

**MINUTES**  
**CMSP GOVERNING BOARD**  
Thursday, March 22, 2018

Governing Board Conference Room  
1545 River Park Drive, Suite 435-A  
Sacramento, CA 95815

**MEMBERS PRESENT**

Patrick Blacklock, County Administrator, Yolo County  
Birgitta Corsello, County Administrator, Solano County  
Richard Egan, County Administrator, Lassen County  
Richard Forster, Supervisor, Amador County  
Elizabeth Kelly, Director, Colusa County Human Services  
Leonard Moty, Supervisor, Shasta County  
Brad Wagenknecht, Supervisor, Napa County

**MEMBERS ABSENT**

Tammy Moss-Chandler, Health and Human Services Director, Mendocino County  
Elliott Smart, Social Services Director, Plumas County  
Christine Zoppi, Health Director, Glenn County  
Mike Wilkening, Undersecretary, California Health and Human Services Agency

**Opening of Meetings**

**Request for Public Comments**

There were no public comments and the Board convened in Closed Session.

**Welcoming Remarks and Request for Public Comments**

Brad Wagenknecht, Vice Chair, opened the Open Session meeting and asked for introductions. Board members introduced themselves. Mr. Wagenknecht invited public comment. MJ Flores with Health Access California introduced herself and offered recommendations regarding appointments to the Planning and Benefits Committee and regarding the proposed Primary Care Benefit. Mr. Wagenknecht invited Ms. Flores to also offer those recommendations at the time the matters are discussed on the agenda.

**Correspondence and Consent Calendar**

Mr. Wagenknecht requested a motion on the Correspondence and Consent Calendar.

ACTION MSC: Approve the Correspondence and Consent Calendar for March 22, 2018.

APPROVED	Votes:	Aye	7
		Nay	0

### **Report on Closed Session**

Cathy Salenko, CMSP General Counsel, reported that the Governing Board met in Closed Session and provided direction to the General Counsel and Governing Board staff concerning contract terms pertaining to negotiations with specified health care providers, and took no action. The Board also discussed three potential Governing Board litigation matters and provided direction to the General Counsel and Governing Board staff on two matters. One of those matters involves Anthem Blue Cross and a provider payment dispute with Sutter Health and its affiliates, dating back to December 9, 2015. The Governing Board approved a settlement of the provider payment dispute and payment of \$700,457.68 as a part of settlement of the dispute. An indemnity agreement between the Governing Board and Anthem Blue Cross was executed.

### **Report from Legislative Representative**

Paul Yoder of Shaw/Yoder/Antwih greeted the Board. Mr. Yoder reported that the Legislature is currently facing four resignations and 1 leave of absence. Since so much of the work completed last year was undertaken with a 2/3 vote (housing, park resources, housing fee, cap and trade, transportation deal) if there is another resignation or two in the next couple of weeks the clock will run out on the Governor's ability to call for a special election. At this time, there are roughly 2600 new bills, which is about average for the Legislature, and almost none of the bills have been heard and won't be heard next week. The bills will be heard in April, which will compact the process.

In terms of discussions regarding universal health care, there doesn't appear to be strong interest in the Assembly. There may be something that could be undertaken with a new Governor, but nothing is expected this year. However, in light of excess tax revenues, there is continued interest in expanding coverage to the remaining uninsured in California. For example, Senator Hernandez is looking to expand coverage under Covered California.

Rural county Medi-Cal rates are getting attention with SB 1047 (Nielson), which proposes to increase these rates. At this time, it's unclear if there is any traction on the issue, but there is a sense that if Republican members would be willing to make certain

coverage expansions, there may be some willingness to negotiate Medi-Cal rate increases for rural counties.

### **Affordable Care Act (ACA)**

Ms. Brownstein reported there are no new ACA repeal bills or other federal actions to report. With regard to the repeal of the ACA's individual insurance mandate penalty, the impact on CMSP is unclear at this time.

