

MINUTES
CMSP GOVERNING BOARD
Thursday, February 13, 2019

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

MEMBERS PRESENT

Patrick Blacklock, County Administrator, Yolo County
Sanjay Bugay, Health and Human Services Director, Kings County
Birgitta Corsello, County Administrator, Solano County
Richard Forster, County Supervisor, Amador County
Elizabeth Kelly, Director, Colusa County Human Services
Christine Zoppi, Health Director, Glenn County

MEMBERS ABSENT

Michelle Baass, Undersecretary California Health and Human Services Agency
Richard Egan, County Administrator, Lassen County
Tammy Moss-Chandler, Health and Human Services Director, Mendocino County
Leonard Moty, County Supervisor, Shasta County
Brad Wagenknecht, County Supervisor, Napa County

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 introduced herself. She invited Board members and members of the public to introduce themselves. Ms. Corsello invited public comment and there were no comments.

Correspondence and Consent Calendar

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

ACTION MSC: Approve the Correspondence and Consent Calendar for February 13, 2019.

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 two potential Governing Board litigation matters and provided direction to the General Counsel.

Report from Legislative Representative

Karen Lange of Shaw/Yoder/Antwih Inc. (SYA) greeted the Governing Board. Ms. Lange described a recent joint meeting of the Senate and Assembly policy and budget committees on health, which convened to explore options for affordability and expansion of health coverage. During the public comment, SYA advised the four committees about the Governing Board's new Path to Health primary care benefit program for undocumented, low-income adults. Senator Pan (Sacramento, Yolo), Dr. Arambula (Fresno) and Dr. Wood (who represents several CMSP counties) were all in attendance at the meeting.

Paul Yoder stated that with the introduction of the FY 2019-20 State Budget, the Governor said there would be another \$13.6 billion available for expenditure, and he programmed this for spending. However, revenues were down in December and January, and while the estimates are ahead of what the FY 2018-19 State Budget projected, revenues are down from what the Governor's budget assumed for FY 2019-20. This may impact what the Governor is able to support in the May Revision for one-time and ongoing expenses.

Proposals to End Realignment Funding to CMSP

Kari Brownstein, Administrative Officer, stated that the Governor's FY 2019-20 Budget proposes to terminate annual Realignment funding to CMSP and redirect all revenues that would otherwise be allocated to the State General Fund. This action would be accomplished through two separate actions:

- Changes to AB 85 Realignment allocations to redirect amounts for CMSP and five "non-formula" counties (Placer, Sacramento, Santa Barbara, Stanislaus, Yolo). The change would be made through a change to the current 60(state)/40(county) allocation formula to 75(state)/25(county).
- Eliminate Realignment growth allocations to the CMSP Board beginning in 2019-20 and until the Board's operating reserves fall below three months.

Discussion among Board members ensued. The thrust of these comments stated that

CMSP brings important value to the CMSP counties, and the Governing Board needs to think more about how it can partner with our counties and other partners, including some in the room attending the meeting, and to identify how the Board can partner with the Administration in the future. The Board considered staff recommendations on the proposed changes to the Realignment funding for CMSP.

ACTION MSC: Board establish an ad hoc committee composed of up to four Board members to work with the Administrative Officer on current State Budget issues (Richard Forster, Birgitta Corsello, Patrick Blacklock, Brad Wagenknecht) and identify opportunities to partner with the State.

APPROVED	Votes:	Aye	6
		Nay	0

ACTION MSC: Board take a position of Oppose Unless Amended on the proposed State Budget actions affecting future Realignment funding for CMSP to limit any annual redirection of Realignment revenues otherwise available to CMSP to the amount that reflects actual costs savings attributed to the Medi-Cal coverage expansion population served in CMSP counties; and, to make no changes to Realignment growth calculations affecting CMSP.

APPROVED	Votes:	Aye	6
		Nay	0

Ms. Corsello recognized Mary June Diaz, Senior Policy and Legislative Advocate, Health Access. Ms. Diaz stated that Health Access has questions about the proportionality of the reduction to counties and its link to the coverage expansion, and that Health Access wants to work with the Board to protect CMSP revenues to continue to expand access to health coverage.

Ms. Corsello asked staff to prepared talking points and supporting materials for the Board members. Richard Forster stated that he thinks an education effort is needed about what CMSP has done and is doing to reach the uninsured.

Affordable Care Act

Ms. Brownstein reported that Covered California officials recently reported that new enrollments dropped 24% during the recent open enrollment period. Covered California officials attribute this drop in enrollment to elimination of the federal tax penalty and repeal of the individual mandate. Ms. Brownstein reported that Covered California saw

the largest drop in the bronze plans and with higher income people. With a drop in new enrollments more individuals have the potential to seek coverage from CMSP.

