

MINUTES
CMSP GOVERNING BOARD
Thursday, May 30, 2019

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

MEMBERS PRESENT

Patrick Blacklock, County Administrator, Yolo County
Sanja 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
Leonard Moty, County Supervisor, Shasta County
Brad Wagenknecht, County Supervisor, Napa County
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

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, Chair, opened the Open Session meeting and introduced himself. He invited Board members and members of the public to introduce themselves. Mr. Wagenknecht invited public comment and there were no comments.

Correspondence and Consent Calendar

Mr. Wagenknecht requested a motion on the Correspondence and Consent Calendar. Board Member Christine Zoppi left the meeting.

ACTION MSC: Approve the Correspondence and Consent Calendar for May 30, 2019.

APPROVED	Votes:	Aye	7
		Nay	0

Ms. Zoppi returned to the meeting.

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 and discussed the Administrative Officer's performance evaluation, but took no action.

Report from Legislative Representative

Karen Lange greeted the Governing Board. Ms. Lange reported that the Legislature is wrapping up "house of origin" deadline bills today. These are bills that need to pass out of their original houses, with certain exceptions (constitutional amendments, emergency clauses). She also reported that the Budget Conference Committee starts today and the Committee will do its first pass on the budget, where the Committee will hear what both houses did. She noted that the Budget Conference Committee agenda does not include a discussion of funding for homeless programs. This is reportedly due to legislative staff in both houses recommending that the funding go to cities and local homeless continuums of care (COC). As a consequence, there is an effort underway by CSAC, RCRC and counties to get the homeless money back into Budget Conference Committee to make it possible for funding to be allocated to counties. The county position is more in line with what the Governor proposed.

Paul Yoder greeted the Board. Mr. Yoder reported that there is optimism that a compromise with the Administration will be achieved to maintain the 60/40 split of Health Realignment revenue to CMSP and CMSP counties (as set forth in AB 85), post a determination by the Department of Finance that the CMSP Reserve balance is less than two-years of operational funding. The matter is before the Conference Committee and needs be closed out. Ms. Lange presented a copy of an analysis by the Legislative Analyst's Office (LAO) of the Administration's proposed 75/25 formula, and this analysis confirmed the findings presented by the Governing Board that the proposed formula would result in \$0 funding in FY 2019-20 and each fiscal year thereafter.

Report from CMSP State Budget Ad Hoc Committee

Mr. Wagenknecht reported that Ad Hoc Budget Committee has been working actively with Shaw Yoder Antwih and is very appreciative of the support and advocacy the Board has received from Ms. Lange and Mr. Yoder. Mr. Yoder noted Patrick Blacklock's contributions to the effort as a key representative of the Governing Board to the Department of Finance, and overall commended a strong team effort. Mr. Yoder

noted that the LAO analysis released today of the Administration's 75/25 proposal is helpful to the Governing Board's efforts. Mr. Wagenknecht reported that the Ad Hoc Committee will continue to monitor the issue until the issue is closed.

Mr. Yoder provided updated scheduling information that the Conference Committee would only be going through Education budget items today and it appears that the health and human services items will be considered next week.

Affordable Care Act (ACA)

Kari Brownstein, Administrative Officer, reported that Texas is leading a coalition of 18 states seeking to overturn the ACA and oral arguments will begin in July. California's Attorney General is leading a group of 21 states in opposition to the litigation.

Mr. Yoder reported that there is a proposal to establish an individual mandate through the State Budget and is contained as a Conference Committee item. Brendan McCarthy, Assistant Secretary, California Health and Welfare Agency, stated that the Governor's budget would impose a state version of the federal health insurance coverage mandate and use the penalty revenue to provide additional subsidies through Covered California. These subsidies would go up to 600% FPL.

Mr. Yoder stated that the Senate version of the Budget added about \$300 million in FY 2019-20 to provide more generous subsidies.

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

Ms. Brownstein reported she and Lee Kemper, Policy and Planning Consultant, met with DHCS Director Jennifer Kent to discuss next steps for possible CMSP administration of the core Medi-Cal SUDT benefit. Ms. Brownstein and Mr. Kemper asked for various information, and that information is starting to be provided by DHCS for staff review. Ms. Brownstein stated that the earliest it could be possible for the Governing Board to take on this new program responsibility would be July 1, 2020 due to the range of program development, policy and administrative actions that would need to be taken. Christine Zoppi reported that she attended a small counties group of the County Behavioral Health Director's Association (CBHDA) and she found there was real openness and enthusiasm to CMSP taking on the Medi-Cal SUDT responsibility.