Mr. Yoder reported that Senator Hernandez has looked at an individual mandate in California. And, the Governor's new budget does not include a patch to cover subsidies related to the federal and state exchanges.

### **Report on Board Member Elections**

Ms. Brownstein reported that there are two new Board members: Patrick Blacklock (Yolo County) and Elizabeth Kelly (Colusa County) were elected to the Board. Richard Forster (Amador County) was re-elected.

### **Election of Officers**

Mr. Wagenknecht invited nominations for Governing Board Chair and Vice Chair.

ACTION MSC: Governing Board nominate Brad Wagenknecht as Chair.

APPROVED	Votes:	Aye	7
		Nay	0

ACTION MSC: Governing Board nominate Birgitta Corsello as Vice Chair.

APPROVED	Votes:	Aye	7
		Nay	0

### **Election of Executive Committee**

ACTION MSC: Governing Board nominates Brad Wagenknecht (Chair), Birgitta Corsello (Vice Chair), Elizabeth Kelly (Social Services), and Christine Zoppi (Health Care Services) to serve on the Executive Committee.

APPROVED	Votes:	Aye	7
		Nay	0

## **Appointment of Board Members to Committees**

**ACTION MSC:** Governing Board appoint Christine Zoppi as Board representative to the Planning and Benefits Committee and Elliott Smart as Board representative to the Eligibility Committee.

APPROVED	Votes:	Aye	7
		Nay	0

## **Planning and Benefits Committee**

### Committee Membership

Alison Kellen, Program Manager, reported that there was a roster for the Committee in the Board packet. The committee did a solicitation for county representatives and provider/beneficiary representatives to serve on the Committee.

**ACTION MSC:** Governing Board approve the proposed Planning and Benefits Committee roster and Ms. Christine Zoppi as Committee Chair.

APPROVED	Votes:	Aye	7
		Nay	0

### Primary Care Benefit

Kari Brownstein briefed the Governing Board on the status of the Primary Care Benefit (PCB), including barriers to enrollment, low level of member participation, and low level of program expenditures. Ms. Brownstein reported that the Planning and Benefits Committee met in January and considered 4 options concerning the program. At that meeting, the Committee asked CMSP staff to develop a concept for incorporating the PCB into the Standard CMSP Benefit.

Alvaro Fuentes, Community Clinic Association, commended the Planning and Benefits Committee and CMSP for recognizing the difficulties associated with the existing PCB program and recommendations that would have an impact on the program. Mr. Fuentes suggested that providers could do outreach and education to support the new benefit. In particular, elimination of the reservation system would be most beneficial. Anthony Wright, Health Access California, spoke in support of the item and expressed appreciation of CMSP staff and the Governing Board look at the program and identification of ways to improve it. He suggested that the proposed changes would improve the program. Melinda Rivera, Redwood Community Health Coalition,

expressed support for the proposed option to incorporate the PCB into the Standard CMSP Benefit.

**ACTION MSC:** Governing Board approve the recommendation from Planning and Benefits Committee to incorporate the PCB into the Standard CMSP benefit.

APPROVED	Votes:	Aye	7
		Nay	0

### Pilot Project Concepts

Ms. Brownstein reported that the Governing Board received letters from various parties regarding expansion of primary care benefit coverage to undocumented persons with incomes up to 138%FPL that are currently eligible for emergency services only Medi-Cal. Ms. Brownstein stated that the Committee asked CMSP staff to investigate the concept involving the 0-138%FPL population in more detail. The Committee also took the suggestion that counties and other stakeholders be given the opportunity to suggest pilot projects in other areas of priority to the Governing Board. The Administrative Officer subsequently solicited concept ideas from counties and stakeholders and concepts were proposed in a variety of areas, such as care management, transportation, and others.

