues/2018/september-6/health-centers-quality.html

The 340B Program

Concerns about the 340B program and the small number of pharmacy benefit managers (PBM's) that are involved in the program were raised at the NACHC Board meeting. Mr. Van Coverden, CEO of NACHC, mentioned that three PBM's currently control 70% of the 340B program. Several of these have apparently sought to increase dispensing and other related fees.

Of further note:

- "CVS-Caremark [is] dramatically reducing reimbursement for 340B drugs dispensed by healthcenters' in-house, closed-door pharmacies – often to rates below health centers' costs. In late July, health centers in at least four states who operate in-house, closed-door pharmacies (meaning pharmacies owned by a health center that serve only health center patients) received letters stating that effective September 1, CVS-Caremark will dramatically reduce reimbursement for drugs dispensed through these pharmacies (except for those covered under Medicare Part D). Based on the examples NACHC has seen to date, it appears that the new rates will be Average Wholesale Price (AWP) minus 30% for brand-name drugs, and minus 20% for generics, with a 50-cent dispensing fee. For many drugs, this reimbursement will be less than health centers' actual costs. Health centers are required to either accept these lower rates, or withdraw from all CVS-Caremark plans, which cover roughly one-third of commercially-reimbursed pharmaceuticals nationwide. NACHC is currently working with other 340B provider groups to determine how broadly CVS-Caremark is applying this new policy, and to formulate appropriate responses. " *

Election Effort and Results

Kimberly Chang, MD, was elected to the NACHC Board as Vice-Speaker during the annual House of Delegates meeting with an overwhelming majority of votes. This role places her on the Executive Committee of the NACHC Board and is the first time in several years California has had representation at this level. Dr. Chang met with the various caucus groups seeking support during CHI and was very well received. She soundly defeated the competing candidate and will hold the seat for the next two years.

This win signifies that the effort to gather voting proxies giving permission to cast ballots from the qualifying health centers across our association at the House of Delegates (with each ballot carrying four votes) was very successful -- and is an important reminder of the voting strength of the health centers in California with the support of CPCA, the networks and consortia across the state. Congratulations to Dr. Chang who proved to be a strong and dynamic candidate.

Chairman's Listening Tour

NACHC Chairman Jim Luisi held the final listening tour, seeking input from a cross-section of leaders from across the country. The session was facilitated by Henry Tuttle, CEO of Health Center Partners of Southern California and the input and data gathered will be used by Mr. Luisi as he seeks to update NACHC's strategic plan.

Conversation in Leadership Diversity - Part #3

My colleague Manny Lopes, East Neighborhood Health Center, Boston, MA, and I held the third installment of "Conversations in Leadership Diversity" in Orlando, with approximately 100 in attendance, featuring guest speaker, Herman Williams, MD, author of the book "Clear!". The next meeting will be held in Washington DC in March, 2019, with a specific emphasis on diversity, equity, inclusion and development of more next-generation leaders into the community health center movement.

NACHC CEO and Board Chair Comments of Interest

- HRSA plans to re-work the UDS for the first time in 20 years.
- The Executive Committee of the Board will resume work on its CEO succession plan.
- Dan Hawkins will retire January 1, 2019, as SVP of Public Policy and Research. Jana Blasi will assume the role as VP.
- Steve Carey has been appointed as Chief Strategy Officer.
- NACHC is actively seeking to place the National Advocacy Director position previously held by Amanda Pears Kelly.

Conclusion

This concludes my brief written summary of the most recent meeting of the NACHC Board of Directors and NACHC conference activity.

I appreciate the opportunity to represent our health centers and primary care association on the NACHC Board and welcome any questions or feedback.

Respectfully submitted,

David B. Vliet, MBA, CPCA Board Member and Executive Committee Member, Tiburcio Vasquez Health Centers, San Leandro/Hayward/Union City, CA

*Courtesy NACHC CEO report, August, 2018

California Primary Care ASSOCIATION

THE CODE OF CONDUCT

- Mutual respect and courtesy shall prevail at all times between all participants.
- Listen fully to others.
- Encourage diverse perspectives.
- Disagree openly and courteously.
- Share all relevant information. Confidentiality shall be strictly adhered to.
- Strive for consensus.
- Ask, rather than assume.
- Discuss interests, not positions.
- Be a good team player.
- Treat the staff with dignity and respect.
- Maintain appropriate communication boundaries with staff concerning internal operational and personnel issues.

Attendance at Board of Directors Meetings Policy

Members of the Board of Directors of the California Primary Care Association (CPCA) have a responsibility to the members who elected them to oversee the management and affairs of the Association and to set policies which guide CPCA in all of its activities.

