



## San Luis Obispo County Public Health Department

# MEETING MINUTES

### Coverage Initiative Planning Project (CIPP)

### Stakeholder Work Group

Meeting #8 – Tuesday, March 15, 2011, 3:30 p.m. – 5:00 p.m.

The meeting convened at 3:40 p.m.

#### Attendance

*Stakeholder representatives in attendance:* Biz Steinberg, CAPSLO; Larry Bacus, Community Health Centers of the Central Coast (CHC); Theresa Merkle, CenCal Health; Leslie Brown, SLO County Administration; Pati Garcia, SLO County Dept. of Social Services (DSS); Amy Gilman, Board of Supervisors-District 5; Richard Phillips, Sierra Vista Regional Medical Center; Betsy Umhofer, Office of Congresswoman Lois Capps; Tom Hale, Twin Cities Community Hospital ED Physician; Sue Andersen, Catholic Healthcare West; Marina Gordon, CenCal Health; and Jean Raymond, County Health Commission.

*Others in attendance:* Joel Diring, Diring & Associates; SLO County Health Agency: Marsha Bollinger, Jennifer Shay, Jeff Hamm, Penny Borenstein, and Gloria Gonzales.

*Handouts provided:* Agenda, Presentation on Highlights from the BSCF Workshop and UCLA's LIHP Eligible Population Estimates

#### Welcome and Introductions

Joel Diring, of Diring & Associates, welcomed the stakeholder representatives and began introductions followed by a review of the meeting Agenda.

#### Options for a County Health Care Coverage Initiative Program

- *In Development: Staff Report to the Board of Supervisors*  
Health Agency Director Jeff Hamm announced that, in light of new information presented at the BSCF workshop on March 11<sup>th</sup>, plans to present our options to the Board of Supervisors on March 29<sup>th</sup> have changed. More time is needed to completely review this information and explore all creative options before we present our findings to the Board of Supervisors.

Mr. Hamm added that a new option we are exploring is a CMSP hybrid program that would utilize the administrative services of the state CMSP without fully joining the costly state program. We continue to struggle with two primary challenges: we are unable to limit our W&I Code 17000 liability and we are unable to increase the County's current funding to care for the medically indigent. However, this delay in presenting our findings to the Board of

Supervisors means we have not given up on finding a way to make this work. Penny and Jennifer returned from the BSCF workshop with new information that will have us exploring several creative options.

- *Lessons Learned: BSCF County Coverage Expansion Planning Workshop*  
Health Officer Dr. Penny Borenstein, along with Jennifer Shay, presented a PowerPoint (handout provided) of highlights from the BSCF County Coverage Expansion Planning Workshop held in Oakland on March 11, 2011. Travel expenses for Dr. Borenstein and Ms. Shay to attend the workshop were covered under the BSCF planning grant. The workshop was attended by representatives from all counties and consortiums that applied for the LIHP. Materials presented at the workshop are available at [County Coverage Expansion Planning Workshop | Blue Shield of California Foundation](#).

Dr. Borenstein and Ms. Shay commented that several counties appear to be struggling with many of the same issues and concerns as we are. A common issue discussed at the workshop was the Prospective Payment System (PPS) rate paid to FQHCs, which has the potential to price many counties out of the LIHP, including ours. Andy Schneider, Consultant and Former Chief Health Counsel House of Reps Committee on Energy and Commerce, generated much interest when he stated that federal statute, Title XIX, allows for negotiated rates with FQHCs. Counties, therefore, are not mandated to pay clinics the PPS. Unless clinics agree to the reduced rate, counties must either pay the PPS rate or not participate in the LIHP and lose the federal matching funds. DHCS is looking into how to assist in PPS rate negotiations between counties and FQHCs.

The UCLA Center for Health Policy Research presented its findings at the workshop for the two year period of the 10 HCCI county pilot programs, and a panel discussion with representatives from Orange, Santa Clara and Contra Costa HCCI counties inspired lots of questions from the audience. Dr. Borenstein and Ms. Shay stressed that these findings provide limited insight into an HCCI or LIHP since there were significant variations in each of the 10 county HCCI programs.

Highlights of the lessons learned from the pilot HCCI counties included “Build it and they will come,” or “No need to bother with public outreach and recruitment efforts because word will get out anyway.” County progress reports to DHCS indicated that all counties, except for Los Angeles County, exceeded their target enrollment numbers—some over 200% and San Mateo by 370%. For the overall program, the annualized mean total expenditure per enrollee was estimated at \$3,861 in the first year and \$3,312 in the second year. Eight of the 10 counties experienced a decrease in the annualized average estimated total cost per enrollee in the second year.

Panel member Dan Castillo reported that Orange County limited the county's financial liability by implementing a provider payment point system with a hard cap for each sector, such as primary care, ED, and inpatient. Providers would draw from this fixed pool of funds according to the point system. Dr. Borenstein noted that further investigation is needed to determine if a similar point system would be feasible in our county.

The HCCI panel cautioned counties not to use existing MISP data for utilization estimates since utilization will be much higher because services are no longer just episodic. Their experience showed that medical home providers ordered diagnostic tests and discovered health conditions, which then must be treated. In the previous episodic-care model, other health conditions were not discovered or treated.

The UCLA Center for Health Policy Research provided workshop attendees with an estimate of LIHP eligible population (handout provided) based on pooled CHIS 2007 and 2009 data of the uninsured. Later in the workshop, however, Bob Baxter of DHCS confirmed that LIHP eligibility does not require the individual be uninsured. In fact, LIHP may be used as secondary insurance. This surprised many at the workshop who also expressed concern that this could motivate some to drop their private insurance coverage. Dr. Borenstein and Ms. Shay noted that this new information necessitates a change in how we estimate our eligible population.

The presentation concluded with a brief question and answer period.

Mr. Diringier thanked everyone for attending. The meeting was adjourned at 5:00 p.m.