CMSP staff prepared a concept paper on expansion of primary care benefit coverage to the 0-138%FPL undocumented population, which was presented to the Committee for consideration. This concept paper was also provided to the Governing Board in the March Board packet. Ms. Brownstein outlined three different options for expanding primary care benefit coverage and outlined key issues and considerations to the Governing Board.

In follow up questions, Board Member Patrick Blacklock asked about the anticipated impact/benefit to local hospital systems as a result of the provision of primary/preventive services; and, Board Member Richard Forster asked what mechanism would be incorporated to assist undocumented persons in becoming documented.

Mr. Fuentes, Community Clinic Consortium, stated that undocumented residents are working in their counties and are valued, and expansion of benefit coverage is a public health issue because coverage would help keep people healthy, which would benefit the entire community. Mr. Fuentes stated that the majority of people are currently being served at community health centers, and their medical visits typically go uncompensated or under-compensated, which impacts the ability of the community

health centers (CHC) to serve their entire populations. In counties where these benefit programs are currently in place, the entire community is benefiting. Mr. Fuentes stated that expanding the primary care benefit would be a smart thing to do for all counties in CMSP, and that he would support the grant program concept. At the same time, he stated that the longer-term fix should be to include the undocumented population in the larger CMSP eligibility system.

Mr. Wright, Health Access California, stated that he fundamentally believes the health care system is stronger when everyone is included, especially for primary/preventive care. He stated that the proposal could have big impacts in the community, and the public health of the community is enhanced when all people have access to care. He also stated that AB 85 has provided funding to CMSP for the remaining uninsured, and the funding should be used for that purpose. He stated that Health Access supports the CMSP staff recommendation to start with a county-based, grant-based program to get started, but Health Access wants to see the eligibility system expanded to all counties, not just those that participate in the grant program, and Health Access wants to see CMSP provide the benefit across all CMSP counties, as stated in the Health Access letter to the Governing Board.

Ms. Rivera, Redwood Community Health Coalition, said that Marin, Napa, Sonoma and Yolo Counties all have populations of potentially eligible residents that would benefit from the expansion. She agreed with the previous speakers, that expanding the primary care benefit is a public health issue, and the CHCs are already serving this population and doing the best they can, but providing additional options for this population would benefit the entire community, and the Coalition supports a grant option or other option to expand this coverage.

Discussion among Board members ensued. In follow up questions, Chair Wagenknecht stated that he could support a grant option, but he believed the program needs an evaluation component; and, he knows there is support for including a mechanism to help undocumented people get documentation. Mr. Forster stated that he'd like to see an educational component that provides a pathway to educate people about how to become documented. Chair Wagenknecht stated that he would like to see this question addressed in the coming months. Mr. Blacklock stated that he could support the grant program but wanted to see an evaluation component, with attention to the impact on hospital emergency rooms. Finally, it was suggested that Marin, Napa, Sonoma, and Yolo all have navigation programs for undocumented persons that offer examples.

**ACTION MSC:** Governing Board approve Option 2 and direct CMSP staff to bring a proposal back to the Board in May with issues of evaluation and navigation of undocumented persons to legal status addressed.

APPROVED	Votes:	Aye	6
		Nay	1 (Egan)

### Allied Health Loan Repayment Program (AHLRP)

Ms. Kellen reported on the AHLRP. There will be one more funding round for the program. The application cycle for the CMSP Loan Repayment Program is open through March 30<sup>th</sup> for primary care physicians, dentists, nurse practitioners and physician assistants.

### **Eligibility Committee**

Ms. Kellen reported the Eligibility Committee met in February and is working on authorized representative designation. The Committee discussed the Eligibility Support grant concept and there wasn't much support for the concept. However, the Committee suggested that counties should share best practices.

### **Mini Grant Contract Extension**

Ms. Kellen reported that Madera County wrote the Governing Board to request a 2-month no-cost grant extension of their Mini Grant. Other grantees have indicated a desire to ask for a no-cost extension as well. Governing Board staff requested that the Board approve a 2-month no-cost extension for interested grantees.