1. All members of the CPCA Board of Directors have a duty to be present at all official meetings of the Board. The current practice is to have four Board meetings each year, however special Board Meetings may be called as necessary for items that are time sensitive.
2. All members of the CPCA Board of Directors are strongly encouraged to attend Committee meetings.
3. Per Bylaws, "Directors shall participate in at least 50% of regularly scheduled Board of Directors meetings in a given Board year. Directors who do not participate as so described shall be subject to removal from office by a majority of the Board." A Board year will be considered October through September 30th. The Board of Directors Job Description outlines a desire for a higher attendance rate at 75% in order for a Director to act in the best interest of CPCA as a whole and to exercise the legal and financial duties of the organization.
4. All minutes will reflect not only those Directors present, but those absent.
5. The Board Chair at his/her sole discretion, may (a) excuse (i.e., not count as a missed meeting) one (1) absence per Director per year and/or (b) grant a leave of absence for a Director without forfeiture of the Director's Board seat.
6. After one absence by a Director, a letter will be sent by staff to remind them of this policy.
7. After two absences, a call will be made by the Chair of the Board.
8. On the third absence in any given year, continued participation of any board member who has been unable to be present will be put to vote of the Board for removal.
9. Attendance will be tracked and reviewed regularly and a report made to the Governance Committee and Chair. All candidates running for reelection will have their attendance records in the prior year noted in election materials. Directors not meeting the 50% criteria for each year of their prior term will not be eligible to run for re-election.

Ventures Board

Wed., October 3, 2018
12:15p – 2:30p
Scott McFarland, Chair

Agenda

ORDER OF BUSINESS	RELEVANT ATTACHMENTS	REPORTING	ACTION A = Approval D = Discussion I = Information
I. Call to Order		Naomi Fuchs, Chair	A
II. Approval of Agenda		Naomi Fuchs, Chair	A
III. Consent Calendar • Approval of Minutes • Approval of Financials	• Minutes of July 13, 2018 • *See Ventures Finance packet*	Naomi Fuchs, Chair	I/D/A
IV. Approval of Financial Audit FY 2017-18	• *See Board of Directors packet*	Carmela Castellano-Garcia	I/D/A
V. CEO Report		Carmela Castellano-Garcia	I/D
VI. Seating of FY 2018-19 Ventures Board of Directors (Chair Elect 2017-18 immediately assumes the role of Chair)		Scott McFarland, Outgoing Chair; Kerry Hydash, Incoming Chair	A
VII. Election of FY 2018-19 Ventures Board Officers A. Chair-Elect B. Vice-Chair C. Secretary D. Treasurer		Kerry Hydash, Chair	A
VIII. Adjourn Ventures Board		Kerry Hydash, Chair	A

Ventures Board of Directors Meeting

July 13, 2018

Meeting Minutes

Board Members Present : Scott McFarland (Chair), Robin Affrime, Doreen Bradshaw, Deb Farmer, Ben Flores, Cathy Frey, Naomi Fuchs, Jane Garcia, Britta Guerrero, Nik Gupta, Sherry Hirota, Kerry Hydash, Deb Lerner, Marty Lynch, Kevin Mattson, Louise McCarthy, Anitha Mullangi, Danielle Myers, Christine Noguera, Tim Rine, Ralph Silber, Graciela Soto-Perez, Mary Szecsey, Henry Tuttle, David Vliet and Paula Zandi

Members Absent: Isabel Becerra, Paulo Soares, Richard Veloz

Guests: James Luisi and Lathran Woodard, NACHC; Karen Lauerbach, Corinne Sanchez, Vernita Todd, Rakesh Patel, Rosa Vivian Fernandez, Linda Costa, Raphael Irving, Tim Fraser, Dolores Alvarado, Anthony White, Gary Rotto, Lucresha Renteria, Courtney Powers, Becky Lee, Warren Brodine

Staff: Carmela Castellano-Garcia, Robert Beaudry, David Anderson, Sandy Birkman, Val Sheehan, Erin Perry, Kearsten Shepherd, Christina Hicks, Tiffany Ruvalcaba, Meghan Nousaine, Ginger Smith, Beth Malinowski, Victor Christy, Andie Patterson, Michael Helmick, Emily Shipman, Jodi Samuels, Andrea Chavez, Mary Ellen Mathias, Natalie Warren, Alicia Cuevas, Peter Dy, Emily Henry, Meaghan McCamman, and Heather Barclay

1. Call to Order

Board Chair Scott McFarland called the meeting to order at 10:15a.

2. Approval of Agenda

Motion

A motion was made and seconded to approve the agenda as presented. (Frey/Myers). **The motion carried.**

3. Consent Calendar

Motion

A motion was made and seconded to approve the minutes as presented. (Gupta/Frey). **The motion carried.**

Motion

A motion was made and seconded to approve the financial report as presented. (Myers/Frey). **The motion carried.**

4. CEO Report

CEO had no updates to report.

5. Adjourn

There being no further business, the Chair adjourned the meeting at 10:17a.

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ADVANCING THE MISSION OF COMMUNITY HEALTH CENTERS

Board of Directors

Wednesday, October 3, 2018
12:45 – 1:45p
Leslie McGowan, Chair
Meeting Location: Hyatt Hotel, Capitol View Room (15th Floor)

