



Strategic Planning Committee

Wednesday, January 18th, 2023

9:30 – 11:00 a.m.

Meeting Locations:

Partnership HealthPlan of California Offices

No in-person option due to Covid-19 Social Distancing Protocols

1. Welcome & Introductions..... Dean Germano, Chair

2. Resolution to Approve Cathryn Couch (Decision)Liz Gibboney

3. Committee Member Comments:

At this time committee members may provide comments and announcements.

4. Public Comments:

At this time members of the public may address the Committee on any non-agenda item of interest to the public that is within the subject matter jurisdiction of the Committee.

Members of the public will have the opportunity to address the Committee on a scheduled agenda item during the Committee's consideration of that item. Speakers will be limited to three (3) minutes.

5. Approval of Agenda (Decision).....Dean Germano, Chair

6. Review & Approval of 10/12/2022 Minutes (Decision)Dean Germano, Chair

7. Board Retreat Discussion.....Liz Gibboney & Amy Turnipseed

8. CEO Update.....Liz Gibboney

9. Governor's Budget & Legislative Update..... Dustin Lyda

10. CalAIM/ Five Year Timeline Review..... Amy Turnipseed

11. Adjournment..... Dean Germano, Chair

Upcoming meeting: April 2023

This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing on the agenda.

Government Code §54957.5 requires that public records related to items on the open session agenda for a regular committee meeting be made available for public inspection. Records distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the committee. The committee has designated the Administrative Assistant to the Senior Director of External and Regulatory Affairs as the contact for Partnership HealthPlan of California located at 4665 Business Center Drive, Fairfield, CA 94534, for the purpose of making those public records available for inspection. The Strategic Planning Committee Meeting Agenda and supporting documentation is available for review from 8:00 AM to 5:00 PM, Monday through Friday at all PHC regional offices (see locations above). It can also be found online at www.partnershiphp.org.

In compliance with the Americans with Disabilities Act, PHC meeting rooms are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Jessica Cifoletti, the Executive Assistant to the Chief Strategy & Government Affairs Officer, at least two (2) working days before the meeting at (707) 720-2725 or by email at jcifoletti@partnershiphp.org. Notification in advance of the meeting will enable PHC to make reasonable arrangements to ensure accessibility to this meeting and to materials related to it.

CONSENT AGENDA REQUEST
for
PARTNERSHIP HEALTHPLAN OF CALIFORNIA

Board Meeting Date:
February 22, 2023

Agenda Item Number:
[#]

Resolution Sponsor:
Liz Gibboney, CEO, Partnership HealthPlan of CA

Recommendation by:
Strategic Planning Committee

Topic Description:

Cathryn Couch has expressed interest in joining the Strategic Planning Committee (SPC). She has been attending for over two years.

Reason for Resolution:

Mitesh Popat has left the Partnership Board of Commission and his seat on the SPC, leaving a opening for Southwest region representation. Cathryn Couch will fill a vacant seat on the Strategic Planning Committee.

Financial Impact:

There is no financial impact to the HealthPlan.

Requested Action of the Board:

Based on the recommendation of the Strategic Planning Committee the board is being asked to approve the appointment of Cathryn Couch to the committee as a new member.

CONSENT AGENDA REQUEST
for
PARTNERSHIP HEALTHPLAN OF CALIFORNIA

Board Meeting Date:
February 22, 2023

Agenda Item Number:
X

Resolution Number:
23-

IN THE MATTER OF: APPROVING THE NEW APPOINTMENT OF [NAME] TO THE STRATEGIC PLANNING COMMITTEE

Recital: Whereas,

- A. Cathryn Couch is well qualified for the Strategic Planning Committee and has expressed an interest in joining the committee.
- B. The committee has a vacant seat available.
- C. Board members are encouraged to serve on one or more committees.
- D. The Board has authority to appoint committee members.

Now, Therefore, It Is Hereby Resolved As Follows:

- 1. To approve the appointment of Cathryn Couch to the Strategic Planning Committee.

