

MINUTES
CMSP GOVERNING BOARD
Thursday, May 31, 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 Forster, Supervisor, Amador County
Elizabeth Kelly, Director, Colusa County Human Services
Tammy Moss-Chandler, Health and Human Services Director, Mendocino County
Christine Zoppi, Health Director, Glenn County

MEMBERS ABSENT

Richard Egan, County Administrator, Lassen County
Leonard Moty, Supervisor, Shasta County
Elliott Smart, Social Services Director, Plumas County
Brad Wagenknecht, Supervisor, Napa 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

Birgitta Corsello, Vice Chair, opened the Open Session meeting and asked for introductions. Board members introduced themselves. Ms. Corsello invited members of the public to introduce themselves. Ms. Corsello also invited any general public comment on the agenda. There were no general public comments.

Ms. Corsello stated that Board Member Elliott Smart is retiring from county service and this was to be his last Board meeting, but he was unable to attend. Ms. Corsello presented a plaque in appreciation to Mr. Smart in his absence, noting that he has been a Governing Board Member for twelve years, from 2006-2018, and that he served as Board Chair from 2009 to 2018 and also served as Eligibility Committee Chair from 2009 to 2018. Ms. Corsello read the inscription on the plaque, which reads, "Successful is the person who leaves the world better than they found it, who never fails to look for

the best in others or give the best of themselves.” She stated that there were no truer words, and thanked Mr. Smart for his contributions to the Board.

Correspondence and Consent Calendar

Ms. Corsello requested a motion on the Correspondence and Consent Calendar.

ACTION MSC: Approve the Correspondence and Consent Calendar for May 31, 2018.

APPROVED	Votes:	Aye	6
		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 took no action.

Report from Legislative Representative

Paul Yoder and Karen Lange of Shaw/Yoder/Antwih Inc. greeted the Governing Board. Mr. Yoder stated that the Legislative process is at an important juncture. Tomorrow is the deadline for bills introduced in 2018 to get out of their house of origin. Some bills will pass and some will die. Further, the Legislature is in the home stretch of the state budget process, and the Legislative Budget Conference Committee is meeting at this very time. With the 72-hour in-print rule, the timeframe for the Budget Conference Committee to complete its actions is roughly 10 days. The Senate and Assembly are proposing to overspend the Governor’s May Revision Budget by \$2.5 billion. While the Governor may allow an increase of up to half of this amount, that means there will still be reductions to what has been approved by the two houses.

Mr. Yoder distributed what he characterized as a “handy cheat sheet” that was prepared by the Urban Counties Caucus and identifies key county issues in the State Budget. Mr. Yoder noted that each house adopted a different health care package that will need to be reconciled.

Ms. Lange stated that one big issue for the Legislature is homelessness. There are competing proposals from each house and the Governor put forward a proposal of his own. A group of cities is seeking their own direct money, although it is expected that much of the funding will go through the counties because counties administer the health and human services programs. Large cities in particular want direct funding to deal with

their homeless issues separately from the county process. Insofar as there are three pending housing programs currently being implemented, including the “No Place Like Home” program, state officials are suggesting that funding provided through the new State Budget should be treated as money to bridge to other money provided by these pending programs.

In addition to the health care package, the Senate passed SB 974 (Lara), which would make undocumented persons age 65 and older eligible for full-scope Medi-Cal.

In separate action, various public utilities are seeking changes to current law pertaining to their liability for failing to address necessary clearances that result in fires. A letter on this matter was sent to the Governor last week by the utilities seeking an urgent solution to reduce utility liability.

Affordable Care Act (ACA)

Ms. Brownstein reported there are no new ACA repeal bills or other federal actions to report. She noted that repeal of the penalty for failure to purchase health insurance takes effect next year, and it’s important for people to understand there may be future impacts on CMSP.

Mr. Yoder stated that Gavin Newsom has a set of big ideas, including ones in the health care arena. So, if he is elected Governor, it is anticipated he will make proposals to move toward universal health coverage.

Report on Board Member Election

Ms. Brownstein reported that Elliott Smart, Plumas County Social Services Director, is retiring and an election of a Social Services Director is needed to fill the open position.

ACTION MSC: Governing Board authorize the Administrative Officer to seek the assistance of CWDA in electing a Social Services Director to serve on the CMSP Governing Board.

APPROVED	Votes:	Aye	6
		Nay	0

Appointment of Board Member to Eligibility Committee

Ms. Corsello invited nominations for a Board Member to serve on the Eligibility Committee. There were no volunteers, so action on this matter was deferred to the July Governing Board meeting.