Agenda

ORDER OF BUSINESS		RELEVANT ATTACHMENTS	REPORTING	ACTION A = Approval D = Discussion I = Information
I.	Call to Order		Leslie McGowan, Chair	A
II.	Approval of Agenda		Leslie McGowan	A
III. •	Consent Calendar Approval of Minutes	• Minutes from August 29, 2018, Board call and July 13, 2018, Board meeting	Leslie McGowan	A
IV.	Financial Report	• Financial statements ending May 31, 2018 and August 31, 2018	Sandy Birkman	A
V.	Approval of Legislative Committee Action Items (motions)		Beth Malinowski	A
VI.	Approval of CPCA Policy Priorities/ Platform (motion)	• *Will be a handout*	Andie Patterson	A
VII.	Political endorsements	• *Memo:* Advocates Endorsed Incumbents and Candidates for Open Races with analysis • *Memo:* Endorsement Process Revisions (Action)	Victor Christy	I A
VIII.	Fundraising	• *Memo*: Fundraising Update	Andie Patterson and Victor Christy	D
IX.	Public Affairs Peer Network Update	• *Memo:* PAPN Update	Victor Christy	I
X.	Seating of 2019 Board	• *Memo*: Designation of CaliforniaHealth+ Advocates Board Members for 2019 • 2019 Board Member Roster	Leslie McGowan	I
XI.	Election of Board Officers	• Proposed Slate for Election	Leslie McGowan	A
XII.	Adjourn		Leslie McGowan	A

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ADVANCING THE MISSION OF COMMUNITY HEALTH CENTERS

BOARD OF DIRECTORS CALL

August 29, 2018

Meeting Minutes

Board Members:	Leslie McGowan (Chair), Carmela Castellano-Garcia, Corinne Sanchez, Naomi Fuchs, Lisa Maas, Reymundo Espinoza, Steve Schilling
Members Absent:	Scott McFarland and Richard Veloz
Guests:	None
Staff:	Andie Patterson, Victor Christy and Heather Barclay

1. Call to Order

Leslie McGowan, Chair, called the meeting to order at 11:33a.

2. Approval of Agenda

Member Naomi Fuchs requested an addition to the agenda – a check-in on fundraising.

Motion

Motion was made and seconded to approve the agenda as amended. (Sanchez/Castellano-Garcia).
The motion carried.

3. Approval of Minutes

Motion

A motion was made and seconded to approve the July 30, 2018, minutes as presented. (Maas/Fuchs).
The motion carried. Two (2) abstentions were noted.

4. Political Endorsements

Victor Christy, Assistant Director of Legislative Affairs at CPCA, provided a report. All the interviews went well and candidates were happy to have the opportunity to dialogue directly with health center leaders, and the health center members also found great value in getting to know the candidates.

5. Approval of Advocacy Committee Action Items/Motions

Victor relayed the motions put forth from the Advocacy Committee. He noted the Committee went against staff recommendations on a few candidates:

- Assembly District 15 (currently held by Asm. Tony Thurmond)– staff had recommended "no endorsement" but the Committee chose to endorse candidate Buffy Wicks.
- Senate District 22 (currently held by Sen. Ed Hernandez) – staff had recommended "no recommendation" but the Advocacy Committee recommended endorsing Mike Eng.
- Senate District 38 (currently held by Sen. Joel Anderson) - staff had recommended "no endorsement"; however, the Advocacy Committee recommended endorsing Brian Jones.

Advocates staff let the Board know that they recommended no endorsement on Brian Jones because the candidate had views that weren't aligned with Advocates' mission. The recommendation from the Advocacy Committee was due to the strong positive feelings on Mr. Jones from the local in-district members.

The other two staff recommendations for no endorsement were because there were two democrats running and it was determined to be more politically appropriate to stay out of the race rather than endorse one of them, when likely either winner would be a supporter for health center issues.

The Board engaged in lengthy discussion about the Jones race and the Advocacy Committee's recommendation, weighing also the rationale from the staff's recommendation. There was a discussion about criteria used to vet the candidates and it was made apparent that the criteria developed for the incumbent races was not applied nor appropriate to apply to open races. The Committee reviewed Mr. Jones' public positions on the ACA and determined while he may have committed in an interview to not harm the ACA his active affiliation with a group determined to undermine the ACA weighted more strongly.

Ultimately, the Board agreed that in the future, clarity is needed around the criteria for endorsements in open races.

It was noted that while the Committee is recommending approval of all 12 candidates, there are three (3) that did not align with staff recommendations.

Motion

A motion was made (McGowan) by the Advocacy Committee to move forward with the following candidate endorsements as listed below:

1) Assembly District 15 – Endorse Buffy Wicks
2) Assembly District 30 – Endorse Robert Rivas
3) Assembly District 39 – Endorse Luz Rivas
4) Assembly District 40 – Endorse James Ramos
5) Assembly District 54 – Endorse Sydney Kamlager Dove
6) Assembly District 72 – Endorse Josh Lowenthal
7) Assembly District 76 – Endorse Tasha Boerner Horvath
8) Senate District 12 – Endorse Anna Caballero
9) Senate District 16 – No Endorsement
10) Senate District 22 – Endorse Mike Eng
11) Senate District 24 – Endorse Maria Elena Durazo
12) Senate District 38 – Endorse Brian Jones

There was no second on the motion, thus the motion did not carry.

Motion

A motion was made and seconded to endorse the candidates in the following Districts: Asm. 30, 39, 40, 54, 72, 76; and Senate 12, 24. (McGowan/Fuchs). **The motion carried.**

Motion

A motion was made and seconded to endorse candidate Buffy Wicks in Asm. District 15 as she met the criteria, and to bring back the criteria issue to the Advocacy Committee. (McGowan/Schilling). **The motion carried.** Two (2) abstentions were noted.