PASSED, APPROVED, AND ADOPTED by the Partnership HealthPlan of California this 22nd day of February 2023 by motion of Commissioner, seconded by Commissioner, and by the following votes:

AYES: Commissioners:

NOES: Commissioners

ABSTAINED: Commissioners

ABSENT: Commissioners:

Alicia Hardy, Chair

Date

BY: _____
Ashlyn Scott, Clerk



Meeting Minutes

Attendees:

Members or designee: Paula Cohen, Tim Rine, Alicia Hardy, Melissa Marshall, Mitesh Popat, M.D, Paula Cohen, Kathryn Powell

Guest: Cathryn Couch

Staff: Liz Gibboney, Patti McFarland, Sonja Bjork, Dani Ogren, Wendi West, Dustin Lyda, Mark Bontrager, Robert Moore, MD, Kirt Kemp, Kathryn Power, Jessica Cifolelli

Topic	Lead	Notes	Follow-up
Updates / Introductions	Liz Gibboney, CEO	Liz Gibboney convened the meeting at 9:30 a.m.	
Committee Member Comments	All	There were no committee member comments.	
Public Comments		There were no public comments.	
Approval of the Agenda	Liz Gibboney	The committee approved the agenda for the Strategic Planning Committee meeting on October 12, 2022. <i>Tim Rine motioned to approve, and Mitesh Popat, M.D. seconded.</i>	
Previous Minutes Approval	Liz Gibboney	The approval of meeting minutes for the Strategic Planning Committee meeting on January 19, 2022, approved as written. <i>Tim Rine motioned to approve, and Mitesh Popat, M.D. seconded.</i>	

CEO Update	Liz Gibboney	<p><u>Ms. Gibboney gave the following updates:</u></p> <ul style="list-style-type: none">• CalAIM; PHC currently has 721 members enrolled in Enhanced Care Management (ECM), with another 840 in the outreach process. PHC has provided 616 Community Support (CS) services for 509 members. The Housing and Homelessness Incentive Program (HHIP) will administer \$89M in one-time funds to PHC for providers in our service area. PHC is currently recruiting for a housing leadership position to cover housing programs, due to the incoming significant funding.• CalAIM Waiver/Enhanced Care Management and Community Supports. As we continue to grow our provider network under both initiatives, we are also growing our membership. Further, we are pleased to be partnering with DHCS leadership to plan and hold three “regional convening’s” for our many partners to speak directly with DHCS leaders about CalAIM and other topics pertaining to Medi-Cal, during the month of November. <p><i>Mitesh Popat, MD mentioned he is not receiving referrals of eligible individuals from PHC.</i></p> <p><i>Sonja Bjork recommends looking at the outreach numbers for Dr. Popat, and depending on the results, we can discuss how his staff can make a referral.</i></p>	
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Legislation Update	Dustin Lyda	<p><u>Mr. Lyda gave the following Legislative updates:</u></p> <ul style="list-style-type: none">• Note that the public health emergency flexibilities are set to expire on Saturday, October 15, however we all expect it to be extended another 90 days – as CMS has indicated that they would give 60-day notice.• PHC has been monitoring AB 2724 Alternate Healthcare Service Plan, which will allow Kaiser Permanente to enter a direct care contract with the State of California to provide care to additional MCMC members. The bill was signed into law by Governor Newsom in Summer 2022, with an effective date of January 1, 2024 <p><i>Ms. Gibboney noted that PHC is working with the State of California and DHCS to understand more about how this direct contract will impact our members.</i></p>	
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CalAIM/ Five Year Timeline Review	Dustin Lyda	<p><u>Mr. Lyda gave the following updates:</u></p> <ul style="list-style-type: none">• New Core system: PHC is moving forward with replacing our current claims system, Amisys. This is expected to go live with the new system in April 2023.• Student Behavioral Health Incentive Program (SBHIP): SBHIP grants- The State Department of Health Care Services will make incentive payments to qualifying Medi-Cal managed care plans that meet pre-defined goals and metrics associated with targeted interventions that increase access to preventive, early intervention and behavioral health services by school affiliated behavioral health providers for TK-12 children in schools. Partnership is working with counties in regards to the SBHIP grant.• Incentive Payment Program (IPP) & PATH Funding Opportunities: PATH & IPP spending would be used to support capacity building, including payments for infrastructure, interventions, and services to complement and ensure access to the array of services and benefits that are part of successful implementation of ECM and Community Supports (ILOS); as well as a number of intersecting CalAIM initiatives designed to ensure continuity of health care coverage and care for individuals leaving prisons and county jails and re-entering the community, all of which are key components of CalAIM.• Housing & Homeless Incentive Funding: Medi-Cal managed care plans would be able to earn incentive funds for making investments and progress in addressing homelessness and keeping people housed. Details are being worked out by DHCS.• Population Health management service is also being rolled out. DHCS has selected Gainwell technologies to provide DHCS, managed care plans, providers, and counties integrated, comprehensive, and accurate data that will help inform program improvements and to better understand population health trends selected third-party administrator to coordinate and share data across the health and social services to improve care.• No later than Jan. 1, 2024, full-scope Medi-Cal will be expanded to all eligible individuals regardless of immigration status.• By 2024 Partnership HealthPlan is expected to have a 10-county geographical expansion.	
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		<ul style="list-style-type: none"> By 2026, health plans will be required to have NCQA accreditation (which PHC already has) and a DSNP. PHC has already begun working towards developing a DSNP. <p><i>Cathryn Couch noted that CS meal delivery only covers meal delivery and not staffing support. In a malnourished state, there needs to be a shared vision of what to build.</i></p>	
Board Retreat Discussion	Liz Gibboney	<p><u>Ms. Gibboney gave the following updates on the Board Retreat:</u></p> <ul style="list-style-type: none"> The Board retreat will take place in-person in February, beginning with a dinner and brief meeting. <p><i>Cathryn Couch recommends doing introductions and the opportunity to work in smaller breakout groups.</i></p> <p><i>Robert Moore, MD would like to address physician recruitment challenges. Mentioning that we cannot pay more than the market value and to focus on the package/flexibility.</i></p> <p><i>Mitesh Popat, MD would also like to bring attention to the front-line staffing issues. It is very hard to find the staff to help the office function. The provider piece has been going on for a long time.</i></p> <p><i>Ms. Gibboney asked the committee if they have any recommendations for guest speakers.</i></p>	More details to be provided at the next Strategic Planning Committee Meeting.
Adjournment	Liz Gibboney	<i>Ms. Gibboney adjourned the meeting at 10:45 a.m.</i>	

