Managed Risk Medical Insurance Board
May 21, 2008 Public Session

Board Members Present:	Cliff Allenby, Areta Crowell, Ph.D., Sophia Chang, M.D., M.P.H., and Richard Figueroa, M.B.A.
Ex Officio Members Present:	Ed Heidig (on behalf of the Secretary for Business, Transportation and Housing), Bob Sands (on behalf of the Secretary for California Health and Human Services Agency), and Jack Campana (representing the Healthy Families Advisory Panel).
Staff Present:	Lesley Cummings, Laura Rosenthal, Shelley Rouillard, Terresa Krum, Janette Lopez , Ernesto Sanchez, Ronald Spingarn, Larry Lucero, Thien Lam, Will Turner, Seth Brunner, Naomi Yates, Joanne French, Ruth Jacobs, Marlene Ricigliano, Larry Lucero, Cristal Schoenfelder, and Maria Angel.

CALL TO ORDER

Chairman Allenby called the meeting to order at 10:00 a.m. The Board then went into Executive Session. It reconvened for public session at 11:06 am.

REVIEW AND APPROVAL OF APRIL 16, 2008 PUBLIC SESSION MINUTES

The board reviewed the minutes from the April 16, meeting. Chairman Allenby made two minor changes to the draft minutes.

Dr. Crowell moved to approve the minutes as amended and the motion unanimously passed.

The minutes are located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%203%20-%20Public%20Minutes%2004-16-08%20draft.pdf.

STATE BUDGET UPDATE

Terresa Krum, Deputy Director for Administration, presented a handout highlighting the Governor's budget as proposed for MRMIB programs in the May Revision. The May Revision included the following changes:

- A higher overall budget of $1,276,748,000 from $1,275,657,000.
- Increased budget balancing reductions (BBR's) for the Healthy Families Program of $117,963,000 ($37,144,000 from the General Fund) from $102,165,000.
    - Implementation Date of Reductions. The May Revision assumes that HFP will be able to implement BBR's by November 1, 2008, assuming the budget is signed July 1. The January budget assumed a July 1 date.

Thus, in the May Revision, savings associated with BBR's in the budget year are reduced. This change is reflected in the numbers noted below.

- Dental Cap. $3 million General Fund savings (from $6.3 million) for creating a $1,000 annual dental benefit cap, due to a later implementation date and an assumed 8.5% payment rate drop for dental provider organizations and 3% for dental maintenance organizations (instead of 12% for both as proposed in January).
- Premiums. $18 million General Fund savings increase (from $11.1 million) as a result of decreased caseload.
- Copayments. $1.9 million General Fund savings (from $3.4 million) as a result of decreased utilization for increasing co-payments for non-preventative services for families above 150% FPL. The January budget applied this reduction to health, dental and vision plans. The May Revision applies it just to health plans.
- Plan Rate Reduction. $14.4 million General Fund savings (from $22.4 million) for decreasing payment rates to HFP health plans due to delayed implementation and adjusting for possible changes to service areas resulting from this.

- Delay of implementation of the enrollment simplification provisions enacted by SB 437.
- In the Medi-Cal budget the May Revise would limit Medi-Cal benefits to emergency and pregnancy-related service for legal immigrant adults and children. As legal immigrant children are eligible for HFP if they are not eligible for no-cost, comprehensive Medi-Cal, this proposal, if adopted, would impact HFP caseload. MRMIB staff are in the proces of estimating the cost for allowing children to move from Medi-Cal into HFP.
- It provides a $2.9 million increase in Proposition 99 funds for the Major Risk Medical Insurance Program, providing a total $38.9 million. This is $1.1 million lower than the $ 40 million provided in the current year.

Proposals included in the Governor's budget that remain unchanged by the May Revsion include providing $2.5 million for rural health demonstration projects in HFP and eliminating funding for the consumer satisfaction survey usually admininsterd to HFP families.

Ms. Krum noted that while it is a very difficult year, HFP and AIM eligibility levels have not been reduced, funds for application assistance remain available, there will be no cost sharing increases in HFP for families with incomes at or below 150% of the federal poverty level, there is full funding for HFP and AIM caseload growth, there are no major reductions in HFP benefits, and there is no cost sharing for AIM.

No actions have been taken on the MRMIB budget to date. However, a hearing is scheduled for this afternoon and more are expected.

The document is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%204%20-%20May%202008%20Budget%20Revision.pdf.

Chairman Allenby asked for any questions or comments.

Lesley Cummings, Executive Director, clarified that there is cost-sharing in AIM, but the budget does not call for changing existing cost-sharing.

FEDERAL BUDGET, LEGISLATION AND EXECUTIVE BRANCH ACTIVITY

Ms. Cummings informed the Board that she had testified before the U.S. House Energy and Commerce Committee Subcommittee on Health at its May 15 hearing on the impact of a Centers for Medicare and Medicaid Services (CMS) letter issued August 17, 2007. The letter sets forth requirements for states if they wish to continue covering children with family incomes above 250% of the federal poverty level with SCHIP funds. At the hearing, she testified about the difficulty states would have in complying with the letter's requirements and the confusion that states have about receiving new requirements via a letter that intend to override policies previously approved by CMS in state plans. The subcommittee was hearing H.R. 5998, recently introduced by Representative Pallone (D – New Jersey). That bill would rescind the letter. She hopes that her testimony, now on the federal record, will help inform policymakers and others about the impact on California.

