

## **CMSP GOVERNING BOARD**

July 23, 2025

In-Person and via Zoom

9:30 a.m.

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

### **MEMBERS PRESENT**

Jennifer Vasquez, Director, Health & Human Services, Yuba County (in-person)  
Ed Valenzuela, Supervisor, Siskiyou County (in-person)  
Scott De Moss, County Administrative Officer, Glenn County (in-person)  
Elishia Hayes, County Administrative Officer, Humboldt County (remote)  
Elizabeth Kelly, Director, Health & Human Services, Colusa County (remote)  
Mike Ziegenmeyer, Supervisor, Sutter County (remote)  
Christina Rivera, County Administrator, Sonoma County (remote)  
Jennifer Yasumoto, Director, Health & Human Services, Napa County (in-person)

### **MEMBERS ABSENT**

John Vasquez, Supervisor, Solano County  
Deborah Martinez, Director, Department of Social Services, Madera County

### **CLOSED SESSION**

The Governing Board met in Closed Session.

### **PUBLIC SESSION**

#### **Introductions and Public Comments**

In the absence of Chair John Vasquez, Vice Chair Jennifer Vasquez presided over the meeting and called the public session to order.

Vice Chair Vasquez invited Governing Board Members and CMSP staff to introduce themselves, beginning with those attending in person, followed by those participating remotely. Board Member Mike Ziegenmeyer attended the meeting remotely but was not present during introductions.

Vice Chair Vasquez then opened the floor for public comment.

### **Public Comment:**

David Kane, attorney with the Western Center on Law and Poverty, addressed the Board in support of Agenda Item 4 – the Legislative Representative Report – which included discussion of recent state and federal policy changes impacting Medi-Cal and CMSP. Mr. Kane expressed the organization’s interest in collaborating on adjustments to the CMSP program, particularly in light of impending changes that will exclude many immigrants from Medi-Cal beginning January 2026. He noted that the Western Center is closely analyzing the implications of these changes and anticipates that a smaller population will remain uninsured compared to the uninsured before recent Medi-Cal expansions. He affirmed the organization’s willingness to support the Governing Board in identifying and implementing potential solutions, including reconsideration of the Path to Health program.

### **Correspondence and Consent Calendar**

Ms. Vasquez requested a motion to approve the May 28, 2025 Governing Board Agenda and Correspondence and Consent Calendar.

ACTION MSC:       Governing Board approve the May 28, 2025 Governing Board Agenda and Correspondence and Consent Calendar.

APPROVED	Votes:	Aye – 6
		Nay – 0
		Abstain – 1 (Jennifer Yasumoto)
		Not Present – 1 (Mike Ziegenmeyer)

Board Member Jennifer Yasumoto reported that she abstained from the vote as she was not in attendance at the May 28, 2025 meeting. Board Member Mike Ziegenmeyer attended remotely but was not present for this item and did not vote.

### **Report on Closed Session**

Alison Bassett, CMSP General Counsel, reported that the Governing Board met in Closed Session to discuss two matters involving significant exposure to anticipated litigation. No reportable action was taken.

### **Report from Legislative Representative**

Karen Lange of Shaw Yoder Antwih Schmelzer & Lange joined the meeting remotely to provide an update on current legislative activity in the State.

Ms. Lange reported that the California Legislature adjourned for summer recess the previous Thursday but completed several labor-related budget agreements prior to adjourning. She noted that passage of the federal H.R.1 legislation could affect the need for a special legislative session, though some additional budget actions may still occur between mid-August and mid-September.

She informed the Board that the California Health and Human Services Agency had just released its first publication analyzing the impacts of H.R.1, along with a related webinar. Both items would be forwarded to CMSP staff. Ms. Lange also highlighted an upcoming hearing scheduled for August 20, 2025, by the Assembly Budget Subcommittee No. 7, which will focus entirely on the state-level impacts of H.R.1, particularly in the health and human services arena.

She emphasized increasing interest in CMSP by the Legislative Analyst's Office (LAO), among others at the state level, and referenced a recent meeting between Governing Board staff and LAO representatives. She requested the Governing Board provide direction on how CMSP should be represented in these emerging discussions.

Ms. Lange also provided a brief update on the state budget outlook. While the State General Fund had performed better than expected due to stable stock market-related revenues, she underscored ongoing concerns about the state's reliance on approximately \$147 billion in federal funding, which remains vulnerable to significant reductions under H.R.1.

