

MINUTES
CMSP GOVERNING BOARD
Thursday, March 24, 2022
Via Zoom

MEMBERS PRESENT

Kimberly Chen, Assistant Secretary, California Health and Human Services Agency
Birgitta Corsello, County Administrator, Solano County
Richard Egan, County Administrator, Lassen County
Richard Forster, County Supervisor, Amador County
Elishia Hayes, County Administrator, Humboldt County
Deborah Martinez, Social Services Director, Madera County
Jennifer Vasquez, Health and Human Services Director, Yuba County
Brad Wagenknecht, County Supervisor, Napa County
Christine Zoppi, Health and Human Services Director, Glenn County

MEMBERS ABSENT

Elizabeth Kelly, Health and Human Services Director, Colusa County

AB 361, Brown Act Virtual Meetings

Cathy Salenko, CMSP General Counsel, introduced the topic of AB 361 (Chapter 165, Statutes of 2021), pertaining to the Board's conduct of a fully virtual meeting during proclaimed emergencies, including the COVID-19 pandemic. Ms. Salenko stated that under the requirements of AB 361, the Governing Board has the option to hold fully virtual public meetings when there is a Governor-proclaimed state of emergency and the Governing Board identifies one of two secondary criteria to exist:

- State or local officials have imposed or recommended measures to promote social distancing in connection with COVID-19; or,
- The Governing Board determines that requiring a meeting in person would present an imminent risk to the health and safety of attendees.

Ms. Salenko presented draft Governing Board Resolution 2022-2 containing these findings and declarations. Discussion ensued among Board members about the relative ongoing need for Board's declaration of a public health emergency to justify the Board meeting remotely under the provisions of AB 361, and whether going forward from today's meeting the provisions of AB 361 should apply any longer.

ACTION MSC: Governing Board approve proposed Resolution 2022-2 making findings and declarations under AB 361 for teleconference meetings of the Governing Board for March 24, 2022.

APPROVED

Votes:

Aye 7

Nay 1 (Richard Egan)

Request for Public Comments

Brad Wagenknecht, Board Chair, invited public comments. CMSP staff reported there were no requests for public comments.

Adjourn to Closed Session

The Governing Board met in Closed Session.

Return to Open Session

General Counsel Cathy Salenko reported that the Governing Board met in Closed Session to discuss a potential litigation matter and took no action.

Christine Zoppi, Glenn County, left the meeting.

Mr. Wagenknecht welcomed Elishia Hayes, Humboldt County Administrator, to the Governing Board. Mr. Wagenknecht also recognized Board Member Birgitta Corsello for her service to the Governing Board for the past 11 years, during which time she served as Vice Chair. He thanked her for her commitment to CMSP and read the text of the plaque presented to her for her service to the Board. Ms. Corsello thanked Mr. Wagenknecht and the other Board Members for their work on behalf of their collective CMSP county residents. Kari Brownstein, Executive Director, and Board Member Richard Forster also expressed their appreciation to Ms. Corsello.

Agenda and Correspondence and Consent Calendar

Mr. Wagenknecht invited a motion to approve the March 24, 2022 Board Agenda and Correspondence and Consent Calendar.

ACTION MSC: Governing Board approve the March 24, 2022 Board Agenda and Correspondence and Consent Calendar.

APPROVED	Votes:	Aye 7
		Nay 0

Report from Legislative Representative

Paul Yoder of Shaw Yoder Antwih Shmelzer & Lange (SYASL) introduced himself to the Board. Paul welcomed Ms. Hayes to the Governing Board and thanked Ms. Corsello, with whom he has long worked, for her service to CMSP as a Board Member.

Mr. Yoder reported that ballots are still out for a replacement for former Board Member Leonard Moty, who recently left the Board. Mr. Yoder expects the new Board Member will be seated at the Governing Board's next meeting.

Mr. Yoder reported on a State proposal for the State to contract with Kaiser to provide Medi-Cal services across California. There are a number of groups that are opposed, and the Legislature is reportedly going to try and insist that the proposal be put forward in policy bills and be debated through the policy process, although the proposal could be done in a Budget trailer bill. The state law changes needed are primarily related to county organized health systems. If enacted, the contract would encompass all of the major metropolitan areas, affecting roughly 32 of California's 58 counties. It would also encompass behavioral health and some of services provided to foster youth. Mr. Yoder suggested that with the roll out of CalAIM, the state's pursuit of Whole Person Care, and other related matters, the State's interest in pursuing this contract with Kaiser may have a reasonable policy foundation. At the same time, Mr. Yoder stated that the Kaiser contract would result in significant disruption to many county healthcare operations.