Next Meeting: January 18, 2023



ANNUAL BOARD STRATEGIC PLANNING RETREAT

Board Dinner

February 21, 2023

Location: TBD

6:00 pm **Welcome Reception**

6:30 pm **Dinner with Guest Speaker:**
TBD

February 22, 2023

Location: TBD

Regular Board Meeting

7:30 am **Breakfast** (served until 9:00 am)

8:00 am **Board Meeting**

Strategic Planning Retreat

8:50 am **Welcome**
Alicia Hardy, Board Chair

9:00 am **CA healthcare landscape Initiatives**
Bobbie Wunsch, Facilitator

9:30 am **PHC: This Year and Looking Ahead**
Liz Gibboney, CEO and Patti McFarland, CFO

10:00am **Healthcare Workforce and Q&A**
Elizabeth Landsberg, HCAI Director

10:45 am **Roundtable discussions and Report outs**
Bobbie Wunsch, Facilitator

11:30 am **Lunch**

12:15 pm

Change Management

TBD

2:15 pm

Closing Remarks

Alicia Hardy, Board Chair and Liz Gibboney, CEO



LHPC
Local Health Plans *of California*

To: Board of Directors & Plan Staff
From: LHPC Staff
Subject: Highlights from Governor's Proposed Budget for 2023-24
Date: January 10, 2023

This memo includes highlights from Governor Newsom's Proposed Budget for FY 2023-24, specifically health and human services proposals of relevance to local plans. See the Governor's [Budget Summary](#), [DHCS Budget Highlights](#), and the [DHCS Medi-Cal Estimate](#) for additional details (references and page numbers are provided throughout the memo). LHPC will continue to review and analyze Budget proposals impacting local plans and provide additional information as it becomes available. Please contact Rebecca Sullivan at rsullivan@lhpc.org with any questions.

