

MINUTES
CMSP GOVERNING BOARD
Thursday, May 26, 2022
In-Person and via Zoom

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

MEMBERS PRESENT

Richard Forster, County Supervisor, Amador County (in-person)
Elishia Hayes, County Administrator, Humboldt County (remote)
Matthew Hymel, County Administrator, Marin County (remote)
Elizabeth Kelly, Health and Human Services Director, Colusa County (remote)
Jennifer Vasquez, Health and Human Services Director, Yuba County (in-person)
Brad Wagenknecht, County Supervisor, Napa County (in-person)
Christine Zoppi, Health and Human Services Director, Glenn County (in-person)

MEMBERS ABSENT

Richard Egan, County Administrator, Lassen County
Deborah Martinez, Social Services Director, Madera County
Oscar Villegas, County Supervisor, Yolo County
Kimberly Chen, Assistant Secretary, California Health and Human Services Agency

Closed Session

The Governing Board met in Closed Session.

Public Session

Introductions and Public Comments

Brad Wagenknecht, Board Chair, opened the meeting and Board Members participating in the conference room first introduced themselves, and then the Board Members participating remotely introduced themselves.

Kari Brownstein, Executive Director, reported that she and Meegan Forrest, Director of Finance and Administration, recently made a presentation to the Amador County Board of Supervisors about CMSP benefit programs and discussed the county's current level of participation. She noted following this presentation that she made contact with the county's former Public Health Officer, who helped make a connection with a local Hispanic Health Fair to facilitate Path to Health program outreach.

Mr. Wagenknecht invited public comments and there were no public comments.

Correspondence and Consent Calendar

Mr. Wagenknecht requested a motion to approve the May 26, 2022 Board Agenda and Correspondence and Consent Calendar.

ACTION MSC: Governing Board approve the May 26, 2022 Board Agenda and Correspondence and Consent Calendar.

APPROVED	Votes:	Aye 7
		Nay 0

Report on Closed Session

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

Report from Legislative Representative

Paul Yoder of Shaw Yoder Antwih Shmelzer & Lange (SYASL) introduced himself to the Board. Mr. Yoder introduced a discussion on AB 2764, which would expand Kaiser's participation in the Medi-Cal program. Mr. Yoder reported that the bill needs to get off the Assembly floor today in order for it to move, and it's unclear whether the bill has the votes to move off the floor. Mr. Yoder will keep Ms. Brownstein apprised.

Mr. Yoder reported that the May Revise did include some limited funding for some components of the proposed Care Court program. However, no funding was proposed for Public Conservators, and no funding was proposed for counties, e.g. Behavioral Health and other functions. Mr. Yoder stated that while the Administration is saying that they're working with CSAC on the cost estimates, the Administration is also suggesting that Realignment revenues and Prop 63 funds have both increased and this funding should be sufficient to fund new Care Court costs.

Mr. Yoder said that Los Angeles County projected a cost of at least \$200 million, San Diego County projected a similar cost, and San Francisco projected a cost of roughly \$100 million. The San Diego Board of Supervisors has taken a position of Support if Amended on SB 1338, the Care Court enabling legislation. Los Angeles County has taken a position of Support in Concept, and eight Central Valley counties have also taken a position of Support in Concept. AB 1338 was approved by the Senate 38-0 yesterday and now moves to the Assembly.

Karen Lange of SYASL greeted the Governing Board. She reported on the Governor's recent approval of the Medical Injury Compensation Reform Act (MICRA) legislation and the fact that its enactment will remove the issue from the November ballot. She then noted there is a frantic effort underway to do something on a plastics issue that also faces a November ballot initiative, but that is not going well.

Ms. Lange stated that the State's cash receipts continue to outperform the State's wildest dreams, but by 2024 this funding should decline, according to the Legislative Analyst.

Mr. Yoder returned to the topic of AB 2764. He said that AB 2764 was recently amended, and the last set of amendments showed some of the specific things the Administration said would be a part of their contractual agreement with Kaiser, which is considered a positive development. Mr. Yoder said that in separate action, the State Department of Managed Care recently announced a non-routine audit of Kaiser focused on Kaiser's delivery of behavioral health services.

Board Member Matthew Hymel asked about whether the legal process costs counties will incur with the proposed Care Court program are funded. Mr. Yoder said there was no funding at this time and it's important to continue to pursue funding. He noted that counties are beginning to coalesce around a common methodology for calculating court-related costs, and legislators are putting increasing pressure on the Administration to provide funding for counties in the program.