Mr. Yoder asked Ex-Officio Board Member Kimberly Chen, Assistant Secretary of the California Health and Human Services Agency, if she had anything to add to the discussion. Ms. Chen stated that Kaiser is already a Medi-Cal subcontractor in many counties, and through this contract with the State the State would have a direct relationship with Kaiser. This direct relationship would provide the State with the ability to conduct direct oversight of Kaiser instead of having to go through a county to carry out this oversight. Further, she said the State wants to see Kaiser participate in Medi-Cal in those areas where Kaiser currently operates but does not have a Medi-Cal presence.

A Board Member asked whether Sutter Health operations in Medi-Cal would be hampered by the State's contract with Kaiser. Ms. Chen stated that Kaiser would be a plan addition and is not intended to be in lieu of existing Medi-Cal providers. She also stated that Kaiser would be required to provide all services, including Enhanced Care Management (ECM) and in lieu of services. People would be able to join Kaiser if they have previously been in Kaiser (e.g. employer sponsored care, Covered California), are foster children, or are selected others. Another Board Member asked if the current carve-out of services for seriously mentally ill persons would continue with Kaiser. Ms. Chen said those existing carve-outs to counties would continue. Mr. Yoder thanked Ms. Chen for responding to the various questions raised by Board members.

With regard to Governor's proposed Care Courts, Mr. Yoder reported that there is growing understanding about what is intended by the proposal as Administration representatives talk about it more and provide FAQs and slide decks. There is apparent understanding by the Administration that new funding will be needed for the courts, public guardians, and related service components. There is considerable county interest in the overall policy approach.

Board Member Elections

Mr. Yoder reported that the process to elect a County Administrator replacement for Birgitta Corsello is underway and he expects the newly elected representative to be seated by the Board's next meeting.

Election of Vice Chair

Former Board Member Leonard Moty was previously elected to serve as Vice Chair for 2022. However, Supervisor Moty is no longer eligible to serve on the Governing Board. Mr. Wagenknecht invited others to serve as Board Vice Chair, and Member Richard Forster agreed to serve as Vice Chair for 2022.

ACTION MSC: Board approve Richard Forster to serve as Vice Chair of the Governing Board for 2022.

APPROVED	Votes:	Aye 6
		Nay 0
		Abstain 1 (Richard Forster)

Appointment of CAO to Executive Committee

Ms. Brownstein said that with Ms. Corsello leaving the Board, a County Administrator representative needs to be appointed to the Executive Committee to serve as her replacement. Ms. Brownstein outlined the requirements for Executive Committee representation, which requires representation of each of the four county officials: County Supervisor, County Administrator, County Health Director, and County Social Services Director. Discussion among Board members ensued.

ACTION MSC: Board approve Elishia Hayes, Humboldt County Administrator, to serve on the CMSP Executive Committee.

APPROVED	Votes:	Aye 7
		Nay 0

CMSP Financial Reports

Report on Incurred by But Paid (IBNP) Claims as of June 30, 2021

Ms. Brownstein reported that HealthCare Analytical Solutions (HCAS) prepared an estimate of unpaid medical and pharmacy claims for CMSP Standard, Path to Health, and Connect to Care programs for the purpose of setting actuarial liabilities on the June 30, 2021 Balance Sheet. These amounts were developed on a Generally Accepted Accounting Principles (GAAP) basis. HCAS reported that the total amount that should be held in reserve for IBNP is \$2,572,096.

Report on Program Audit for FY 2020-21 by Crowe LLP

Ms. Brownstein introduced Jeff Jensen, CPA, Crowe, to the Governing Board. Mr. Jensen presented his report on the CMSP audit ending June 30, 2021. In summary, the finding of the audit was that the financial statements fairly presented, in all material respects, the financial position of County Medical Services Program as of June 30, 2021

and 2020 and the changes in its net assets and its cash flows for the years then ended. Mr. Jensen stated that there were no audit adjustments or revisions by CMSP staff.

ACTION MSC: Governing Board accept both the IBNP and Crowe LLP Audit reports presented to the Governing Board.