State Budget Overview

The following highlights provide a snapshot of California's overall State Budget:

- **Total Budget:** [\\$296.97 billion](#) total fund (\$223.6 billion General Fund) in 2023-24 (Summary Chart, p. 13).
- **Reduced Revenues and Budget Shortfall:** Forecasted revenues are \$29.5 billion lower than the 2022 Budget Act projections, resulting in a FY 2023-24 budget shortfall of \$22.5 billion. The Governor presented a balanced budget by proposing the following solutions to fulfill the shortfall:
 - \$7.4 billion in Funding Delays – Delays funding for certain initiatives to later fiscal years without reducing the total value of initial investments.
 - \$5.7 billion in Reductions/Pullbacks – Significant items include a \$3 billion reduction to the prior 2022 Budget Act inflationary adjustment and the pullback of a \$750 million unemployment trust fund payment.
 - \$4.3 billion in Funding Shifts – For a subset of expenditures other funding source will be utilized to fund these investments in place of the previously allocated General Fund.
 - \$3.9 billion in Trigger Reductions – Reduces certain expenditures tied to FY 2020-21 through 2023-24, these reductions would be restored (through a trigger) in the 2024 budget subject to resource availability in the following categories:
 - \$3.1 billion in Climate and Transportation
 - \$600 million in Housing
 - \$106 million in Parks

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- \$55 million in Workforce Training
- \$1.2 billion Limited Revenue Generation and Borrowing – Additional revenue generation includes renewal of the MCO tax beginning in calendar year (CY) 2024 and special fund loans to the General Fund.
- **Budget Reserves:** \$35.6 billion in budgetary reserves, the reserves include:
 - \$22.4 billion in the Rainy Day Fund (Budget Stabilization Account)
 - \$900 million in the Safety Net Reserve
 - 8.5 billion in the Public School System Stabilization Account, and
 - \$3.8 billion in the state’s operating reserve (Special Fund for Operating Uncertainties)

The Rainy Day fund continues to remain at the constitutional maximum which requires \$951 million to be dedicated for infrastructure investments. In order to access the Rainy Day fund, the Governor would need to declare a fiscal emergency, any withdrawal is limited to no more than 50 per cent of the fund balance for any given fiscal year. While the Governor’s budget does not project a recession, the administration has highlighted general fiscal uncertainty and will update the budget forecast in Spring.

As required by Proposition 2, the budget accelerates the paydown of payments for state’s retirement liabilities and includes an additional \$1.9 billion in 2023-24 and approximately \$5.3 billion over the next three years.

Based on the current revenue forecast, the Governor’s budget focused on sustaining prior key investments such as:

- Transitional Kindergarten, Child Care Availability and Affordability, and Universal School Meals
- Maintaining Higher Education Commitments
- Advancing Climate Agenda
- Expanding Health Care Access and Delivery Transformation
- Increased Cash Assistance to Individuals with Disabilities and Older Adults
- Expanding the Behavioral Health Continuum
- Developmentally Disabled Services Rate Reform Implementation
- Investments in Infrastructure, Housing, Homelessness, and continued Workforce Development

Reference: Budget Summary, pp. 1-7

Significant Medi-Cal Budget Items

Overall Medi-Cal Budget

- *2023-24 Budget estimate:* \$138.9 billion (\$38.7 billion General Fund) (DHCS Budget Highlights, p.17).
 - The 2023-24 budget estimates are \$1.2 billion higher than the revised 2022-23 projections of \$137.7 billion (\$32.3 billion General Fund)

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- *Total projected enrollment:* The 2023-24 projected average monthly caseload is 14.4 million, a decrease of 5.22% from FY 2022-23. (DHCS Budget Highlights, p. 13)

The state's budget will need to be updated to reflect the federal budget that was released in December 2022 and policies such as the decoupling of the COVID public health emergency (PHE) and the pause on Medi-Cal redetermination.