Motion

A motion was made and seconded to offer no endorsement in Senate District 22 based on staff's recommendation. (Fuchs/Maas). **The motion carried.**

Motion

A motion was made and seconded to offer no endorsement in Senate District 38. (Castellano-Garcia/Fuchs). **The motion carried.**

There was a lengthy discussion about why the staff recommended no endorsement but also what the Advocacy Committee was advising the board per their recommendation. The board noted being sensitive to the committee recommendations and also staff. Ultimately it was determined that they wanted to support the Advocacy Committee's approach and voted to agree on their recommendation however did suggest further discussion be had in the advocacy committee to fully think through the pros and cons about endorsing in a two democrat or two republican race.

Motion

A motion was made and seconded to endorse candidate Mike Eng in Senate District 22. (Fuchs/Schilling). **The motion carried.**

Motion

A motion was made and seconded to offer no endorsement in Senate District 16. (McGowan/Fuchs). **The motion carried.**

There was no additional time available to discuss the fundraising item added to the agenda.

6. Adjourn

Board Chair Leslie McGowan adjourned the call at 12:41p.

CALIFORNIA HEALTH+ ADVOCATES
BOARD OF DIRECTORS MEETING

July 13, 2018

Meeting Minutes

Board Members (4):	Naomi Fuchs (acting Chair), Scott McFarland, Corinne Sanchez, Carmela Castellano-Garcia
Members Absent (5):	Leslie McGowan (Chair), Reymundo Espinoza, Lisa Maas, Stephen Schilling, Richard Veloz
Guests:	Gary Rotto, Anthony White, Tim Fraser, Rakesh Patel, Rosa Vivian Fernandez
Staff:	Andie Patterson, Victor Christy and Heather Barclay

1. Call to Order

Member Naomi Fuchs called the meeting to order at approx. 1:15p. As quorum was not established, this meeting is "information only". A Board call will be coordinated for August 2018 to address any items that required action.

2. Approval of Agenda

No approval; quorum not met.

3. Consent Calendar

No approval; quorum not met.

4. Finance Report

Sandy Birkman provided a brief report as "information only". The financials ending May 31, 2018, will be approved at the October 2018 meeting.

5. Approval of Legislative Committee Action Items

No approval; quorum not met.

6. Political Endorsement

While no action can be taken due to lack of quorum, Assistant Director of Legislative Affairs, Victor Christy, provided an informational update, including a discussion about the modified endorsement process. Members noted that candidates should be endorsed based on their positions, not on projected ability to win their race. It was noted if several members meet the criteria they would all be endorsed. Transparency in the endorsement process is critical – include all candidates in the matrix so that members can see why some will be endorsed while others will not. Members would like the matrix information available for review. A year-in-review at the end of the legislative session was recommended to keep tabs on what candidates did throughout the year.

There was discussion about the role of the Consortia vs. Advocates. It was noted the Consortia have been very supportive (have helped identify meeting space, encouraged health centers to attend, helping with relation building efforts). Dual endorsements were discussed and staff recommended NOT dual-endorsing as it may not add value to *either* candidate. In general, one candidate will be endorsed. It was

recommended to start collecting candidates' policy statements. The key value in providing an endorsement is to build relationships with the candidate(s).

7. Fundraising Update

Andie Patterson and Victor Christy provided an informational report noting that Advocates currently has $17k in the bank and another $5k in commitments has not yet been received. The current balance is $3500. Candidate interviews haven't been conducted yet, so the unreceived funds need to be collected soon. Members were requested to assist staff in contacting members about for their support. Members agreed to help with outreach and staff will follow up with contact information. Personal outreach was urged, rather than email/voicemails. Money cannot go directly to candidates without a PAC. More membership education around the c4 and why a PAC is necessary was suggested, including the possibility of hearing directly from a candidate about the importance of a c4. The fundraising goal for 2018 was $20k to cover the costs to make endorsements. It was noted that the candidate questionnaire response rate (approx. 75%) is a good talking point for fundraising.

8. Public Affairs Peer Network (PAPN) Update

Members were reminded about this monthly peer network call and urged to participate if interested.

9. Adjourn

The meeting was adjourned at approx. 1:41p via consensus.

CaliforniaHealth Plus Advocates
Profit & Loss Budget vs. Actual
April through May 2018