APPROVED Votes: Aye 7
 Nay 0

CMSP Balance Sheet

Meegan Forrest, Director of Finance and Administration, reported on the January and February 2022 financial statements. The CMSP Balance Sheets show:

ITEM	January 2022	February 2022
Total CMSP Funds	\$361,011,685	\$358,162,510
Total Assets	\$361,168,680	\$358,457,544
Total Liabilities and Equity	\$361,168,680	\$358,457,544

FY 2021-22 Program Budget Expenditures Year-to-Date

Ms. Forrest presented a report on year-to-date actual versus budgeted Program expenditures. As of January 31, 2022 there were expenditures of \$16,354,496 (accrual basis). As of February 28, 2022 there were expenditures of \$19,203,257 (accrual basis). The approved Program Budget for FY 2021-22 is \$45,888,500.

FY 2021-22 Administrative Office Budget Expenditures Year-to-Date

Ms. Forrest presented a report on year-to-date actual versus budgeted Administrative Office expenditures. As of January 31, 2022 there were expenditures of \$2,234,020 (accrual basis). As of February 28, 2022 there were expenditures of \$2,492,144 (accrual basis). The approved Administrative Office Budget for FY 2021-22 is \$6,016,000.

Operation Access Presentation

Jason Beers, President and CEO of Operation Access (OA), greeted the Governing Board and provided an update on his organization’s efforts to provide specialty care in CMSP counties, undertaken with grant support from the Governing Board.

Mr. Beers stated that Operation Access provided specialty care access to residents of thirteen CMSP counties in 2021: Colusa, El Dorado, Glenn, Lake, Marin, Mendocino, Napa, Nevada, Solano, Sonoma, Sutter, Yolo, and Yuba. He said this access was provided through Operation Access’ work to link community clinics with volunteer specialists. Specifically, OA provided linkage by screening patients for eligibility; referring patients to participating specialists; scheduling appointments; navigating patients through the treatment process; providing interpretive services; and, evaluating

results and impacts. OA has recruited medical volunteers and partners that include physician specialists and hospitals, surgery centers, anesthesia, pathology, and radiology medical groups that donate care.

Mr. Beers reported that in 2021 OA arranged for over \$19 million in donated care that was provided to 910 patients (1,299 services). This was an increase of 49% in service referrals over 2020. Mr. Beers said that OA anticipates its services will become available in an additional 4-8 CMSP counties in 2022.

Alluma

Alluma Update

Ms. Brownstein stated that on March 2, 2022 the Alluma Interim CEO notified CMSP staff that both OeA and OxC will be sunsetting as early as 6 months from now; there will be no new development in either system; and, that 75% of the Alluma staff would be laid off very soon. The Governing Board contracts with Alluma for the enrollment systems for Path to Health (OeA) and Connect to Care (OxC).

Ms. Brownstein said that efforts to mitigate the impacts on the Path to Health and Connect to Care programs have been quickly taken, including entering into discussions with Alluma leadership, Alluma's other OeA Clients (the counties of Los Angeles, San Francisco, Alameda and San Mateo) and other enrollment system vendors to find the best option for CMSP. Further, she reported that she put a hold on CMSP marketing efforts in the interim and is putting together a contingency plan to ensure continued coverage and enrollment for Path to Health and Connect to Care members during this period of change.

Alluma Amendment

Ms. Brownstein said that the Governing Board's current Services Agreement with Alluma for Path to Health expires on April 30, 2022, and in consideration of Alluma's intention to sunset the OeA enrollment system used for the program, she recommended the Board seek to extend this Agreement to February 2023 at the current monthly rate. She presented a proposed Amendment to extend the Alluma Services Agreement for Path to Health to February 2023 for the Board's consideration.

Path to Health and Connect to Care Enrollment Terms

Ms. Brownstein stated that the Governing Board previously approved extension of the Path to Health Pilot Project through January 2025. As a part of this action, the Board also approved moving the Path to Health enrollment system from OeA onto Alluma's OxC platform, currently used by the Connect to Care program. Ms. Brownstein stated that Alluma's notice to the Board on March 2, 2022 that both OeA and OxC will be sunsetting makes it clear that the Governing Board's previous plan for the moving Path to Health enrollment to OxC under a single framework for Connect to Care and Path to

Health is no longer viable, and an alternative enrollment system will be needed.

Ms. Brownstein stated that the Governor's proposed FY 2022-23 State Budget, released in January 2022, proposes to extend full scope Medi-Cal eligibility to the remaining undocumented adults – ages 26 to 49 with income between 0 – 138% of the Federal Poverty Level – on January 1, 2024. This group is the primary remaining Path to Health membership group. The FY 2022-23 State Budget will not be approved until June 2022 and discussions are underway regarding this proposal.