In closing, Ms. Lange informed the Board of the Counties R.I.S.E. (Research Initiative in Service Essentials) project, a policy research initiative funded by the California State Association of Counties (CSAC) and led by the Goldman School of Public Policy at UC Berkeley. The project is analyzing county healthcare systems and formulating potential policy solutions. Some CMSP counties have been contacted for participation.

Following Ms. Lange's remarks, Executive Director Kari Brownstein provided additional updates related to state and federal budget issues. She noted that CMSP staff had been contacted by and met with the Legislative Analyst's Office and were subsequently sent a series of follow-up questions for which answers were developed. She noted that both the questions and CMSP's written responses were included in the Board packet. Ms. Brownstein emphasized that the full impact of H.R.1 will depend on pending federal guidance and state responses are expected to unfold over time – potentially in Fall 2025, and into 2026 and 2027.

Given the evolving nature of these developments, Ms. Brownstein recommended that the Governing Board delegate continued oversight of state and federal budget actions affecting Medi-Cal, Covered California, and potential county responsibilities for indigent



## **CMSP Grant Programs**

### **Healthcare Infrastructure Development Matching Grant Proposal and Extension**

Laura Moyer, Grants Administrator, presented updates on the Healthcare Infrastructure Development (HID) Matching Grant Program and two related action items.

Ms. Moyer began by reminding the Board that the HID Matching Grant Program was created in December 2022, with \$10 million allocated to assist CMSP counties in meeting local match requirements for projects aimed at expanding physical capacity to provide healthcare and behavioral health services. To date, the Governing Board has issued active or conditional awards totaling \$1,658,217 to projects in Glenn, Humboldt, Madera, and Mariposa counties.

Ms. Moyer then presented the first action item involving Imperial County. In December 2024, Imperial County applied for HID funding for its *Pathway to Serenity* project, which was conditionally approved in January 2025. That conditional award was later nullified when the project failed to secure its anticipated primary funding source.

In June 2025, Imperial County submitted a new application for \$340,579.75 for the *Northern Horizons Behavioral Health Expansion* project, which received a Behavioral Health Continuum Infrastructure Program (BHCIP) grant from the California Department of Health Care Services. CMSP's review team recommended approval of the new HID application. The project involves remodeling approximately 20,951 square feet of a county-owned building to include a Substance Use Disorder (SUD) treatment center, a full-service behavioral health clinic, therapeutic rooms, a transportation unit, and office space for co-located community services. The completed facility is projected to serve over 62,000 patients annually.

Ms. Moyer then presented the second action item, recommending that the Governing Board extend the rolling application deadline for the HID Matching Grant Program from December 31, 2025, to December 31, 2026. She explained that this extension would allow counties to align with the State's BHCIP timeline, noting that BHCIP award announcements are not expected until Spring 2026. Extending the deadline would provide counties with greater flexibility to access the remaining \$8 million in HID funds.

Following the presentation of both items, Vice Chair Vasquez called for separate votes on each action.

ACTION MSC: Governing Board conditionally approve the HID Matching Grant award of \$340,579.75 to Imperial County for the *Northern Horizons Behavioral Health Expansion* project.

APPROVED      Votes:      Aye – 8  
   Nay – 0

**ACTION MSC:** Governing Board approve extending the HID Matching Grant Program's rolling application deadline to December 31, 2026.

APPROVED      Votes:      Aye – 6  
                                    Nay – 2 (Jennifer Vasquez  
                                    and Scott De Moss)

## CMSP Financial Reports

## CMSP Balance Sheet

Nino Celentano, Finance Director, reported on the May and June financial statements. The CMSP Balance Sheet shows:

ITEM	May 2025	June 2025
Total CMSP Funds	313,876,717	314,412,236
Total Assets	313,991,746	314,539,289
Total Liabilities and Equity	313,991,746	314,539,289

## FY 2024-25 Program Budget Year-to-Date

Mr. Celentano presented the Program Budget actual versus budgeted revenues and expenditures for FY 2024-25 as of May 31, 2025 and June 30, 2025. As of May 31, 2025, expenditures totaled \$13,144,714 on an accrual basis. As of June 30, 2025, expenditures totaled \$16,799,071 on an accrual basis. The approved Program Budget for FY 2024-25 is \$28,157,000.