	Apr - May 18	Budget	$ Over Budget	% of Budget	
Income					
4600.00 · Grants	0.00	50,000.00	-50,000.00	0.0%	CPCA has not paid $300K
4700.00 · Donations	1,150.00	4,166.68	-3,016.68	27.6%	Non c3
4800.00 · Membership Dues Donations	359,287.04	117,745.30	241,541.74	305.14%	
Total Income	360,437.04	171,911.98	188,525.06	209.66%	
Expense					
6100.00 · Salaries	51,582.22	50,155.50	1,426.72	102.85%	
6300.00 · Employee Benefits	9,554.62	13,040.34	-3,485.72	73.27%	
6500.00 · Occupancy	4,270.02	6,367.50	-2,097.48	67.06%	
6510.10 · Communications	573.07	368.30	204.77	155.6%	
6520.10 · Postage & Delivery	0.00	25.00	-25.00	0.0%	
6530.10 · Supplies	839.65	377.50	462.15	222.42%	
6540.10 · Printing	2,880.67	458.30	2,422.37	628.56%	Day at the Capitol
6552.10 · Equipment Lease/Maintenance	464.75	166.60	298.15	278.96%	
6554.10 · Equipment/Furniture Purchase	0.00	141.60	-141.60	0.0%	
6560.10 · Insurance	523.63	308.34	215.29	169.82%	
6565.10 · Dues & Licenses	4,250.00	934.18	3,315.82	454.94%	CQ Roll Call
6570.10 · Subscriptions/Publications	9,571.65	2,750.00	6,821.65	348.06%	Politico service
6580.10 · Marketing and Outreach	74,920.46	20,833.34	54,087.12	359.62%	Day at the Capitol
6590.10 · Miscellaneous Expense	0.00	4,166.60	-4,166.60	0.0%	
7010.10 · Audit/Accounting	18.06	500.00	-481.94	3.61%	
7020.10 · Legal Services	62.50	1,666.68	-1,604.18	3.75%	
7110.10 · Board of Directors	0.00	833.30	-833.30	0.0%	
	90.00	333.34	-243.34	27.0%	
7275.10 · Staff Development	0.00	833.30	-833.30	0.0%	
7300.00 · Meetings & Training	2,598.16	2,833.20	-235.04	91.7%	
7500.00 · Consultants	64,982.91	64,818.60	164.31	100.25%	
Total Expense	227,182.37	171,911.52	55,270.85	132.15%	
Net Income	**133,254.67**	**0.46**	**133,254.21**	**28,968,406.52%**	

CaliforniaHealth Plus Advocates
Balance Sheet
As of May 31, 2018

	May 31, 18
ASSETS	
Current Assets	
Checking/Savings	
1000.00 · Cash	
1012.00 · First Citizens - checking	68,357.36
Total 1000.00 · Cash	68,357.36
Total Checking/Savings	68,357.36
Accounts Receivable	
1320.00 · Due from CPCA	102,401.47
Total Accounts Receivable	102,401.47
Total Current Assets	170,758.83
TOTAL ASSETS	**170,758.83**
LIABILITIES & EQUITY	
Equity	
3900 · Retained Earnings	37,504.16
Net Income	133,254.67
Total Equity	170,758.83
TOTAL LIABILITIES & EQUITY	**170,758.83**

CaliforniaHealth Plus Advocates
Profit & Loss Budget vs. Actual
April through August 2018

	Apr - Aug 18	Budget	$ Over Budget	% of Budget
Income				
4600.00 · Grants	0.00	125,000.00	-125,000.00	0.0%
4700.00 · Donations	8,360.00	10,416.62	-2,056.62	80.26%
4800.00 · Membership Dues Donations	461,242.29	294,363.31	166,878.98	156.69%
Total Income	469,602.29	429,779.93	39,822.36	109.27%
Expense				
6100.00 · Salaries	128,615.63	125,388.75	3,226.88	102.57%
6300.00 · Employee Benefits	30,166.20	32,600.81	-2,434.61	92.53%
6500.00 · Occupancy	11,747.37	15,918.75	-4,171.38	73.8%
6510.10 · Communications	1,557.10	920.81	636.29	169.1%
6520.10 · Postage & Delivery	7.51	62.50	-54.99	12.02%
6530.10 · Supplies	1,412.08	943.75	468.33	149.62%
6540.10 · Printing	2,880.67	1,145.81	1,734.86	251.41%
6552.10 · Equipment Lease/Maintenance	832.15	416.62	415.53	199.74%
6554.10 · Equipment/Furniture Purchase	0.00	354.12	-354.12	0.0%
6560.10 · Insurance	523.63	770.81	-247.18	67.93%
6565.10 · Dues & Licenses	4,250.00	2,335.45	1,914.55	181.98%
6570.10 · Subscriptions/Publications	9,665.28	6,875.00	2,790.28	140.59%
6580.10 · Marketing and Outreach	75,628.46	52,083.35	23,545.11	145.21%
6590.10 · Miscellaneous Expense	0.00	10,416.62	-10,416.62	0.0%
7010.10 · Audit/Accounting	38.04	1,250.00	-1,211.96	3.04%
7020.10 · Legal Services	687.50	4,166.70	-3,479.20	16.5%
7110.10 · Board of Directors	0.00	2,083.31	-2,083.31	0.0%
7200.10 · Travel & Registration Fees	1,061.58	833.31	228.27	127.39%
7275.10 · Staff Development	0.00	2,083.31	-2,083.31	0.0%
7300.00 · Meetings	1,565.39	2,916.62	-1,351.23	53.67%
7350.00 · Training	3,835.34	4,166.62	-331.28	92.05%
7500.00 · Consultants	158,451.13	162,046.62	-3,595.49	97.78%
Total Expense	432,925.06	429,779.64	3,145.42	100.73%
Net Income	**36,677.23**	**0.29**	**36,676.94**	**12,647,320.69%**