- The state's current budget assumes the PHE ends in mid-April 2023, assumed enhanced federal funding of 6.2% would be available through June 30, 2023, and disenrollment of members would begin in August 2023 through August 2024.
- The federal budget requires Medicaid redetermination activities to begin in April 2023 (regardless as to when the PHE is lifted) and provides states 14 months to complete the needed activities. Based on the California's PHE unwinding plan and factoring in the new federal requirements, it is assumed members will begin to lose coverage beginning in July 2023 through July 2024.
 - Lastly, the federal budget provides a step down of federal participation that was not factored into the state budget as follows:
 - 6.2% enhanced match through March 31, 2023
 - 5.0% enhanced match April 1, 2023 through June 30, 2023
 - 2.5% enhanced match July 1, 2023 through September 30, 2023
 - 1.5% enhanced match October 1, 2023, through December 31, 2023

Reference: DHCS Budget Highlights, pp. 10, 130.

MCO Tax

The Governor's Budget proposes renewal of the MCO tax for a three-year period, effective January 1, 2024 through December 31, 2026, and assumes \$1.3 billion of revenue in 2023-24 for the partial fiscal year and \$6.5 billion over three years (assuming just over \$2 billion annual revenue from the tax). Note that the Budget proposal indicates the Administration will be exploring opportunities to increase the size of the MCO tax. The Budget proposal also suggests that revenue from the MCO tax ensures preservation of Medi-Cal expansion and protects recent investments in what will be a difficult budget year. LHPC will work closely local plans on our positioning with respect to the MCO tax, including Medi-Cal stakeholder partnerships and engagement, modeling, and other technical issues. Below are highlights both from the Governor's Budget and recent discussion with DHCS:

- The current estimate assumes continuation of the same MCO tax model that expired at the end of 2022 (authorized via [AB 115, Chapter 348, Statutes of 2019](#)).
- Base year enrollment assumptions will be updated to use CY 2021 enrollment, and DHCS will begin working with plans in the coming weeks to discuss these assumptions.
- DHCS will be proposing trailer bill language related to the MCO tax, which should be available by February.
- DHCS has shared they are working with CMS and receiving technical assistance regarding California's MCO tax model to ensure they are constructing a tax that will be federally approvable. DHCS is not yet able to share their timing for providing any current or updated modeling with LHPC.

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Reference: Budget Summary, p. 60; DHCS Budget Highlights, p. 4

Medi-Cal Eligibility Expansion

The Budget maintains the expansion of full-scope Medi-Cal coverage to all income-eligibility adults aged 26 through 49 regardless of immigration status, beginning January 1, 2024. The Budget allocates \$844.5 million (\$653.3 million General Fund) in FY 2023-24 and \$2.1 billion (\$1.6 billion General Fund) in FY 2024-25, and approximately \$2.5 billion (\$2 billion General Fund) ongoing to fund this expansion.

Reference: DHCS Budget Highlights, p. 4

CalAIM

The state continues to honor its prior commitments and investments in CalAIM and focus on delivery system transformation. Additional investments in CalAIM include:

- **Transitional Rent** – DHCS will seek an amendment to the CalAIM 1115 waiver to authorize a new Community Support by CY 2024 that would allow for up to six months of rent or temporary housing to eligible individuals to be funded by managed care plans. The Budget allocates \$17.9 million (\$6.3 million General Fund) in FY 2025-26 and increases at full implementation to \$116.6 million (\$40.8 million General Fund).
- **Justice Involved** – The Budget includes \$109.7 million total fund (\$39.1 million General Fund) in FY 2023-24 for the CalAIM inmate pre-release program. (DHCS Budget Highlights, p. 7)
- **ICF/DD and Adult/Pediatric Subacute Facility Carve-In** – Members currently served in the FFS delivery system are expected to transition to managed care on July 1, 2023, the budget reflects these assumptions. However, there are stakeholder requests and external pressure to delay the implementation to January 1, 2024. To date, DHCS has advised they are evaluating the requested delay.
- **Forthcoming Trailer Bill Language** – DHCS will seek statutory changes to align with waiver approvals.

