

Report on Closed Session

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

Report from Legislative Representative

Paul Yoder of Shaw Yoder Antwih Schmelzer & Lange (SYASL) introduced himself to the Board via Zoom. Mr. Yoder reported that in the proposed State Budget there are few cuts proposed, and legislators were relieved. As the months continue, the State's cash reports will show whether there will be an increase in the deficit. By in large, the proposed State Budget calls for the projected \$23 billion deficit to be dealt with through internal borrowing and deferrals. It is anticipated the Legislature will be seeking new spending, but few funding increases by the Administration are expected.

Mr. Yoder also reported on the following:

- The roll out of California Advancing and Innovating Medi-Cal (CalAIM) is continuing and getting more real. The Governor is proposing to reestablish the managed care organization tax to help support Medi-Cal. The California Medical Association is highly supportive of reestablishing this tax.
- With the Governor's Care Court program, there is now an acknowledgement that counties will have increased ongoing program costs, and in FY 2023-24 the Governor is proposing to spend \$100 million; and, that amount is expected to grow. Los Angeles County, which was initially in Cohort 1 and then retracted, will now again implement early, sometime between Cohort 1 and Cohort 2. The majority of the Los Angeles County Board of Supervisors supports implementing the Care Court program as soon as possible. There appears to be an intention to work in a braided effort with the new Los Angeles City Mayor, Karen Bass.
- There will be a homeless program Budget Trailer Bill to establish various accountability measures associated with program spending and outcomes.
- Service Employees International Union (SEIU) intends to sponsor a bill to set a minimum wage of \$25 for health care workers, which may or may not include In-Home Supportive Services (IHSS) workers. February 17, 2023 is the deadline for bill introductions.
- While Assemblymember Rendon is expected to be Assembly Speaker until June 2023, there is growing discussion that Assemblymember Arambula, who is currently chair of the Budget Subcommittee on Health, could be in the running for Speaker.

In response to a question about the likelihood of a special tax on billionaires, Mr. Yoder replied that there is a proposed "wealth tax" concept being discussed that would create a commission to determine how to spend the new money. The overarching goal would be to bring equity across programs and across society. It is unclear at this time if the Governor

FY 2022-23 Program Budget Expenditures Year-to-Date

Ms. Forrest presented a report on year-to-date actual versus budgeted Program expenditures. As of December 31, 2022 there were expenditures of \$15,455,542 (accrual basis). The approved Program Budget for FY 2022-23 is \$40,484,300.

FY 2022-23 Administrative Office Budget Expenditures Year-to-Date

Ms. Forrest presented a report on year-to-date actual versus budgeted Administrative Office expenditures. As of December 31, 2022 there were expenditures of \$2,315,692 (accrual basis). The approved Administrative Office Budget for FY 2022-23 is \$6,557,800.

COVID-19 Update

Ms. Kellen reported that the federal Consolidated Appropriations Act of 2023 decoupled continuous Medicaid coverage from the Public Health Emergency (PHE). While the PHE will continue, effective March 31, 2023, the continuous Medicaid enrollment requirement will end. CMSP staff is working with the Statewide Automated Welfare System (SAWS) systems to address the enrollment terms of CMSP members.

Executive Director's Report

Ms. Brownstein provided brief updates on the following:

- Ms. Forrest is leaving the Governing Board on January 27, 2023 to go into public accounting;
- COVID-19 Emergency Response Grants (CERG) projects are fully closed out for all CMSP counties;
- Ms. Brownstein is doing a webinar for SYASL clients to go over current CMSP coverage and grant programs next week;
- Ms. Brownstein and Laura Moyer, Grants Administrator, will be making a similar presentation to CHEAC next week; and,
- Two hospitals contracted with the Governing Board (Madera Community Hospital in Madera County and Hazel Hawkins in San Benito) will be closing. AMM is looking at various other hospitals in these regions to contract with in place of these two facilities.

Discussion ensued among Board members on the closure of rural hospitals. Kimberly Chen, Assistant Secretary, California Health and Human Services Agency, said the issue is on the Administration's radar and the Secretary is very concerned about it. She stated that efforts are underway to determine what steps could be taken by the Administration to address the issues.

Board Member Debbie Martinez stated that the public is confused about why new Federally Qualified Health Center (FQHC) locations can be opening when local hospitals are closing. Mr. Forster asked if it's possible for the State to come up with financial incentives to make it possible for health care facilities to operate in rural areas. Board Member Christine Zoppi

said that Glenn County is a Cohort 1 Care Court county and the county is reliant on the local hospital to participate in this effort; and the local hospital is stretched thin. Board Member Jennifer Vasquez stated that Medi-Cal rates, payor mix, and traveling nurse rates are continuing problems for Yuba County. Board Member Oscar Villegas asked if CMSP staff might be able to begin an assessment of issues in the mental health landscape and possible options for future consideration.

Public Comments

Mr. Forster asked for public comments. There were no public comments.

Mr. Forster announced the next Governing Board meeting is March 23, 2023 and adjourned the meeting at 11:18 am.