Board Member Elizabeth Kelly asked about the potential for state sanctions for county performance in the Care Court program. She stated that counties already face extreme difficulty in finding housing for current clients, and it will be virtually impossible to address this need for Care Court program participants because there is no housing available. Mr. Yoder said that the proposal includes priority funding for housing for Care Court program participants, but the details still need to be further defined. Further, he said the Administration is considering requiring the participation of other local housing officials, beyond county officials, to identify housing options for Care Court program participants. Discussion then ensued regarding the potential for piloting the Care Court program or implementing the program in phases. Mr. Yoder stated that so far the Legislature has shown little interest in either approach and continues to show interest in statewide implementation.

Board Member Elections

Mr. Yoder reported that Yolo County Supervisor Oscar Villegas has been elected to serve on the Governing Board, and affirmed that Matthew Hymel, Marin County Administrator, was elected to serve on the Board.

Planning and Benefits Committee Nomination

Alison Kellen, Program Director, reported that there is currently one county representative vacancy on the CMSP Planning and Benefits Committee following the departure of Donnell Ewart, who retired from Shasta County. She said nominations to fill the vacancy were sought from county health and social services agencies within the CMSP counties, and CMSP staff received one nomination from Humboldt County for Michael Weiss, Program Services Coordinator. Mr. Weiss' background and experience was provided to the Board in their meeting materials.

Ms. Kelly returned to the meeting.

Path to Health and Connect to Care Enrollment System

Ms. Brownstein reported that on March 2, 2022, Alluma's Interim CEO notified CMSP staff that the enrollment systems for Path to Health (OeA) and Connect to Care (OxC) would sunset in as early as 6 months; there would be no new development in either system; and, that 75% of the Alluma staff would be laid off as of March 8, 2022 (which occurred).

Ms. Brownstein said that to mitigate potential disruption of the Path to Health and Connect to Care programs, CMSP staff immediately worked to find a solution, including potentially extending the contract with Alluma for lesser services and investigating other enrollment system vendors as an alternative to Alluma. Ms. Brownstein said that in furtherance of finding an alternative vendor, on April 22, 2022, CMSP Board staff requested automated enrollment system proposals from two vendors suggested by San Francisco County: RedMane Technology LLC (RedMane) and NSI.

CMSP staff received proposals from both firms on May 5, 2022, and a Review Team composed of Governing Board staff and the Board's Policy & Planning Consultant reviewed and scored the proposals based on information about the organization, staffing, system architecture, data exchange, a Zoom interview/presentation with both vendors, and a review of answers both vendors provided to follow up questions.

Ms. Brownstein said that the alternative of further contracting with Alluma is not viable and an alternative vendor is needed. In consideration of this, and based on the Review Team's scoring, she recommended the Board enter into a Services Agreement with RedMane to serve as the Board's automated enrollment vendor for Path to Health and Connect to Care. Should the Board approve the selection of RedMane, Ms. Brownstein asked the Board to approve the proposed Services Agreement with RedMane, which was prepared by the Board's General Counsel.

Discussion about the recommendations ensued among Board members.

ACTION MSC: Governing Board approve the selection of RedMane Technology LLC to serve as the Board's automated enrollment vendor for the Path to Health and Connect to Care Programs and approve the proposed terms of the Services Agreement as recommended by the Executive Director; and, authorize the Executive Director to finalize the terms of the Services Agreement with the assistance of the General Counsel.

APPROVED

Votes:

Aye 7

Nay 0

CMSP Financial Reports

CMSP Balance Sheet

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

ITEM	March 2022	April 2022
Total CMSP Funds	\$355,441,756	\$354,325,132
Total Assets	\$355,882,705	\$354,478,798
Total Liabilities and Equity	\$355,882,705	\$354,478,798

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 March 31, 2022 there were expenditures of \$21,922,169 (accrual basis). As of April 30, 2022 there were expenditures of \$23,494,859 (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 March 31, 2022 there were expenditures of \$2,838,167 (accrual basis). As of April 30, 2022 there were expenditures of \$3,183,676 (accrual basis). The approved Administrative Office Budget for FY 2021-22 is \$6,016,000.

Proposed FY 2022-23 CMSP Budget and Program Budget Forecast

Ms. Forrest presented the proposed FY 2022-23 CMSP Budget for the Governing Board's consideration.