Proposed Services Agreements

Ms. Brownstein presented two proposed Services Agreements for consideration by the Governing Board.

A. State of California Department of Health Care Services (DHCS)

Ms. Brownstein stated that the Governing Board's current Services Agreement with DHCS covers specified data, eligibility system, and CMSP Account management services and ends June 30, 2018. The proposed Amendment would continue the services until June 30, 2022 with annual future costs up to approximately \$73,000.

ACTION MSC: Governing Board approve the proposed Amendment with the California Department of Health Care Services, with modifications to revise the term of the Agreement.

APPROVED	Votes:	Aye	6
		Nay	0

B. Healthcare Analytical Solutions, Inc.

Ms. Brownstein reported that the Governing Board utilizes Healthcare Analytical Solutions, Inc. (HCAS) to carry out a wide range of data collection, analysis and reporting activities on behalf of the Board, including projections of incurred but not paid (IBNP) claims, certified public expenditures, special projects and periodic data reports on key eligibility or benefit issues. The proposed Amendment to the Services Agreement with HCAS would update the Compensation for Services under Exhibit B and extend the term to June 30, 2020.

ACTION MSC: Governing Board approve the proposed Services Agreement with the Healthcare Analytical Solutions, Inc., which increases the rate of compensation for one analyst and extends the Agreement for two years.

APPROVED	Votes:	Aye	6
		Nay	0

Planning and Benefits Committee

Committee Membership

Alison Kellen, Program Manager, reported that there is a proposed roster for the Committee. Two county positions need to be approved. It is recommended Donnell Ewert (Shasta County) be approved as a committee member, effective immediately. It is recommended that Homer Rice (Yuba County) be approved as a committee member, effective in June with the pending retirement of a current committee member.

ACTION MSC: Governing Board approve Donnell Ewert and Homer Rice as members of the Planning and Benefits Committee, with Mr. Ewert's membership effective immediately and Mr. Rice's membership effective in June following the retirement of a current committee member.

APPROVED	Votes:	Aye	6
		Nay	0

Pilot Project Concepts

Ms. Brownstein reported that a letter was sent to counties and CMSP stakeholders in February requesting suggested pilot project concepts, and a wide range of responses were received. The Planning and Benefits Committee considered these concepts along with a staff recommendation on each concept. The Planning and Benefits Committee took action to recommend the Governing Board approve three pilot projects, which are discussed further below.

- 0-138% FPL Primary Care Benefit Program (Path2Health)

Ms. Brownstein briefly outlined the proposed expansion of primary care benefit coverage to the 0-138%FPL undocumented population. The Planning and Benefits Committee approved the proposed expansion and recommended approval by the Governing Board. At the March Board meeting the Governing Board discussed the proposal and asked the Administrative Officer to bring the proposal back to the Board's May 31, 2018 meeting with the issues of evaluation and navigation of undocumented persons to legal status more fully developed.

Board discussion ensued. It was clarified that the Board would like to provide undocumented persons that participate in the new program with information on the pathway for becoming documented, as opposed to a formal referral or new process. Board members suggested that existing pathways available at the county level should be identified.

Ms. Corsello asked for any public comment. Alvaro Fuentes of the Community Clinic Consortium stated that the Consortium is pleased with the direction of the proposal, but their letter offers recommendations for strengthening the proposal and limiting the potential barriers to participation. In particular, the Consortium recommends against requiring that Medi-Cal enrollment be a condition of enrollment because they are concerned this will be a deterrent to people signing up.

Further, the Consortium is concerned about the evaluation component and the intended assessment of the program's impact on hospital emergency department visits. The Consortium believes there are issues with the premise because the population to be

covered isn't going to the hospital. Further, the Consortium is concerned that it will not be possible to get data on emergency department utilization by the covered population because many of the community health centers that will participate in the program do not have local arrangements with hospitals; and, setting up those relationships and putting data sharing agreements together will be difficult and take a long time.

Anthony Wright of Health Access California stated that Health Access appreciates the efforts of the Governing Board to provide primary and preventive care to the 0-138% FPL population. He stated that there is a real interest in the population at the state level, with efforts underway to expand Medi-Cal to the undocumented (SB 974 (Lara): age 65 and older; and AB 2965 (Arambula): ages 19-25). He estimated that the state coverage expansions would reach roughly 10-15% of the uninsured population, leaving the remainder as uninsured and needing coverage.