Planning and Benefits Committee

Committee Membership

Alison Kellen, Program Manager, reported that the CMSP Planning & Benefits Committee has one vacancy for a provider/beneficiary advocate representative on the

Committee. She stated that nominations were reviewed during the Committee's May 9, 2019 meeting and the Committee took action to recommend that Michael Helmick, Senior Policy Analyst at California Primary Care Association join the Committee. Ms. Kellen presented a proposed Committee roster for the Board's review.

ACTION MSC: Governing Board approve the appointment of Michael Helmick, CPCA, and the roster of members on the Planning and Benefits Committee.

APPROVED	Votes:	Aye	8
		Nay	0

CMSP Program Expansion Concepts

Ms. Kellen reported that the Planning & Benefits Committee met on May 9, 2019 to review the four concepts developed through the CMSP State Budget Ad Hoc Committee:

- CMSP Primary Care Benefit Program Expansion Program
- Path to Health Benefit Coverage for Persons Ages 65+
- Local Indigent Care Needs
- Specialty Care Access Pool

Christine Zoppi, Planning and Benefits Committee Chair, reported that there was a lot of enthusiasm for the four program concepts. With regard to the extended Primary Care benefit program, there were very favorable comments, especially about use of an on-line enrollment portal. For expansion of Path to Health to person ages 65 and older, there was also strong support. With regard to the proposed grant funding for local indigent care services there was more divided input. While some members thought the funding concept has merit, for others it wasn't clear how counties would use the funding. A key comment in the committee was, how can counties fill their service needs and gaps with this funding? For the specialty care access program, the major questions were about potential cost and how to make these services widely available.

Board Member Sanja Bugay expressed concern about the relative ability of counties, especially small counties, to submit grant proposals required for participation in the grant programs. Ms. Kellen noted that under prior CMSP grants, smaller funding amounts were made available for grant planning and development efforts. She also noted that the Governing Board, in the past, has provided funding for technical support for the counties. Ms. Kellen suggested that a third approach could be to compile information on the prior CMSP funded grant programs, provide a summary of those programs and how they worked, and then disseminate that information. Ms. Kellen suggested that these three approaches could be taken back to the Planning and Benefits Committee for further consideration.

Ms. Zoppi stated that she would like to see that every CMSP county that wants a project can get funded for the project within some reasonable time horizon. Board members generally concurred that the concept of funding for all counties is important. Ms. Bugay also recommended that the Board add staff to the CMSP office to provide the technical support to counties for development of local programs.

Ms. Kellen stated that the Committee plans to meet again in August following approval of the State Budget and final determination of the CMSP FY 2019-20 Budget.

CMSP Ad Hoc Eligibility Resources Workgroup

Ms. Kellen reported that there are a few proposed changes to the CMSP Eligibility Manual offered to the Board for consideration. These proposed changes would conform with changes made to Medi-Cal process concerning authorized representatives. The Board packet includes the proposed changes to the CMSP Eligibility Manual. She reported that other changes are necessary due to modifications by the CalWIN and C-IV systems pertaining to categories for the lawfully present aliens and for updates to references to the CMSP Primary Care Benefit.

ACTION MSC: Governing Board approve the proposed changes to the CMSP Eligibility Manual, posting of the updated manual to the Governing Board's website, and release of the manual changes via All County Letter.

APPROVED	Votes:	Aye	8
		Nay	0

Path to Health Pilot Project

Path to Health Enrollment and Marketing

Ms. Brownstein reported that Path to Health enrollment has reached 1,890 members as of May 29, 2019. Ms. Kellen reported that JP Marketing has begun the Spanish radio and social media ads. The ad messages focus on the sense of family and maintaining health and wellness for your family. An updated status report from JP Marketing will be provided to the CMSP office in mid-June and CMSP staff will then trend the Path to Health enrollment data vis-à-vis the timeline for the marketing campaign.

Path to Health Request for Application

Ms. Brownstein reported that Madera Community Hospital in Madera County has expressed interest in participating in Path to Health and reminded the Board that two clinic organizations in the initial Request for Applications were not approved for participation. Ms. Brownstein suggested that the Board could consider taking an action to expand the program by releasing the Request for Applications (RFA) at the Board's

July Board meeting, following final action on the State Budget. Discussion among Board members ensued concerning reaching out to clinics that are currently contracted with CMSP or potentially interested in contracting, or alternatively releasing a new RFA.