Proposed Administrative Office Budget (FY 2022-23)

Ms. Forrest presented the proposed Administrative Office Budget, which shows the detail of the expenses for administering the CMSP office and various contracts. All funding approved in the Administrative Office Budget is rolled into two-line items in the CMSP Program Budget: 1) Legal, Consultants, Contractors, Data Marts, Misc.; and, 2) CMSP GB Administration, Staff & Other.

Major issues in the Administrative Office Budget include:

- Budget proposes an increase in staff expenses to fill vacant positions.
- Budget proposes an estimated cost for a new Path to Health and Connect to Care Enrollment System.
- Budget proposes to continue Path to Health Evaluation Services.

- Budget includes the remaining approved Organizational Review Vendor expenses of \$13,800.

Proposed Program Budget (FY 2022-23)

Ms. Forrest presented the proposed Program Budget for Governing Board consideration. Major issues in the Program Budget include:

- Budget projects a Beginning Fund Balance of \$345,000,000.
- Budget projects no change in Interest Revenue.
- Budget assumes no Realignment Revenue.
- Budget proposes to waive the County Participation Fees of \$5,991,905.
- Medical and Pharmacy Expenses are calculated using projected enrollment and cost trend growth.
- Total Healthcare Benefit Program Expenses are budgeted at \$15,072,000.
- Healthcare Workforce Development is budgeted at \$3,035,000.
- The Local Indigent Care Needs Grants are budgeted at \$13,200,000.
- The COVID-19 Emergency Response Grants are budgeted at \$975,000.
- Budget projects an Ending Fund Balance of \$308,440,700.

Program Budget Forecast (FY 2022-23 through FY 2025-26)

Ms. Forrest presented a three-year budget forecast for the CMSP Program, which assumes the following:

- A Beginning Fund Balance in FY 2022-23 of \$345,000,000.
- Path to Health ends operations as of January 1, 2024.
- Increase in Connect to Care expenditures in out years as the program grows.
- The COVID-19 Emergency Response Grants end in FY 2022-23 and the Health Systems Development Grants end in FY 2023-24.
- Contracted expenditures are budgeted according to the agreed upon contracted amounts. Other administrative costs project a 3% increase.
- An Ending Fund Balance in FY 2025-26 of \$246,750,876.

Governing Board discussion ensued about the proposed FY 2022-23 CMSP Budget and three-year CMSP Program budget forecast.

ACTION MSC: Governing Board approve the proposed FY 2022-23 Program and Administrative Office Budgets.

APPROVED

Votes:

Aye 7

Nay 0

COVID-19 Update

Alison Kellen, Program Director, reported that Community Health Center (CHC) administered COVID-19 vaccination visits for enrolled CMSP, Connect to Care and Path to Health members have not been paid by CMSP because these payments have not been approved for reimbursement under Medi-Cal's PPS payment system, which is the same system that the Governing Board uses for making payments to CHCs. Very recently, the Medi-Cal program received federal approval for payment of COVID-19 vaccination visits at a specified, lower payment rate than PPS. Because CMSP payment rates for CHCs are aligned with the PPS rates paid by Medi-Cal, the vaccination services provided by CHCs for COVID-19 vaccinations to CMSP members will now be reimbursed at the approved Medi-Cal rate. Roughly 3,000 vaccination visits for members have accrued awaiting CMSP payment.

Ms. Kellen reported that necessary changes were made to extend Path to Health benefit coverage to February 2023 for Path to Health enrollees that do not become eligible for Medi-Cal as a result of state Medi-Cal eligibility expansions for undocumented adults.

CMSP Update

Ms. Kellen introduced Guillermo Velazquez, who recently joined the CMSP staff as an Eligibility Analyst. His background includes experience with homeless populations, community health centers, and at the state level.

Ms. Brownstein reported that she and other CMSP staff have been making presentations to County Boards of Supervisors about CMSP. To date, presentations have been given in the following counties: Amador, Del Norte, Inyo, Napa, Siskiyou, Solano and Sutter. Presentations are planned at El Dorado, Lake, Humboldt and Madera. She also advised that the Planning and Benefits Committee will be meeting on August 31, 2022, and it is planned that the Governing Board will do strategic planning during a Governing Board meeting in the fall.

Public Comments

Mr. Wagenknecht asked for public comments. There were no public comments and Mr. Wagenknecht announced the next Governing Board meeting is July 28, 2022. Mr. Wagenknecht adjourned the meeting at 11:36 am.