Mr. Wright offered the following additional points. First, he said that Health Access generally supported the recommendations of the Clinic Consortium. Second, he asked why the recommendation from CMSP staff was made to make sure people are enrolled in emergency Medi-Cal and questioned whether this would create a barrier to care. Finally, he asked if it is the intent of the Governing Board that any clinic in a CMSP county could participate in the program, or does participation have to go through the "home county" where the clinic is located.

Claire Cain, Program Manager with Redwood Community Health Coalition stated that the Coalition's concerns about the program also pertained to the enrollment in Emergency Medi-Cal; and that she also wanted the Board to know that none of their clinics have access to hospital utilization data.

In response to questions raised by the speakers, Ms. Brownstein reported that it is the intention that any community health center in any CMSP county could participate in the grant program and that the health center would not be required to go through a "home county." Ms. Brownstein asked Lee Kemper, Policy and Planning Consultant, to explain the thinking behind the enrollment strategy.

Mr. Kemper stated that the purpose of linking enrollment for the new CMSP benefit program to enrollment in Emergency Medi-Cal is designed to streamline program enrollment and avoid the barriers and cost associated with conducting another eligibility process. Mr. Kemper noted that it takes 60 to 90 days or more for county social services departments to complete the CMSP eligibility process. He also noted that creating a new structure for eligibility to be conducted by community health centers would be administrative complex, place more administrative demands on the health centers, delay program enrollment, and create additional administrative costs.

Mr. Kemper stated that linking enrollment for the new CMSP benefit program to existing enrollment in Emergency Medi-Cal would make it possible for enrollment in the new CMSP benefit to take place immediately and for enrollees to get health care services on

the day they enroll. Further, Mr. Kemper stated that undocumented persons that are not already enrolled in Emergency Medi-Cal but need primary health care services could still receive those services from a health center, as is current practice. Mr. Kemper noted that up to \$10 million in additional CMSP funding will be going to health centers under the new benefit program, and that resources health centers currently dedicate to serving the undocumented will be freed up and can be recommitted to serving the undocumented population that his not already enrolled in Emergency Medi-Cal.

Mr. Wright offered an additional comment regarding the size of the uninsured, undocumented adult population in CMSP counties. According to Health Access' estimates, developed in consultation with the UC Berkeley Center for Labor Research and Education, the 0-138% FPL undocumented population in the CMSP counties is estimated to be roughly 75,000 of which 50,000 are currently enrolled in Emergency Medi-Cal.

Discussion among Board members ensued.

ACTION MSC: Governing Board approve the staff recommendation on the new Path2Health primary care benefit program (as set forth in the program description) and to ask staff to report on how information will be provided on the pathway to documented status. Further, the Governing Board shall leave the door open to further consideration of how to address the needs of undocumented persons not enrolled in Emergency Medi-Cal and on the enrollment cap of 25,000.

APPROVED	Votes:	Aye	6
		Nay	0

▪ Local Health Care System Grants

Ms. Brownstein stated that the Planning and Benefits Committee took action recommending that the Governing Board expand the Health Systems Development Mini Grants program into a competitive Local Health Care System Grants program with individual award amounts of up to \$100,000 per year for up to three years. The existing Mini Grants program provides one-time funding of up to \$20,000 and a total of eleven grants have been funded at a cost of \$218,537.

A question was asked about funding for capital needs of clinics and counties. Ms. Brownstein stated that capital needs were not included in the Local Health Care System Grants. The Board asked that staff conduct additional work to investigate what a capital projects grant program could look like. Staff agreed to further investigate that concept.

Ms. Corsello asked for public comment. A question was asked whether there would be a requirement that every county get grant funding under the program. Ms. Brownstein

said no, the process for determining funding will be competitive, and not all applications will necessarily be funded.

Alison Kellen, Program Manager, outlined the next steps for developing the grant program. These include developing the RFP; developing scoring criterion for ranking proposals; conducting a teleconference with interested applicants to explain requirements and expectations; recruiting proposal reviewers; reviewing and scoring proposals; and, bringing the ranked proposals and recommended grant awards to the Governing Board for consideration. Ms. Kellen stated that geographic distribution of the grant funding would be considered as a part of the review process so that some counties are not favored over others.

ACTION MSC: Governing Board approve the Planning and Benefits Committee recommendation on the Local Health Care System Grants.