Ms. Lange stated that Governor Newsom has proposed to reinstate the health insurance penalty, and this may present an opportunity to discuss the impact of the loss of the insurance mandate on future CMSP enrollment.

A follow up question was raised for discussion. If CMSP is the payer of last resort, and if persons that are eligible for M/C and CC are not eligible for CMSP, how could the CMSP population grow? The answer is that during periods when Covered California open enrollment is not available (roughly three-quarters of the year) then those individuals that would otherwise go to Covered California can instead get coverage from CMSP, until the next Covered California coverage period takes effect (i.e. the beginning of the following calendar year).

Ms. Diaz stated that Health Access supports the Governor's affordability proposals along with the Governor's proposal to reinstate the insurance mandate. These efforts continue to be a part of Health Access' goals.

Election of Officers

At the beginning of each New Year, the Governing Board elects the Board's Chair and Vice Chair.

ACTION MSC: Board re-elect the same officers for 2019 as were elected in 2018, specifically Brad Wagenknecht as Chair and Birgitta Corsello at Vice Chair.

APPROVED	Votes:	Aye	6
		Nay	0

Election of Executive Committee

At the beginning of each New Year, the Governing Board elects the Board's Executive Committee.

ACTION MSC: Board re-elect the same composition of Executive Committee members for 2019 as were elected in 2018, specifically Brad Wagenknecht, Birgitta Corsello, Christine Zoppi, and Elizabeth Kelly.

APPROVED	Votes:	Aye	6
		Nay	0

Appointment of Board Members to Committees

At the first meeting of each new calendar year, the Governing Board appoints members of the Board to serve on the Board's Planning and Benefits Committee and Eligibility Committee.

ACTION MSC: Board appoints Christine Zoppi to serve on Planning and Benefits and Sanja Bugay to serve on the Eligibility Committee.

APPROVED	Votes:	Aye	6
		Nay	0

Report on CMSP Regional Administration of Substance Use Disorder (SUD) Services

At the Governing Board's October 11, 2018 meeting, Jennifer Kent, DHCS Director, made a presentation on dynamics affecting the delivery of Medi-Cal substance use disorder treatment (SUDT) services and proposed that the Governing Board partner with DHCS for administration of SUDT services. Ms. Kent outlined two potential options for a Governing Board role: 1) administer the State Plan Drug Medi-Cal benefit (five benefits); or, 2) administer the enhanced benefits under the Drug Medi-Cal Organized Delivery System (ODS) Waiver.

The Governing Board considered the proposal at its December 2018 meeting and took no action. Since that time, there has been no further conversation with DHCS on this matter.

Christine Zoppi suggested that the County Behavioral Health Directors Association (CBHDA) be contacted to assess the interests of small counties concerning this matter. Meaghan McCamman, Assistant Director, Inyo County Health and Human Services, stated that Inyo County is very interested in exploring a relationship with CMSP to administer Medi-Cal drug benefits, and suggested other small counties could be interested in this as well.

Path to Health Pilot Project

Path to Health Evaluation Budget

Ms. Brownstein briefed the Board on the status of the Services Agreement with UCLA Department of Family Medicine to conduct an evaluation of the Path to Health pilot program. Ms. Brownstein reported that the total budget for the engagement is \$684,753 and the amount of \$149,475 needs to be added to the CMSP budget for services in the current fiscal year.

ACTION MSC: Governing Board approves the proposed FY 2018-19 budget change to include \$149,475 for Path to Health Pilot Project evaluation services.

APPROVED	Votes:	Aye	6
		Nay	0

Path to Health Marketing/Media Plan

The Governing Board was asked to consider a proposed marketing and media plan for Path to Health. Jane Olvera, JP Marketing, introduced herself and presented a handout on CMSP marketing and outreach. Ms. Olvera reported that the Path to Health website is final, in English and Spanish (fully translated), and is fully operational.

Ms. Olvera outlined the proposed Marketing and Outreach Plan for phase one, which will focus on Spanish radio ads, digital ads, health center outreach/support, and public relations.

Michael Delaney, a consultant to JP Marketing, proposed three planks for the roll out of Path to Health to take effect in early March: state level press release, health center level press release, and participating in a conference call with health center staff carrying out the roll out.

ACTION MSC: Governing Board approve an amount of \$49,000 to implement the proposed Phase 1 marketing and outreach plan and encourage working with partners with experience in reaching the target population.

