MINUTES CMSP GOVERNING BOARD

Wednesday, May 27, 2020

Via Zoom

MEMBERS PRESENT

Patrick Blacklock, County Administrator, Yolo County
Sanja Bugay, Health and Human Services Director, Kings County
Birgitta Corsello, County Administrator, Solano County
Richard Egan, County Administrator, Lassen County
Richard Forster, County Supervisor, Amador County
Brendan McCarthy, Assistant Secretary, California Health and Human Services Agency
Leonard Moty, County Supervisor, Shasta County
Jennifer Vasquez, Human Services Director, Yuba County
Christine Zoppi, Health Director, Glenn County

MEMBERS ABSENT

Elizabeth Kelly, Director, Colusa County Human Services Brad Wagenknecht, County Supervisor, Napa County

Welcoming Remarks and Request for Public Comments

Birgitta Corsello, Vice Chair, opened the meeting and introduced herself. She asked Kari Brownstein, Administrative Officer, to conduct a roll call of Board members attending the meeting, which Ms. Brownstein conducted. The members listed above announced their participation at the meeting.

Ms. Corsello asked if the Board had received any public comments via email submissions. Meegan Forrest, Accounting Manager, reported on and read to the Governing Board a joint letter from Health Access California and the Western Center on Law and Poverty, titled Support To Expand Services to Respond to the COVID-19 Crisis, Including for the Remaining Uninsured and the Undocumented" (see attached).

Agenda and Correspondence and Consent Calendar

ACTION MSC: Approve the May 27, 2020 Board Agenda and the Consent

Calendar. Ms. Brownstein took a roll call of votes.

APPROVED Votes: Aye 8

Nay 0

Report from Legislative Representative

Paul Yoder and Karen Lange of Shaw Yoder Antwih Shmelzer & Lange, reported on the

Governor's May Revision proposal to sweep \$50 million from CMSP each year for four years. A meeting with the Ad Hoc Committee convened to determine next steps. A conference call with the Department of Finance (DOF) was also held. A draft delegation letter for selected members has been drafted. The Governing Board proposed to DOF that the fund transfer be treated as a loan, not a taking. Ms. Lange and Mr. Yoder were advised that DOF has an internal meeting this afternoon to discuss the CMSP alternative proposal. On Tuesday, the CMSP item was on vote only and Ms. Lange presented on the item and asked for a loan approach, noting this approach is consistent with past practice between the Governing Board and the State.

Mr. Yoder said the COVID pandemic has logistically made everything different, and the current environment presents new barriers to lobbying. There will be no Budget Conference Committee. The budget subcommittees have pretty quickly gone through items; the full committees will quickly meet on major issues; and, then much of the action will be taken behind closed doors. It's extraordinary and then it's not, insofar as in prior years there have been bills enacted after the Budget that address remainder issues associated with the Budget.

Mr. Yoder reported that a \$3.3 to \$3.4 Billion shortfall is projected for Realignment next year. It has been recognized that some of the CARES Act funds could be used to offset some of the Realignment shortfalls, but this will not be a dollar for dollar offset.

ACTION MSC: Governing Board approve creation of a new Ad Hoc Budget

Committee to consider proposals for the FY 2020-21 State Budget and ratify the actions taken by the reconvened Ad Hoc Budget Committee (composed of members from the

prior committee).

APPROVED Votes: Aye 8

Nay 0

ACTION MSC: Governing Board appoint Brad Wagenknecht, Richard

Forster, Patrick Blacklock, and Birgitta Corsello to serve on a

new Ad Hoc Budget Committee.

APPROVED Votes: Aye 8

Nay 0

COVID-19

COVID-19 Emergency Response Grants (CERG)

Ms. Brownstein provided background that the Governing Board approved the release of the COVID-19 Emergency Response Grant (CERG) program with a total funding amount of just over \$10 million during the April 2, 2020 meeting. To date, twenty-three (23)

CMSP counties have submitted CERG applications.

The time frame originally approved for submission of CERG grant applications by counties was April 10, 2020 through June 10, 2020. To provide counties with additional time to make determinations of need for CERG funding, it is proposed that the submission timeframe be extended to August 31, 2020.

ACTION MSC: Governing Board approve extension of the time frame to apply for a

CERG grant to August 31, 2020.