Further, Ms. Brownstein stated that Path to Health, Connect to Care and CMSP enrollment terms have been extended several times since the beginning of the Public Health Emergency (PHE). Current enrollment terms are scheduled to end April 30, 2022 but the PHE will reportedly be extended either 2 or 3 more months, and these enrollment terms will need to be extended in accordance with the PHE extension.

Ms. Brownstein noted that Alluma's intended sunseting of the OeA and OxC systems means there will be very limited system development provided during the remaining operation period. However, Alluma has committed to extending member terms due to the PHE at the end of April. Since this will very likely be the only opportunity the Board has extend the Path to Health and Connect to Care member enrollment terms, Ms. Brownstein recommended that the Board extend the enrollment terms for these members until February 2023. This extension would coincide with the end of the Board's amended Services Agreement with Alluma's OeA enrollment system.

Executive Committee Delegation

Ms. Brownstein stated that the Board's limited meeting schedule might not be facilitative of ongoing decision-making concerning the transition from OeA and OxC to another enrollment system for the Path to Health and Connect to Care programs. In light of this, Ms. Brownstein recommended that the Board delegate enrollment system -related matters that arise between Governing Board meetings to the Executive Committee.

ACTION MSC:

Governing Board approve all of the following:

- Amendment to extend Services Agreement with Alluma for OeA through February 2023.
- Extension of Path to Health and Connect to Care enrollment terms to February 2023.
- Delegate decision-making on enrollment system-related matters to the Executive Committee between Governing Board meetings.

APPROVED

Votes:

Aye 7

Nay 0

Proposed Services Agreements

UCLA Amendment

Ms. Brownstein reported that CMSP staff has not executed the amendment to extend the Path to Health evaluation agreement with UCLA through June 2025 that was approved by the Board at its December 2021 meeting. She also reported that the Governor's proposed FY 2022-2023 State Budget proposes to extend full scope Medi-Cal eligibility to the remaining undocumented adults (ages 26 to 49 with incomes of 0-138% FPL), which is the remaining Path to Health membership. It is expected this Medi-Cal expansion will be approved by the Legislature. In light of these dynamics, Ms. Brownstein recommended that the Governing Board's Services Agreement with UCLA be reconsidered and that the Board not execute the approved amendment and instead consider a revised amendment that she would bring back to the Board for consideration at the Board's July 2022 meeting.

Best, Best & Krieger Agreement

Ms. Brownstein reported that Cathy Salenko, CMSP General Counsel, would be departing from Best, Best & Krieger (BBK) in March 2022. To assist with the transition of CMSP matters to another BBK attorney, Ms. Salenko will remain with CMSP as a part-time employee for an interim period. To facilitate the change at BBK, a revised proposed Agreement with BBK has been prepared for the Board's consideration. This revised Agreement removes Ms. Salenko from the Agreement, specifies Alison Bassett as the Board's lead BBK counsel, and extends the Agreement through December 31, 2024.

Richard Egan left the meeting.

ACTION MSC: Governing Board not execute the current amendment with UCLA and approve the proposed Agreement with Best Best and Krieger, with Alison Bassett designated as lead BBK counsel, for continued legal services to the Governing Board until December 2024.

APPROVED

Votes:

Aye 6

Nay 0

CMSP Update

Ms. Brownstein advised the Board that she is planning to arrange a separate meeting of the Board some time later this year to discuss the future strategic direction for CMSP and the Board. Various ideas are being developed for future consideration, such as program eligibility changes and healthcare workforce development. She expects to schedule this meeting sometime after the State's action on the FY 2022-23 State Budget and enactment of the proposed changes to Medi-Cal.

Ms. Brownstein also reported that she has been reaching out to all 35 CMSP counties to request a time to provide a presentation on CMSP and current programs to county Boards of Supervisors.

CMSP Grant Program Updates

Laura Moyer, Grants Administrator, reported that one of the two CMSP workforce programs (CMSP LRP) had completed the application process and 53 applications were received. Presently, there is an open RFP for LICN Planning Project grantees for LICN Implementation Grants, and up to 10 proposals are expected by the deadline of March 31, 2022.

Public Comments

Mr. Wagenknecht again asked for public comments. There were no requests to make public comments. Mr. Wagenknecht announced the next Governing Board meeting is May 26, 2022.

Adjournment

Mr. Wagenknecht adjourned the meeting at 12:40 pm.