References: Budget Summary, pp. 61, DHCS Budget Highlights, p. 6

Designated State Health Program (DSHP) and Provider Rate Increases

The Budget proposes the continuation of the DSHP program under CalAIM for the period of CY 2023 through CY 2026 to support the Providing Access and Transforming Health (PATH) Supports program. The continuation of DSHP provides \$646.4 million in federal funding over a 4-year period. As a condition of DSHP approvals, CMS requires states to provide provider rate increase for certain services if the Medicaid to Medicare provider rate ratio is less than 80 percent.

- As a result, primary care codes/rates beneath the 80 percent threshold will receive a 10 percent increase. The net impact of provider rate increase and DSHP funding is \$22 million total fund (\$152.9 million General Fund savings).
 - This includes primary care codes such as obstetrics and doula services that do not have a Medicare rate.

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- DHCS will continue to evaluate the need for additional targeted rate increase and make updates in the May Revision.
- Our understanding is the above referenced rate increase are over and beyond the 2022 Budget Act rate increase tied to the elimination of the AB97 provider rate reductions.

Reference: Budget Summary, p. 60, DHCS Budget Highlights, p. 4

Behavioral Health

The Budget includes significant new investments in behavioral health over the next several years while also maintaining existing investments that were approved in the 2022-23 enacted budget.

- California’s Behavioral Health Community-Based Continuum Demonstration – With total funding of \$6.1 billion over five years, the CalBH-CBC demonstration is a comprehensive waiver proposal to build out California’s community-based continuum of behavioral health services. The demonstration primarily focuses on services that are or will be covered by county behavioral health. One component of the demonstration includes enhancing coordination between managed care, county behavioral health, and social services for foster youth, however, the Budget does not include details regarding the proposed incentive pool that which was outlined in the DHCS concept paper published last year.
 - Over the five-year demonstration, the \$6.1 billion total funding includes \$314 million GF, \$175 million Mental Health Services Fund, \$2.1 billion Medi-Cal County Behavioral Health Fund, and \$3.5 billion federal funds.
- Opioid and Fentanyl Response Package – The Budget proposes an additional \$93 million in Opioid Settlement Funds over four years through programs administered by DHCS and CDPH, including:
 - \$79 million to expand the Naloxone Distribution Program
 - \$10 million for fentanyl program grants for education, testing, recovery and support services
 - \$4 million to make fentanyl test strips and naloxone more widely available
- Recent Behavioral Health Investments Maintained with Some Delays – In addition to the new investments in behavioral health outlined above, the following programs or services were maintained in the proposed Budget, but some were delayed as noted below:
 - \$16.5 million GF in 2023-24 for CARE Act implementation, with growing costs in the outyears as additional counties implement CARE Court. Note there is no delay in CARE Court implementation.
 - \$480.7 million GF for the last round of Behavioral Health Continuum Infrastructure Program funding is being delayed from the current budget year to be equally distributed across two future Budget years, 2024-25 and 2025-26.
 - \$250 million GF of the total \$1.5 billion GF for Behavioral Health Bridge Housing Program is being delayed to 2024-25. Note that the current budget year includes \$1 billion for this program, and the Administration continues to include \$250 million for 2023-24.

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- Funding for the Children and Youth Behavioral Health Initiative (CYBHI) is being maintained as previously approved, with appropriations over several budget years.

Reference: Budget Summary, pp. 59, 61; DHCS Budget Highlights, pp. 8-10

Equity and Practice Transformation Payments

The 2022-23 Budget Act committed \$700 million (\$140 million per year) over 5 years to support practice transformation and COVID-19 recovery payments. The proposed FY 2023-24 budget maintains the initial \$700 million dollar investment as outlined below.

- \$140 million in FY 2022-23
- \$215 million in FY 2023-24
- \$115 million FY 2024-25 through FY 2026-27

These payments are intended to advance equity; address gaps in preventative, maternity and behavioral health care measures; reduce COVID-19 driven care disparities; support upstream interventions to address SDOD and improve early childhood outcomes.