APPROVED Votes: Aye 8

Nay 0

COVID-19 Community Health Center Bridge Loans

Ms. Brownstein reported at its April 2, 2020 Governing Board meeting the Board also approved establishment of a short-term bridge loan program for contracting community health centers (FQHC, RHC and Tribal Health Providers) to assist in addressing cash flow dynamics associated with the COVID-19 pandemic. Loan amounts may be between \$10,000 and \$300,000 and the term may not exceed 24 months. No interest is charged for the first 12 months.

The time frame originally approved for submission of loan applications by contracting health centers was April 20, 2020 through June 20, 2020. To give these providers more time to make determinations of their need for a Bridge Loan, it is proposed that the submission time frame for these loans be extended to August 31, 2020.

ACTION MSC: Governing Board approve extension of time frame to apply for the

Bridge Loan program to August 31, 2020.

APPROVED Votes: Aye 8

Nay 0

Telehealth Services and Billing Update

Alison Kellen, Program Manager, referred the Governing Board to the Path to Health provider bulletin entitled "Delivery and Billing of Path to Health Services" included in their meeting materials. During the COVID-19 State of Emergency in California, Path to Health covered services were expanded to include telehealth services. Similar to the Medi-Cal program, Path to Health adopted a broad definition of telehealth to include both two-way, real-time communication over the telephone and/or video and allow a Path to Health contracted clinic to be reimbursed based on clinic's contracted encounter rate.

While the Path to Health April 30, 2020 Provider Bulletin was included in the agenda materials, the Governing Board was asked to confirm approval of the following items for both the Path to Health and CMSP programs:

- Telehealth shall include both two-way, real-time communication over the telephone and/or video:
- Services via telehealth may be provided at a normal place of business (e.g. a contracted community health center) or from another location (e.g. provider's home) while also maintaining the Path to Health or CMSP member's privacy; and,
- Contracted providers shall be reimbursed at their contracted rate for covered services, whether a service is provided in-person, real-time over the telephone, or via real-time video, if the covered service is the same regardless of the modality of delivery, as determined by the provider's description of the service on the claim.

ACTION MSC: Governing Board affirm and approve the telehealth policy

implemented by staff, as outlined above.

APPROVED Votes: Aye 8

Nay 0

CMSP Eligibility Manual Update

Ms. Kellen reported that the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act provides various new unemployment benefits. Under direction of the Governing Board Chair, CMSP staff has taken steps to address how these new benefits will be treated for CMSP eligibility. The policy approach taken with respect to these new Federal unemployment benefits for CMSP eligibility was to align CMSP requirements with Medi-Cal's requirements for MAGI and non-MAGI Medi-Cal eligibility. Toward that end, changes to the CMSP Eligibility Manual reflect treatment of the following new benefits:

- Section 2102 Pandemic Unemployment Assistance (PUA). For CMSP eligibility, the regular portion (taxable portion) of unemployment benefits received under Pandemic Unemployment Assistance will be counted as income in the eligibility determination.
- Section 2107 Pandemic Emergency Unemployment Compensation. For CMSP eligibility, the regular portion (taxable portion) of unemployment benefits received under Pandemic Emergency Unemployment Compensation will be counted as income in the eligibility determination.
- Section 2104 Emergency Increase in Unemployment Assistance. For CMSP eligibility, this \$600 weekly payment is disregarded and will not be counted in the eligibility determination.

> Section 2201 – Recovery Rebates. For CMSP eligibility, these Recovery Rebates are disregarded and will not be counted as income in the eligibility determination and are exempt as property for 12 months from receipt of the rebate.

All County Letter 20-03 was released on May 18, 2020 to provide direction to counties on the treatment of these new benefits. The Governing Board was asked to confirm approval these CMSP eligibility changes.

MSC: Governing Board approve the CMSP Eligibility Manual and policies

pertaining to CARES Act payments (referenced in ACL 20-03).

APPROVED Votes: Aye 8

Nay 0

Path to Health Pilot Project

Path to Health Evaluation

Yelba Castellon-Lopez MD, MSHPM and Gerardo Moreno MD, MSHS with the UCLA Department of Family Medicine, contracted evaluators of the Path to Health Pilot Project, presented key findings from the "First Annual Evaluation Report to CMSP, Stakeholder Interviews & Enrollment Survey."

Path to Health Pilot Project Extension

Ms. Kellen advised the Governing Board that the Path to Health Pilot Project commenced February 1, 2019 and is set to expire January 31, 2021. The Governing Board was asked to consider a one-year extension of the pilot project until January 31, 2022 to allow additional health centers to participate, allow current health centers to continue providing primary health care services to Path to Health members, and allow additional time for UCLA to complete their final evaluation report on Path to Health before the Governing Board takes further action.