## FY 2024-25 Administrative Office Budget Expenditures Year-to-Date

Mr. Celentano presented the Administrative Office actual versus budgeted expenditures for FY 2024-25 as of May 31, 2025 and June 30, 2025. As of May 31, 2025, expenditures totaled \$3,017,911 on an accrual basis. As of June 30, 2025, expenditures totaled \$3,428,838 on an accrual basis. The approved Administrative Office Budget for FY 2024-25 is \$5,381,000.

### CMSP Reserve Policy

Mr. Celentano and Ms. Brownstein presented the current CMSP Reserve Policy for review and approval.

Mr. Celentano explained that the Reserve Policy is designed to ensure CMSP maintains adequate financial reserves to support operations, manage risk, and respond to healthcare needs across its 35 member counties. The reserves provide a safeguard to cover interest and revenue shortfalls, program transitions, and strategic investments.

He summarized the structure of the reserve, which is composed of four components:

1. Healthcare Benefit Programs and Administration Reserve – Equal to two years of expenditures to ensure continuity of health coverage and administrative operations.
2. Pilot Projects and Alternative Products Reserve – Equal to two years of expenditures for projects and programs outside core benefit operations.
3. Economic Uncertainty and Potential Litigation Reserve – Equal to 10% of two years of expenditures, to address unanticipated financial risks or legal contingencies.
4. Investment Reserve – The remaining balance, to be used for strategic investments in benefit programs, pilot projects, or in response to changes in the Affordable Care Act or Medi-Cal that expand CMSP coverage responsibilities.

Mr. Celentano noted that the policy also require an annual review and approval by the Governing Board.

Ms. Brownstein asked if there were any questions. Board discussion ensued.

ACTION MSC:           Governing Board approve the current CMSP Reserve Policy.

APPROVED           Votes:       Aye – 8  
  Nay – 0

### **Executive Director's Report**

Ms. Kari Brownstein provided updates on the following items:

1. Letter to Secretary Kim Johnson – Governing Board Delegate

Ms. Brownstein referenced a letter included in the Board packet that was sent to Secretary Kim Johnson of the California Health & Human Services Agency. She explained that Kimberly Chen, the agency's ex-officio representative to the CMSP Governing Board, is no longer with the agency. Although a new delegate has not yet been appointed, Board materials were shared with Brendan McCarthy, who remains with the agency and requested to receive them.

## 2. Third-Party Administrator (TPA) Audit

Ms. Brownstein reported that the Request for Proposal (RFP) for an audit of CMSP's Third-Party Administrator was distributed to 11 firms. Two firms have declined to submit proposals, and one has submitted questions. Responses to the RFP are due August 8, 2025. Staff will review submissions and aim to bring a proposed contract to the September 2025 Board meeting.

## 3. CSAC Affiliate Agreement

Ms. Brownstein informed the Board that CSAC, which currently provides payroll and benefits administration for CMSP, has submitted a new affiliate agreement for review. She anticipates presenting the new agreement for Board consideration at a future Governing Board meeting.

## 4. External Presentations to County Associations

Ms. Brownstein reported that CMSP staff gave a presentation to the California Association of County Executives (CACE) on July 18, 2025. Additional presentations are scheduled for the County Health Executives Association of California (CHEAC) on August 6, and the County Welfare Directors Association of California (CWDA) on August 13. She thanked Board members who assisted in coordinating these presentations.

## 5. CMSP Application Launch at Community-Based Health Centers

Alison Kellen, Senior Director – Programs, reported that CMSP benefit applications began being taken at contracted community-based health centers as of July 15, 2025. As of the date of the meeting, five CMSP enrollees had been accepted through this new enrollment channel. CMSP staff conducted three training sessions with approximately 85 participants in preparation for the launch. The data exchange to the State's MEDS system is functioning effectively. Ms. Kellen extended appreciation to CMSP staff, DHCS, and technology vendor RedMane for their significant efforts over the past two and a half years to make the implementation successful.



6. Marketing Update

Ms. Kellen also provided an update on CMSP's bilingual marketing efforts, which have been relaunched in CMSP counties. Current outreach includes radio ads, Pandora ads, carteles, and billboards. CMSP's digital campaign, social media, and search engine marketing (SEM) initiatives will be updated in the near future. The CMSP marketing vendor, JSR, is scheduled to present at the September 2025 Board meeting.

**Public Comments**

Vice Chair Vasquez asked for public comments. There were no public comments, and Ms. Vasquez adjourned the meeting at 11:22 am. The next meeting is September 24, 2025.