**ACTION MSC:** Governing Board approve a no-cost 2-month extension of the Mini Grant contracts at request of grantee.

APPROVED	Votes:	Aye	7
		Nay	0

### **CMSP Financial Reports**

#### Report on Incurred But Not Paid (IBNP) Claims

Ms. Brownstein presented the HealthCare Analytical Solutions report on Incurred But Not Paid CMSP Claims. Discussion among Board members ensued.

ACTION MSC: Governing Board approve the HCAS report on IBNP claims.

APPROVED	Votes:	Aye	7
		Nay	0

Report on Program Audit for FY 2016-17 by Crowe Horwath LLP

Ms. Brownstein introduced Jeff Jensen of Crowe Horwath LLP who presented the firm's audit report and findings for the June 30, 2017 financial statement.

ACTION MSC: Governing Board accept the audit report as of June 30, 2017 presented by Crowe Horwath LLP.

APPROVED	Votes:	Aye	7
		Nay	0

CMSP Balance Sheet

Ms. Brownstein presented financial statements for the following: November 30, 2017; December 31, 2017; January 31, 2018; and February 28, 2018. The CMSP Balance Sheets show:

ITEM	11/30/17	12/31/17	1/31/18	2/28/18
Total CMSP Funds	\$322,658,051	\$327,308,847	\$333,018,514	\$336,504,875
Total Assets	\$323,429,028	\$328,410,824	\$333,482,028	\$337,299,389
Total Liabilities and Equity	\$323,429,028	\$328,410,824	\$333,482,028	\$337,299,389
Cash balances in CMSP Fund 896	\$0	\$0	\$0	\$0
Cash balance in CMSP Fund 359	\$0	\$0	\$0	\$0

FY 2017-18 Program Budget Expenditures Year-to-Date

Ms. Brownstein presented a report on year-to-date actual versus budgeted Program expenditures. As of November 30, 2017 there were expenditures of \$2,481,023 (accrual basis). As of December 31, 2017 there were expenditures of \$2,823,464 (accrual basis). As of January 31, 2018 there were expenditures of \$3,079,157 (accrual basis). As of February 28, 2018 there were expenditures of \$3,614,691 (accrual basis). The approved Program Budget for FY 2017-18 is \$16,533,000.



FY 2017-18 Administrative Office Budget Expenditures Year-to-Date

Ms. Brownstein presented a report on year-to-date actual versus budgeted Administrative Office expenditures. As of November 30, 2017 there were expenditures of \$588,513 (accrual basis). As of December 31, 2017 there were expenditures of \$687,735 (accrual basis). As of January 31, 2018 there were expenditures of \$815,680 (accrual basis). As of February 28, 2018 there were expenditures of \$928,479 (accrual basis). The approved budget for FY 2017-18 is \$1,973,000.

**Program Administration**

Advanced Medical Management (AMM)

Ms. Brownstein reported that the current Services Agreement with AMM ends March 31, 2018, and the Board has authority to extend the contract for three additional terms of 12-month terms each, commencing April 1 of each year. Ms. Brownstein requested that the Governing Board approve extension of the Services Agreement for an additional term of 12 months.

ACTION MSC:       Governing Board approve extension of the Services Agreement with AMM for an additional term of 12 months.

APPROVED	Votes:	Aye	7
		Nay	0

MedImpact

Ms. Brownstein reported that she regularly meets with the MedImpact Account Manager for CMSP and there are no issues to report at this time.

**Low Income Health Program (LIHP) Transition**

Federal CPE Claiming

Ms. Brownstein reported that there is a small amount of administrative claiming pending with the State.

**Public Comments**

Ms. Flores, Health Access California, expressed appreciation for the Governing Board's vote on the Primary Care Benefit expansion and expressed the organization's intention to work with the Board, staff and the Planning and Benefits Committee on the concept.