ACTION MSC: Governing Board approve extension of the Path to Health

pilot project to January 31, 2022 and direct staff to ensure that all provider contracts include this new end date.

.___

APPROVED Votes: Aye 8

Nay 0

Proposed Services Agreements

Advanced Medical Management, Inc.

Ms. Brownstein reported that the Services Agreement between AMM and the Governing Board ended March 31, 2020 and was extended for a three (3) month term from April 1 through June 30, 2020. Under the terms of the Agreement, the Board may renew the Agreement for three (3) additional terms of three (3) months each. In light of the uncertainties surrounding COVID-19 and the needs of the Governing Board for flexibility to ensure health care services are available to its beneficiaries, the Governing Board was asked to approve a second additional term of three months commencing July 1, 2020 and ending September 30, 2020. Discussion among Board members ensued.

ACTION MSC: Governing Board approve extension of the Services

Agreement with AMM for three months to September 30,

2020.

APPROVED Votes: Aye 8

Nay 0

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, and other data matters. Ms. Brownstein asked the Board to consider a proposed Amendment to the Services Agreement with HCAS to extend the term to June 30, 2022 and to update the Compensation for Services (Exhibit B).

ACTION MSC: Governing Board approve the proposed amendment to

extend the Services Agreement with Healthcare Analytical

Solutions, Inc. for two years to June 30, 2022, with an

increase in certain rates in the second year.

APPROVED Votes: Aye 8

Nav 0

Board Member Richard Egan left the meeting.

Sonoma County Treasurer / Tax Collector

Ms. Brownstein reported that the Governing Board needs to extend two current Services Agreements with the Sonoma County Treasurer for fiscal intermediary services, which include, but are not limited to, making payments to the Governing Board's contracted

service providers, AMM and MedImpact Health Systems, Inc. (MedImpact), for payment of medical benefit claims, pharmacy claims and associated administrative services.

Ms. Brownstein stated that the Sonoma County Treasurer maintains CMSP funds within the County's pooled investment fund, and all interest earned on the CMSP funds in the pooled investment fund are retained by CMSP, less the apportioned costs of fund administration by the Treasurer.

Ms. Brownstein asked the Governing Board to consider Amendments to extend the two Services Agreements with the Sonoma County Treasurer for five (5) years to June 30, 2025.

ACTION MSC: Governing Board approve the proposed amendments to

extend the two Services Agreements with the Sonoma County Treasurer/Tax Collector for five years to June 30,

2025.

APPROVED Votes: Aye 7

Nay 0

New Extended Primary Care Benefit

Alluma Proposal

Ms. Brownstein stated that the Governing Board, in April 2019, approved development and implementation of a new extended primary care benefit for eligible resident adults with incomes over 138% of FPL and up to 300% FPL that are not otherwise enrolled in CMSP. The new program is intended to extend primary care services to residents of CMSP counties who are uninsured and otherwise eligible for CMSP but have not applied for CMSP. The scope of benefit coverage and terms of enrollment are the same as for the Path to Health primary care benefit program. An important component of the new benefit program is that eligibility for the program would be conducted through a new, online eligibility/enrollment system at contracted community health clinics.

Ms. Brownstein reported that Alluma, the Board's Path to Health enrollment system vendor, has prepared a systems design and development proposal for the on-line eligibility/enrollment system for the new primary care benefit. The proposal calls for a 29-week development process that culminates creation of an on-line eligibility/enrollment system, through which applicants would be guided on-line and/or with the assistance of an application assister, to complete the primary care benefit application.

Ms. Brownstein stated the projected completion date is December 2020 and the project development cost is \$379,491 with an annual maintenance fee starting at \$85,000 for the first year. Ms. Brownstein asked for the Governing Board's consideration and approval of the Alluma proposal.

ACTION MSC: Governing Board approve the Alluma proposal to design and

develop the on-line eligibility/enrollment system for the new CMSP

extended primary care benefit.

APPROVED Votes: Aye 7

Nay 0

Proposed Alluma Services Agreement for System Development

To engage Alluma in design and development of the on-line eligibility/enrollment system for the new primary care benefit, Ms. Brownstein asked the Governing Board to consider and approve the proposed Services Agreement with Alluma prepared by the CMSP General Counsel.