Reference: DHCS Medi-Cal Estimate, p. 731

Managed Care - Other

- Year over Year Growth in Managed Care Costs – General fund costs tied to managed care are expected to increase from FY 2023-24 to 2024-25 by \$664 million related to forecasted changes in managed care rates and enrollment.
- Retroactive Managed Care Payment – The budget includes \$490.7 million total funds (\$251.6 million General Fund) for retroactive managed care payments tied to the 10 percent PHE add-on for long-term care facilities.

Reference: DHCS Budget Highlights, p. 12

Health Care Workforce

The 2022 Budget Act allocated \$1.5 billion General Fund to HCAI for workforce development. The 2023-24 Budget has delayed the funding over multiple years: \$68 million in FY 2022-23, \$329.4 million in 2023-24, 198.7 million in FY 2024-25 and 2025-26.

- Community Health Workers – Delays \$130 million General Fund to \$65 million in FY 2024-25 and 2025-26, respectively. Funding was originally intended to recruit, train, and certify 25,000 new community health workers by 2025, with specialty certifications in areas that include climate health, homelessness, and dementia.
- Nursing and social work – During the CalHHS press conference it was noted these categories tied to workforce training are expected to be delayed. More details will be shared as they become available.

Reference: Budget Summary, p. 97

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Reproductive Health

DHCS will develop an 1115 demonstration waiver to support access to reproductive and family planning services. The Budget proposes \$200 million total fund (\$15 million General Fund) in FY 2024-25 for a grant program through this Reproductive Services 1115 waiver. The program intends to support access to family planning and related services, system transformation, capacity, and sustainability of the safety net.

References: Budget Summary, pp. 60-1; DHCS Budget Highlights, p. 7

Data Exchange Framework Implementation

Although the Governor's Budget Summary does not reference forthcoming trailer bill language regarding the establishment of governance for the Data Exchange Framework and statewide data sharing agreement, we understand that it is the Administration's intent to introduce language that will authorize a formal governance structure that will be housed within California Health and Human Services Agency and the Center for Data Insights and Innovation (CDII).

Public Health and COVID-19 Response

Funding for COVID-19 response is ongoing, including \$176.6 million GF in 2023-24 to support implementation of the State's SMARTER plan primarily for IT systems for lab data management and case and outbreak investigation. However, given the reduced COVID-19 response activities over the past six months, the Governor's Budget assumes a reduction of \$614 million in 2022-23 for COVID-19 response compared to what was assumed in the 2022-23 enacted budget.

Reference: Budget Summary, p. 66-7

Human Services

- *In-Home Supportive Services (IHSS)* – The budget includes \$20.5 billion (\$7.8 billion General Fund) for the IHSS program in FY 2023-24. The average monthly case is estimated to be 642,000 recipients in FY 2023-24.
- *Supplemental Security Income/State Supplementary Payment (SSI/SSP)* – The budget includes \$3.5 billion General Fund in FY 2023-24 and the average monthly caseload is 1.1 million recipients. This includes an 8.7 percent federal SSI cost of living adjustment and 10.3 percent SSP increase that took effect on January 1, 2023. Increasing the maximum SSI/SSP grant level to \$1,134 per individual and \$1,928 per couple.

Reference: Budget Summary, p. 63

TBL Section

The following list outlines trailer bill language of interest to local plans. LHPC will be monitoring for trailer bill language in the coming weeks and will share more information once available:

- Managed Care Organization Provider Tax
- CalAIM: Designated State Health Programs
- Conform Statutory Estimate Requirements to Recent Program Changes
- Data Exchange Framework Governance

Partnership Legislative Principles

- Advocate for Health Equity and address Social Drivers of Health
- Maintain current Medi-Cal benefits
- Ensure appropriate rate setting
- Limit unfunded and operationally challenging regulatory requirements

2024 County Expansion

Partnership continues to prepare for a 10-county expansion (January 1, 2024) as part of DHCS's larger efforts to transform the Medi-Cal system - Partnership will advocate for appropriate policies that support appropriate rate development and removing barriers to member transition.