CaliforniaHealth Plus Advocates
Balance Sheet
As of August 31, 2018

	Aug 31, 18
ASSETS	
Current Assets	
Checking/Savings	
1000.00 · Cash	
1012.00 · First Citizens - checking	76,007.40
Total 1000.00 · Cash	76,007.40
Total Checking/Savings	76,007.40
Accounts Receivable	
1310.00 · Accounts Receivable - Misc	3,250.00
Total Accounts Receivable	3,250.00
Total Current Assets	79,257.40
TOTAL ASSETS	**79,257.40**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020.00 · Due to CPCA	5,076.01
Total Accounts Payable	5,076.01
Total Current Liabilities	5,076.01
Total Liabilities	5,076.01
Equity	
3900 · Retained Earnings	37,504.16
Net Income	36,677.23
Total Equity	74,181.39
TOTAL LIABILITIES & EQUITY	**79,257.40**

californiahealth+ advocates
ADVANCING THE MISSION OF COMMUNITY HEALTH CENTERS

DISCUSSION

Date: October 3, 2018

To: CaliforniaHealth+ Advocates Board of Directors

From: Victor Christy, Assistant Director of Legislative Affairs

Re: Endorsement Data Compilation

MEMORANDUM

I. Overview

The following memo provides an overarching objective review of the 2018 endorsement process CaliforniaHealth+ Advocates has engaged in.

For incumbent candidates running for re-election:

- There were 85 total Legislative Seats where an incumbent was running for re-election
- Those 85 seats where comprised of 59 Democrats (69%) and 26 Republicans (31%)
- Advocates endorsed 48 incumbents for the November General Election (56.47% of Total Incumbents)
- Those 48 endorsed incumbents where comprised of 43 Democrats (89%) and 5 Republicans (11%)
- Out of those 48, 15 completed and submitted a questionnaire (31%)

For candidates running in open seats:

- There were 12 open races and 3 special elections
- Advocates reached out to all candidates running in those 15 seats and ultimately interviewed 16 individuals who had expressed an interest in our endorsement process
- 28 health center leaders from across the state joined Advocates staff in one or more of the in person interviews
- Out of 15 open races, 8 were solidly Democratic (53%), 3 were solidly Republican (20%), 3 Leaned Democrat (20%) and 1 Leaned Republican (6%).
- The Board ultimately voted to endorse Ten Democrats in those 15 races (66.6% of Total Open Races)
- No Republicans in open races were endorsed

II. List of Endorsed Candidates

Race	Candidate	County/Counties
Assembly District 01	Brian Dahle - R	Butte, Lassen, Modoc, Nevada, Placer, Plumas, Shasta, Sierra, Siskiyou
Assembly District 02	Jim Wood - D	Del Norte, Humboldt, Mendocino, Sonoma
Assembly District 04	Cecilia Aguiar-Curry - D	Colusa, Lake, Napa, Solano, Sonoma, Yolo
Assembly District 10	Marc B. Levine - D	Marin, Sonoma
Assembly District 11	Jim L. Frazier Jr. - D	Contra Costa, Sacramento, Solano
Race	**Candidate**	**County/Counties**
Assembly District 13	Susan Talamantes Eggman - D	San Joaquin

Assembly District 15	Buffy Wicks - D*	Alameda, Contra Costa
Assembly District 17	David S. Chiu - D	San Francisco
Assembly District 18	Rob Bonta - D	Alameda
Assembly District 19	Phillip Y. Ting - D	San Francisco, San Mateo
Assembly District 20	Bill Quirk - D	Alameda
Assembly District 21	Adam Gray - D	Merced, Stanislaus
Assembly District 22	Kevin Mullin - D	San Mateo
Assembly District 24	Marc Berman - D	San Mateo, Santa Clara
Assembly District 28	Evan Low - D	Santa Clara
Assembly District 30	Robert Rivas - D*	Monterey, San Benito, Santa Clara, Santa Cruz
Assembly District 31	Dr. Joaquin Arambula - D	Fresno
Assembly District 32	Rudy Salas Jr. - D	Kern, Kings
Assembly District 37	Monique Limon - D	Santa Barbara, Ventura
Assembly District 38	Dante Acosta - R	Los Angeles, Ventura
Assembly District 39	Luz Rivas - D	Los Angeles
Assembly District 40	James Ramos – D*	San Bernardino
Assembly District 41	Chris Holden - D	Los Angeles, San Bernardino
Assembly District 42	Chad J. Mayes - R	Riverside, San Bernardino
Assembly District 44	Jacqui V. Irwin - D	Los Angeles, Ventura
Assembly District 46	Adrin Nazarian - D	Los Angeles
Assembly District 47	Eloise Gomez Reyes - D	San Bernardino
Assembly District 48	Blanca E. Rubio - D	Los Angeles
Assembly District 50	Richard H. Bloom - D	Los Angeles
Assembly District 51	Wendy Carrillo - D	Los Angeles
Assembly District 52	Freddie Rodriguez - D	Los Angeles, San Bernardino
Assembly District 53	Miguel Santiago - D	Los Angeles
Assembly District 54	Sydney Kamlager- Dove - D	Los Angeles
Assembly District 56	Eduardo Garcia - D	Imperial, Riverside
Assembly District 60	Sabrina Cervantes - D	Riverside
Assembly District 63	Anthony Rendon - D	Los Angeles
Assembly District 64	Mike A. Gipson - D	Los Angeles
Assembly District 65	Sharon Quirk-Silva - D	Orange
Assembly District 66	Al Muratsuchi - D	Los Angeles
Assembly District 72	Josh Lowenthal - D*	Orange
Assembly District 76	Tasha Boerner Horvath - D*	San Diego
Assembly District 77	Brian Maienschein - R	San Diego
Assembly District 78	Todd Gloria - D	San Diego
Assembly District 79	Shirley N. Weber - D	San Diego
Assembly District 80	Lorena Gonzalez Fletcher - D	San Diego
Senate District 02	Mike McGuire - D	Del Norte, Humboldt, Lake, Marin, Mendocino, Sonoma, Trinity
Senate District 06	Richard Pan M.D. - D	Sacramento, Yolo
Senate District 12	Anna Caballero - D*	Fresno, Madera, Merced, Monterey, San Benito, Stanislaus
Senate District 18	Robert M. Hertzberg - D	Los Angeles
Race	**Candidate**	**County/Counties**
Senate District 20	Connie M. Leyva - D	Los Angeles, San Bernardino