ACTION MSC: Governing Board direct staff to re-issue the previous Request for Applications (RFA) with a new timeline. Further the Board delegates to CMSP staff the determination of other administrative matters related to release of the RFA. With its action, the Board intends that the first step of the RFA process would require a Letter of Interest from clinics interested in participating in Path to Health by the July Governing Board meeting, and then following the RFA process, clinics recommended for funding would be brought to the Governing Board in October 2019 for consideration.

APPROVED	Votes:	Aye	8
		Nay	0

Board Members Birgitta Corsello and Elizabeth Kelly left the meeting.

Health Systems Development Grant Program

Laura Moyer, Program Analyst, outlined efforts to reconsider seven Health Systems Development grant proposals submitted by counties and/or community based organizations. Ms. Moyer reported that 18 grant proposals were approved for \$5.4 million in funding at the Governing Board's April 10, 2019 meeting, but that seven applicants were provided the opportunity to address areas of deficiencies in their proposals and resubmit revised proposals.

Ms. Moyer stated that the CMSP staff (Program Manager, Program Analyst) and the Board's Policy & Planning Consultant served as the review committee and reviewed and scored the revised proposals. Five proposals received a score of 75 or higher and are recommended for funding.

Organization	County	Funding Request
Foothill House of Hospitality	Nevada	\$300,000
Mono County Health Department	Mono	\$300,000
Shasta Community Health Clinics	Shasta	\$300,000
Siskiyou HHSA - Public Health	Siskiyou	\$285,645
Tehama County Health Services Agency	Tehama	\$300,000

Ms. Moyer stated that although Modoc County's revised proposal was determined to have merit by the review committee, the applicant's proposed budget was not deemed reasonable. The assessment of the review committee is that the project could be completed on a budget of \$200,000 instead of the requested \$300,000. Based on this

Proposed FY 2019-20 CMSP Budget

Ms. Brownstein presented a proposed CMSP Program and Administrative Budgets for FY 2019-20 for consideration by the Governing Board. Ms. Brownstein noted that the program expansions approved by the Board at the Board's April 10, 2019 meeting were budgeted at \$0 pending resolution of the FY 2019-20 State Budget and determination of future annual realignment revenue to CMSP.

Ms. Brownstein outlined major changes from the FY 2018-19 Administrative Office Budget:

- Budget proposes a decrease to various IT line items as many FY 2018-19 costs were one-time costs related to implementation of Path to Health
- Budget proposes an increase to Marketing to complete contract with Marketing Vendor, phases 2 and 3 of Path to Health outreach and CMSP outreach
- Budget proposes increase to Path to Health Evaluation to include costs that have not incurred to date as well as FY 2019-20 anticipated costs
- Budget proposes decreases to both Accounting Services and Data Vendor.

Ms. Brownstein outlined major issues in the Program Budget:

- Budget projects a Beginning Fund Balance of \$400,000,000
- Budget assumes no Realignment revenue in FY 2019-20
- Budget assumes no Sales Tax or VLF growth in FY 2019-20
- Budget proposes to waive the county participation fees of \$5,991,905
- AMM and Pharmacy line items are calculated using projected enrollment and cost trend growth
- Path to Health Provider and Pharmacy payments are budgeted at \$10,000,000
- Wellness and Prevention Grants, Healthcare Systems Development Grants and Workforce Development of \$7,460,000
- Determination of funding for approved CMSP program expansions pends state action on the FY 2019-20 State Budget
- Budget proposes an ending Fund Balance of \$379,072,000 as of June 30, 2020.

Discussion among Board members ensued.

ACTION MSC: Governing Board approve the CMSP Program and Administration Budgets for FY 2019-20 as "placeholder budgets" with direction to staff to bring back final CMSP budget proposals in July 2019 that include the program expansions, required staffing, and related matters.

APPROVED	Votes:	Aye	6
		Nay	0

Board Member Leonard Moty left the meeting.

Program Administration

County Medical Services Program

Ms. Kellen reported that the Path to Health expenditures are now over \$122,000 and over 500 claims are under review (at a value of approximately \$76,000).

Advanced Medical Management (AMM)

Ms. Brownstein reported that two additional key employees at AMM (IT and Eligibility) have left AMM. These two employees are in addition to two prior key staff departures.

MedImpact

Ms. Brownstein stated that there is no new report.

Low Income Health Program (LIHP) Transition

Ms. Brownstein reported that there is a LIHP receivable of over \$3 million and reconciliation for that is expected to start this summer.

Public Comments

Mr. Wagenknecht asked for public comments and there were no public comments.