2023-2024 Budget Deficit

The Legislative Analyst Office published their 2023-24 fiscal outlook anticipating a \$25 billion deficit. Historically, health care (Medi-Cal) programs have faced early cuts to address budget shortfalls. Although health care is a top priority for the Governor, Partnership will advocate to maintain the progress that has been made to basic Medi-Cal services, as well as funding for the CalAIM initiative that is transforming the delivery of Medi-Cal and addressing social drivers of health including housing.

Workforce Development

The historic health care workforce shortage may be the biggest threat to quality care and access for our most vulnerable populations. Partnership will work with partners to identify opportunities to support the following:

- Increase the provider pipeline
- Loan repayment for medical providers
- Recruitment funding

Telehealth and Broadband Infrastructure

According to California's Broadband for All initiative nearly 1 in 5 Californians do not have access to broadband. Rural communities have a disproportional amount of households without broadband access - less than half of households

(46.5%) have access to download speeds of 100 Mbps or greater.

In July 2021, Governor Newsom signed SB 156 providing a historic \$6 billion to accelerate the state's commitment to bridging the digital divide by increasing equitable, affordable access to high-speed internet service across California.

A recent [survey](#) by the California Health Care Foundation reported that 76% of safety-net-providers (and 79% of all providers) report using telehealth – nearly double the amount from before the pandemic.

More importantly, telehealth helps expand health care access and address many of our existing health inequities. The UCLA Latino Policy & Politics Initiative [reports](#) that over 7 million Latinos, African Americans, and Native Americans live in an area experiencing a health care provider shortage and as a result could receive improved access to health care through expanding telehealth.

Partnership will continue to support and advocate for increased flexibilities for telehealth services that will increase access and quality for all members. To achieve increased access and quality, Partnership will support current efforts to build out California's high-speed broadband infrastructure.

Other Topic Issues

- FQHC – Same day billing legislation
- Behavioral Health
- Housing and Homelessness

In Five Years Timeline: Where will Partnership be?

Updated: January 2023



Year	Possible Program or Benefit change
2023	<p>New core system: Partnership is moving forward with replacing our current claims system, Amisys. Expect to go live with the new system in April 2023.</p>
	<p>CalAIM*:</p> <ul style="list-style-type: none"> • Additional populations of focus added to ECM – LTC, at risk of institutionalization, and nursing home residents transitioning to the community; children and youth populations of focus • Populations Health Management Implementation • Justice-Involved Package
	<p>New benefits going live January 2023: Doula and Dyadic Care.</p>
	<p>Transportation In-House: Partnership will end its contract with MTM and manage both NEMT and NMT benefits. This change is effective April 1.</p>
	<p>Redeterminations: Congress passed the Omnibus bill, which included the requirement for states to begin Medicaid eligibility redeterminations by April 1, 2023, even if the public health emergency is still in effect.</p>
2024	<p>Expanded full-scope Medi-Cal benefits to all income-eligible adults aged 26-49 regardless of immigration status beginning no sooner than January 2024.</p>
	<p>Repapering of DHCS Contract: Effective January 1, 2024, health plans will operate under the new, rigorous MCP contract, to provide quality, equitable and comprehensive coverage for Medi-Cal managed care members. The new contracts require partnerships with local health departments, local educational and governmental agencies, and other local programs and services, including social services, child welfare departments, and justice departments, to ensure member care is coordinated and members have access to community-based resources.</p>
	<p>County Expansion into 10 Northern California counties</p>
2026	<p>CalAIM:</p> <ul style="list-style-type: none"> • NCQA Accreditation is required for Medi-Cal Managed care plans, including NCQA Health Equity Accreditation (this HE requirement will be new for Partnership). • All managed care plans will be required to have a DSNP product.
2027	<p>CalAIM:</p> <ul style="list-style-type: none"> • Full Integration pilots go-live. • Administrative Integration of SMI &SUD services

Updated California Advancing and Innovation Medi-Cal (CalAIM) implementation timelines, per DHCS (updated July 2022) - <https://www.dhcs.ca.gov/CalAIM/Documents/CalAIM-Launch-Timeline-July-Update.pdf>