Senate District 22	Mike Eng - D*	Los Angeles
Senate District 24	Maria Elena Durazo - D*	Los Angeles
Senate District 26	Ben Allen - D	Los Angeles
Senate District 30	Holly J. Mitchell - D	Los Angeles
Senate District 34	Janet Nguyen - R	Orange
Senate District 40	Ben Hueso - D	Imperial, San Diego

**** Indicates open races***

californiahealth+ advocates
ADVANCING THE MISSION OF COMMUNITY HEALTH CENTERS

ACTION

Date: October 3, 2018

To: CaliforniaHealth+ Advocates Board of Directors

From: Victor Christy, Assistant Director of Legislative Affairs

Re: Proposed Modification to Endorsement Process

MEMORANDUM

Background

During the April Advocacy Committee meeting, Advocates staff presented a proposal to endorse a group of incumbent legislators. Members of the Committee expressed a concern that there were too many legislators proposed for endorsement, and that instead the list should be smaller to ensure greater impact. As a result, a workgroup was created to identify specific criteria and a scoring rubric for staff to use in identifying a second round of potential endorsments. The subgroup included Committee Chair Marie Torres (AltaMed), Cathy Frey (CPCA board member, WellSpace Health), Anthony White (Family Health Centers of SD) and Tim Fraser (Health Center Partners of SoCal).

The subgroup developed, and the Advocacy Committee and Board ultimately approved the following criteria for incumbents:

1. Legislative Scorecard – 50% weight given towards overall total
2. Has Incumbent Legislator been helpful to a health center – 20% weight given towards overall total
3. Has the Incumbent Legislator made public comments in support of health centers – 15% weight given towards overall total
4. Has Incumbent Legislator visited a health center – 15% weight given towards overall total
5. Bonus points were given to those legislators who authored our bills, served on either the Health or Budget Subcommittee on Health and based on a review of their public comments regarding the ACA.

Process Updates

When the open races were being evaluated and endorsements proposed to the Board it became evident to the Board that the criteria being applied to incumbents was not easily transferable to open races as none of the candidates would have a score for the legislative score card- unfairly penalizing them by 50%. The Board requested staff to further review the process used and propose criteria for vetting open races for endorsement.

Considerations

In reviewing the existing criteria and developing the proposed criteria (outlined below) staff took into consideration a few elements, first of which was the Board dialogue during the call on August 29th. It was clear from that call that issues of principle (e.g. inclusivity) needed to have consideration in the vetting of candidates. Weighting principles however can be challenging when one of the objectives of the Board has been to ensure we are endorsing a bipartisan slate. Lastly, Advocates lobbyists and consultants caution the Board from using weights on the criteria as endorsement decisions must involve larger political considerations that are not easily captured by weights.

Acknowledging this panacea of factors, Advocates staff have prepared a set of recommendations to include in our next round of endorsements for Board discussion and consideration.

RECOMMENDATIONS FOR ACTION

1. Existing Criteria for Incumbents

After review of the criteria for incumbents we do believe the criteria worked well and it enabled Advocates to endorse 5 Republicans. However, in regards to principles, there are only bonus points awarded to an incumbent regarding their position on the ACA. Taking into account the recommendation to not include weights, the below criteria are now just factors for consideration.

ACTION: In light of this staff recommend adding a section on "Principles" to the criteria and dropping the weights.

1. Legislative Scorecard
2. Has Incumbent Legislator been helpful to a health center
3. Has the Incumbent Legislator made public comments in support of health centers
4. Has Incumbent Legislator visited a health center
5. Principles

2. Proposed Principles to add to both Incumbent and Open Race Criteria

The following questions are based upon the policy priorities the Advocates Board approved in 2018. Candidate's records and the public positions for those in open races would be vetted against these questions. Each question is awarded 1 point for a total of 10.

1. Does the Candidate Support Access to health care for All?
2. Will the Candidate protect Californian's right to comprehensive health care coverage?
3. Does the candidate support the ACA?
4. Does the candidate support Medicaid Expansion?
5. Does the candidate support a strong and robust Medicaid program that remains an entitlement?
6. Does the candidate support women's health?

7. Does the candidate support immigrant rights?
8. Will the candidate support removing health access barriers to vulnerable populations including immigrant communities?
9. Does the candidate support a patient's ability to access culturally competent and linguistically appropriate care?
10. Will the candidate address the social determinants of health which affects the patients we serve?

3. <u>Proposed Criteria to Vet Candidates in Open Races</u>

The criteria below reflect many of the questions in the incumbent criteria but provide opportunity for candidates who do not yet have a legislative score card to demonstrate their commitment to the Advocates' values and mission.