APPROVED	Votes:	Aye	6
		Nay	0

▪ Healthcare Workforce Loan Repayment

Ms. Brownstein reported that the Governing Board, after the Board's 2015 strategic planning meeting, approved establishment of a partnership with the Office of Statewide Health Planning (OSHPD) for a targeted expansion of two health care provider loan repayment programs in CMSP counties. Ms. Brownstein briefly described the Loan Repayment Program (LRP), which provides loan repayment for primary care physicians, psychiatrists, NPs, PAs, and dentists; and the Allied Healthcare Loan Repayment Program (AHLRP), which provides loan repayment for various allied health care personnel in medical offices, clinics and hospitals.

Ms. Brownstein stated that the Planning and Benefits Committee took action recommending that the Governing Board extend these loan repayment programs with three additional funding cycle for the LRP and two additional cycles for the AHLRP. Discussion among Board members ensued.

ACTION MSC: Governing Board approve the Planning and Benefit Committee recommendation to extend the LRP and AHRLP programs.

APPROVED	Votes:	Aye	6
		Nay	0

CMSP Loan Repayment Program (CMSP LRP)

Ms. Kellen reported on the current status of the CMSP LRP. A cycle of funding was just completed, and 25 applicants were funded in 13 counties. Most applicants do practice under primary care, but seven applicants are dentists. With the Board's approval of

additional funding for LRP, up to 25-30 new providers will be able to participate in the program each year, in addition to continuation of existing loan repayment recipients.

CMSP Financial Reports

CMSP Balance Sheet

Ms. Brownstein presented financial statements for the following: March 31, 2018 and April 30, 2018. The CMSP Balance Sheets show:

ITEM	3/31/18	4/30/18
Total CMSP Funds	\$341,747,135	\$348,177,625
Total Assets	\$343,037,684	\$348,696,139
Total Liabilities and Equity	\$343,037,684	\$348,696,139
Cash balances in CMSP Fund 896	\$0	\$0
Cash balance in CMSP Fund 359	\$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 March 31, 2018 there were expenditures of \$4,128,872 (accrual basis). As of April 30, 2018 there were expenditures of \$5,050,653 (accrual basis). The approved Program Budget for FY 2017-18 is \$17,083,000.

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 March 31, 2018 there were expenditures of \$1,073,800 (accrual basis). As of April 30, 2018 there were expenditures of \$1,176,744 (accrual basis). The approved budget for FY 2016-17 is \$1,973,000.

Proposed FY 2018-19 CMSP Budget

Ms. Brownstein stated that she had prepared two alternative budgets for consideration by the Governing, based upon whether the Board approved the pilot project and grant program recommendations from the Planning and Benefits Committee. In light of the Board's action, Ms. Brownstein directed the Board to the proposed CMSP Budget (2), which incorporates proposed expenditures for the pilot project and grant programs.

Ms. Brownstein briefly outlined the major assumptions in the proposed FY 2018-19 CMSP Budget, which include:

- Budget projects a Beginning Fund Balance of \$355 million
- Budget assumes no sales tax or VLF growth in FY 2018-19
- Budget proposes to waive the County Participation Fees of \$5.991 million

- New Path2Health Pilot Project expenditures of \$5 million
- Wellness and Prevention Grants to Counties, Local Health Systems Grants, and Workforce Development of \$7.74 million
- Additional administrative costs for Path2Health Pilot Project included in Administrative Office Budget

ACTION MSC: Governing Board approve the proposed FY 2018-19 CMSP Budget (2) which incorporates the earlier actions approved by the Governing Board.

APPROVED	Votes:	Aye	6
		Nay	0

Program Administration

Advanced Medical Management (AMM)

Ms. Kellen reported that the Board approved a streamlining of the existing Primary Care Benefit (PCB) into the CMSP Standard Benefit and staff have been working with AMM to implement this. MedImpact is completing complementary work on this effort. Marissa Steiner, AMM, anticipates that the go-live date for the benefit changes is September or October.

MedImpact

No additional report.

Low Income Health Program (LIHP) Transition

A small amount of LIHP receivables for administrative costs and small amount of payment to one hospital is pending.

Governing Board Meeting Dates

Ms. Brownstein asked Board members present to confirm their availability for the three remaining scheduled meetings of the Governing Board in 2018: July 26, October 11, and December 13. Discussion among Board members ensued. Ms. Brownstein stated that she would follow up with the Board members absent from the meeting to receive their feedback.

Public Comments

Ms. Corsello asked for additional public comments. There were no additional public comments and Ms. Corsello adjourned the meeting.