APPROVED	Votes:	Aye	6
		Nay	0

Ms. Diaz, Health Access, stated that Health Access would like to offer suggestions on how to reach ethnic communities under the Path to Health marketing plan, and JP Marketing representatives expressed great interest in receiving this support.

Proposed Services Agreements

Ms. Brownstein presented two proposed Services Agreement for Governing Board consideration.

Office of Statewide Health Planning and Development (OSHPD)

As a part of the Board's partnership with OSHPD, the Board is funding two loan repayment programs for health care professionals and ancillary health care personnel in

CMSP counties. The Board approved an increase in funding to expand these two loan programs and OSHPD has requested an increase in administrative funding support to the expansion.

ACTION MSC: Governing Board approve the proposed Services Agreement with OSHPD for administration of the SLRP and AHLRP programs, which provide an amount of \$1.9 million in administration funding, for a total of \$10.5 million in total loan repayments; and additionally, include a termination provision in the Agreement pertaining to the loss of funding.

APPROVED Votes: Aye 6
 Nay 0

Lexlogia Technologies Services Agreement

Ms. Brownstein stated that the Governing Board currently utilizes Network Providence for data integration design, development, and support, and key staff assigned to the Board’s work recently moved to Lexlogia Technologies. To ensure seamless implementation of the Board’s Path to Health Pilot Project and address other CMSP system matters, the Board is asked to contract with Lexlogia for these important data system services in lieu of Network Providence.

ACTION MSC: Governing Board approve the proposed Services Agreement with Lexlogia for information technology services, and authorize the Administrative Officer, with the assistance of the General Counsel, to execute the agreement.

APPROVED Votes: Aye 6
 Nay 0

CMSP Financial Reports

CMSP Balance Sheet

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

ITEM	11/30/18	12/31/18
Total CMSP Funds	\$369,095,389	\$374,528,886
Total Assets	\$370,381,385	\$376,349,892
Total Liabilities and Equity	\$370,381,385	\$376,349,892

FY 2018-19 Program Budget Expenditures Year-to-Date

Ms. Brownstein presented a report on year-to-date actual versus budgeted Program expenditures. As of November 30, 2018 there were expenditures of \$3,576,194 (accrual basis). As of December 31, 2018 there were expenditures of \$4,290,031 (accrual basis). The approved Program Budget for FY 2018-19 is \$24,465,500.

FY 2018-19 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, 2018 there were expenditures of \$750,328 (accrual basis). As of December 31, 2018 there were expenditures of \$873,374 (accrual basis). The approved Administrative Office Budget for FY 2018-19 is \$2,695,500.

Program Administration

County Medical Services Program

Laura Moyer, Program Analyst, reported the Local Health Systems Development Grant Request for Proposals (RFP) was launched January 2 and proposals are due March 1. To date, 71 participants have participated in two conference calls. Ms. Moyer expects the Board will receive between 20 and 40 proposals. Currently, CMSP staff is looking for reviewers to review/score proposals. Staff is looking to present recommendations at the April Board meeting.

Alison Kellen, Program Manager, reported that Path to Health was launched in Santa Rosa and Petaluma on February 1. Nine other sites will come up on February 19. Three different types of training have been conducted to support program implementation: orientation, enrollment, and billing. The Path to Health website is nearly final. At the end of the month, PR contacts will be identified at each of the health center sites, to support in-reach and outreach and communication with local emergency departments. An All County Letter on the program was sent out on January 31, 2019.

Implementation of the new rebranded CMSP website is pending further development.

Chris Salmon, IT Systems Manager, reported the enrollment system for Path to Health came up on February 1 (on time and on budget). Health center users are using it now. Seventy user IDs have been added. As of this morning, 82 Path to Health enrollees have enrolled. Penetration tests have been successful to date. All enrollment materials are available in Spanish and English.

Advanced Medical Management (AMM)

Ms. Brownstein reported that the Services Agreement with AMM provides for three separate 1-year extensions, and she requested the Governing Board approve an extension of the Services Agreement.

ACTION MSC: Governing Board approves an extension of the Services Agreement with AMM for an additional year.

APPROVED	Votes:	Aye	6
		Nay	0

MedImpact Contract Amendment

Ms. Brownstein reported that the major activity for MedImpact has been the Path to Health project. There is a new formulary structure for the program, all contracted pharmacies have been contacted, and MedImpact is beginning to get Path to Health enrollment.

Low Income Health Program (LIHP) Transition

Ms. Brownstein reported that State DHCS still needs to reconcile certain LIHP payments between program costs and administrative costs. Following this reconciliation, the Board will receive a net payment back for administrative costs.

Public Comments

Ms. Corsello asked for public comments and there were no public comments.