1. Does the candidate have an existing relationship with a health center or tried to be helpful in anyway
2. Is the candidate involved in a constructive manner with organizations that work with health centers, such as another community group, that advances community wellbeing and health?
3. Has the candidate made public remarks in support of issues that are important to health centers?
4. Has the Candidate been to a health center?
5. Engagement and review from health centers during open interviews and review of the questionnaire
6. Principles

DISCUSSION

Date: October, 3, 2018
To: Board of Directors
From: Andie Patterson, Director of Government Affairs
Re: Fundraising Update

MEMORANDUM

I. Amount Raised

Advocates has raised a total of $23,410 in non c4 monies with outstanding commitments of $2,050 for a total of $25,460 since May 2017.

The funds raised have gone and continue to go to covering the expenses of Advocates staff to engage in research and outreach on non C3 projects. This work to date has cost approximately $21,984

II. Process for Fundraising

Staff have commenced following up with those individuals who have committed but have not provided the money to the C4.

Per the discussion and request from the Board, the Board has all been assigned CEOs to contact in the hope that a meaningful dialogue can occur among colleagues and encourage participation and contribution to the Endorsement efforts of Advocates.

III. Question

- What has the experience of fundraising been like?
- What are the conversations like?
- Are individuals supportive of the endorsement work?
- What new paths can we undertake to continue our fundraising and growing the endeavor?

californiahealth+ advocates
ADVANCING THE MISSION OF COMMUNITY HEALTH CENTERS

INFORMATIONAL

Date: October 3, 2018

To: CaliforniaHealth+ Advocates Board of Directors

From: Victor Christy, Assistant Director of Legislative Affairs

Re: Public Affairs Peer Network Update

MEMORANDUM

I. Overview

The Public Affairs Peer Network (PAPN), which meets once a month, provides a forum for health center and consortia staff who engage in public affairs work (government, community, media, advocacy, etc.) to share best practices and learn from one another.

II. Work to Date

The PAPN, chaired by Ana Melgoza from San Ysidro Health met twice during the third quarter of the year.

During July's meeting, Community Health Partnership's Policy and External Affair Managers, Cathy Hyde, provided PAPN members an overview of the results from their summer Civic Engagement Academy pilot program for community health center board members and staff. PAPN members also shared their plans for national health center week and voter registration activities planned for September through October.

August's meeting was postponed until September.

III. Next Steps

The PAPN continues to focus on finding innovative ways to strengthen advocacy and to provide feedback to CaliforniaHealth+ Advocates' staff on how to best support health centers with elected official engagement. In addition, the PAPN will continue to meet the Fourth Tuesday of each month at 2:00 p.m.

If you would like to be included in future PAPN meetings, please contact Victor Christy at victor@healthplusadvocates.org.

californiahealth+ advocates
ADVANCING THE MISSION OF COMMUNITY HEALTH CENTERS

INFORMATIONAL

Date: October 3, 2018

To: CaliforniaHealth+ Advocates Board

From: Carmela Castellano-Garcia, President and CEO

Re: Designation of CaliforniaHealth+ Advocates Board Members for 2019

MEMORANDUM

I. Summary

The Advocates Bylaws, which were ratified by the CPCA Board of Directors on January 15, 2016 and by CaliforniaHealth+ Advocates on February 23, 2016, state that the CPCA Board of Directors will be Advocates' "Designator." As the Designator, CPCA is charged with designating the Advocates Board of Directors. The Designator retains the right to add or remove directors at any time, with or without cause. The Designator has the discretion to select whatever process it deems necessary to select candidates for designation.

The Bylaws currently allow for no less than three (3) and no more than 15 members, and the Board has been comprised of nine (9) members since inception in 2016. Of the nine (9) member Board, four (4) members are considered "interested", (i.e. CPCA Board members); and five (5) have been "disinterested" (non CPCA Board members; health center CEOs). Directors serve 3-year terms; and it's also been informal policy to have the CPCA Board Chair also serving on the Advocates Board. Lastly, Board composition aims to have fair geographic representation.

II. 2019 Proposed Designation

There are two (2) individuals that have terms that expire in October 2018:

- Naomi Fuchs (CPCA Board member; "interested" member)
- Corinne Sanchez (Health Center CEO; "disinterested" member)

Staff recommends:

- Reappoint Naomi Fuchs to serve in the position vacated by current Board Chair Scott McFarland; Scott has requested that Naomi fill the remainder of his term.
- Reappoint Corinne Sanchez to continue serving in her role.

californiahealth+ advocates
ADVANCING THE MISSION OF COMMUNITY HEALTH CENTERS

ACTION

Date: October 3, 2018
To: CaliforniaHealth+ Advocates Board of Directors
Re: Proposed Slate for Election

MEMORANDUM

Action: Elect the following slate of directors to be the 2019 slate of officers

- *Chair* (2021)
  Corinne Sanchez, Chief Executive Officer
  El Proyecto del Barrio
  Southern California Region

- *Vice Chair* (2021)
  Kerry Hydash, Chief Executive Officer
  Family Health Care Network
  Central Valley Region

- *Secretary* (2019)
  Lisa Maas, Executive Director
  Californians Allied for Patient Protection
  Statewide

- *Treasurer* (2019)
  Naomi Fuchs, Executive Director
  Santa Rosa Community Health Center
  Bay Region