ACTION MSC: Governing Board approve the proposed Services Agreement with

Alluma for design and development of the on-line

eligibility/enrollment system for the new extended CMSP primary care benefit and authorize the Administrative Officer, with the assistance of the General Counsel, to finalize terms of the

Agreement with Alluma and execute the Agreement.

APPROVED Votes: Aye 7

Nay 0

CMSP Financial Reports

New Accounting Manager

Meegan Forrest, Accounting Manager, introduced herself to the Board. Ms. Forrest has 14 years of accounting experience including public accounting and government accounting. She has assumed responsibility for activities and operations pertaining to finance and administrative functions.

CMSP Balance Sheet

Ms. Brownstein presented financial statements for the following months: January 31, 2020; February 29, 2020; March 31, 2020; and April 30, 2020. The CMSP Balance Sheets show:

ITEM	January	February	March	April
Total CMSP Funds	\$403,489,207	\$402,855,804	\$405,390,025	\$405,985,103
Total Assets	\$407,572,026	\$407,635,116	\$406,467,274	\$405,647,048
Total Liabilities	\$407,572,026	\$407,635,116	\$406,467,274	\$405,647,048
and Equity				

FY 2019-20 Program Budget Expenditures Year-to-Date

Ms. Brownstein presented a report on year-to-date actual versus budgeted Program expenditures. As of January 31, 2020 there were expenditures of \$8,964,258 (accrual basis). As of April 30, 2020 there were expenditures of \$12,929,602 (accrual basis). The approved Program Budget for FY 2019-20 is \$34,323,000.

FY 2019-20 Administrative Office Budget Expenditures Year-to-Date

Ms. Brownstein presented a report on year-to-date actual versus budgeted Administrative Office expenditures. As of January 31, 2020 there were expenditures of \$1,367,384 (accrual basis). As of April 30, 2020 there were expenditures of \$2,239,065 (accrual basis). The approved Administrative Office Budget for FY 2019-20 is \$3,844,559.

Report on Incurred But Not Paid Claims

Ms. Brownstein presented the Healthcare Analytical Solutions report of Incurred But Not Paid (IBNP) Claims as of June 30, 2019.

ACTION MSC: Governing Board approve the IBNP Claims report from Healthcare

Analytical Solutions.

APPROVED Votes: Aye 7

Nay 0

Proposed FY 2020-21 CMSP Budget

Ms. Brownstein cautioned that the Governor's May Revision of the FY 2020-21 Budget proposes to shift \$50 million of CMSP reserves in each of the next four (4) fiscal years and a restore the Board's annual realignment allocation beginning in 2021-22. If this is fund shift or a comparable alternative is passed that changes the proposed CMSP FY 2020-21 Program Budget, the Budget will be brought back to the July 2020 Board meeting for consideration.

Administrative Office Budget

Major changes from the FY 2019-20 Administrative Office Budget include the following:

- Budget proposes an increase to various IT line items for the implementation of the new Extended Primary Care Benefit
- Budget proposes an increase to Marketing to continue Path to Health marketing and implement CMSP and new Extended Primary Care Benefit marketing campaigns
- Budget proposes decrease to Path to Health Evaluation
- Budget proposes \$1,200,000 for the LICN Technical Assistance Vendor

Program Budget

Major issues for Governing Board consideration in the Program Budget include:

- Budget projects a Beginning Fund Balance of \$390,000,000
- Budget assumes \$0 realignment revenue in FY 2020-21
- Budget assumes \$0 sales tax or VLF growth in FY 2020-21
- 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 \$6,000,000
- The new Extended Primary Care Benefit is budgeted at \$2,000,000
- The Local Indigent Care Needs (LICN) Grants are budgeted at \$12,000,000
- The COVID-19 Emergency Response Grant is budgeted at \$7,000,000
- Budget proposes an ending Fund Balance of \$348,303,000 as of June 30, 2021.

Discussion among Board members ensued.

ACTION MSC: Governing Board approve the proposed FY 2020-21 CMSP Budget.

APPROVED Votes: Aye 7

Nay 0

Public Comments

Ms. Forrest reported that the Governing Board received correspondence from Community Clinic Consortium of Contra Costa and Solano Counties thanking the Governing Board for establishing the COVID-19 Clinic Bridge Loan Program and requesting that the Board consider providing clinics with loan forgiveness under the program.

Next meeting is July 23, 2020. Ms. Corsello asked for feedback from CMSP staff on the two letters at the July meeting.

Adjournment

The meeting adjourned at 12:23 pm.