Her testimony is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%205.a%20HR%205998.pdf.

Ernesto Sanchez, Deputy Director of the Eligibility and Marketing Division, reported that the Senate Appropriations Committee approved an amendment by Senator Lautenberg (D – New Jersey) to the Iraq supplemental funding bill, H.R. 2642. The Lautenberg amendment would create a moratorium until April 1, 2009 for implementing policies in the August 17 CMS letter. MRMIB staff will continue to monitor the bill's progress.

Mr. Sanchez presented a copy of a letter CMS sent to states on May 7, intended to clarify issues raised in the August 17 letter. On a May 15 phone call with MRMIB staff, CMS staff provided some clarification about the intent and application of their new policies. However, some issues are still unclear and some policies are problematic. The most problematic one is the requirement that a child be uninsured for 12 months before enrolling in SCHIP coverage.

Ms. Cummings said that the day before her Congressional testimony, CMS found Rhode Island compliant with the requirements of the August 17 letter. CMS allowed Rhode Island's premium assistance program to substitute for the requirement that children be uninsured for 12 months before enrollment. Since Rhode Island has a small number of plans and a small population – a necessary prerequisite for an operable premium assistance program – it is debatable whether this avenue will help most states.

Mr. Sanchez said that some provisions in the May 7 letter conflict with some provisions of the August 17 letter. For example, how data will be used to verify each state's compliance with the requirements. A conference call between CMS staff and MRMIB staff is scheduled for early June to discuss issues and whether California is in compliance or can comply. MRMIB staff hopes that CMS staff will further clarify their intent and plans for implementing and/or monitoring and/or enforcing their new policies.

The May 7th CMS letter is located at:
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%205.b%20CMS%20Letter%2005-7-08.pdf.

Seth Brunner, Senior Staff Counsel, presented a copy of a letter from the Government Accountability Office sent to U.S. Senators Jay Rockefeller and Olympia Snowe on April 21, 2008. The letter indicates that CMS exceeded its authority in issuing the policies in the August 17 letter. The GAO opinion is based upon the Congressional Review Act, which requires Congress and the Comptroller General to review and approve the issuance of rules or policies, such as those in the August 17 letter, before they go into effect. The Congressional Research Service issued a similar opinion.

Because CMS did not submit the rules to Congress before issuing them, legislation may be introduced to stop or delay implementation of polices in the August 17 letter. In fact, several bills have been introduced for such purposes already. Also, lawsuits challenging CMS's authority may be filed under the Administrative Procedures Act. Already, New York and New Jersey have filed such suits, and California filed an amicus brief in New York's suit. The GAO letter, submitted to the courts in the cases filed by New York and New Jersey, may be considered by the courts in determining the outcome of those suits.

The GAO letter is located at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%205.c%20GAO%20Letter%2004-21-08.pdf.

CONTRACT AMENDMENT

University Enterprises. Ms. Krum requested authority to contract for $125,000 with University Enterprises to allow Sacramento State University students to work at MRMIB.

Chairman Allenby asked for any questions or comments. There were none. The Board unanimously passed the motion.

The documents are located at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%206.a%20University%20Enterprises%20Board%20Resolution.pdf and
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%206.a.1%20University%20Enterprises%20Board%20Resolution%20Summary.pdf.

STATE LEGISLATION UPDATE

Regular Legislative Session

Legislative Summary

Will Turner, Legislative Coordinator, presented a summary of the regular session bills, highlighting new bills, selected amended bills, and bills no longer being tracked. The document is located at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%207(a)%2005-21-08%20legislative%20summary%20report.pdf.

Mr. Turner noted upcoming legislative deadlines: May 23 (last day for fiscal committees to meet prior to June 2 and to pass fiscal bills to floor of their house of origin); June 15 (deadline for signing a budget); July 2 (policy committees may begin to meet again), and August 31 (regular session ends).

Dr. Crowell asked if SB 1459 is in suspense in the appropriations committee. Mr. Turner confirmed that it is. Member Figueroa said that a decision on suspense bills in the next few days should determine whether the bill would move ahead.

Chairman Allenby asked for any questions or comments. There were none.

Assembly Joint Resolution (AJR) 54.

Ronald Spingarn presented an analysis of AJR 54 with a letter of support MRMIB had sent to the Assembly Health Committee. AJR 54, introduced by Assemblymember Laird. would call on President Bush and Congress to rescind the August 17th CMS letter. AJR 54 was heard April 29 in Assembly Health Committee. Mr. Spingarn testified in support of the resolution at the Assembly Health Committee hearing.

Staff submitted a letter of support for the resolution on the Board's behalf for several reasons. First, while the Board had not taken a formal position on AJR 54, its views on the August 17th letter are quite clear. Second, the Governor's views on the August 17th letter are quire clear. Third, if MRMIB's position was to be considered by the committee given legislative deadlines, the letter had to be sent prior to the Board meeting.

Chairman Allenby asked for any questions or comments. There were none.

The Board voted unanimously to support AJR 54.

Chairman Allenby said that Mr. Spingarn did a good job testifying at the Assembly Health Committee hearing, and asked if there were any "no" votes. Mr. Spingarn said that one Republican abstained, other Republicans voted "no" and all Democrats supported AJR 54. Chairman Allenby expressed surprise that there had been no votes. Ms. Cummings said that Republicans nationally have generally supported the President's view that SCHIP should not be funding children with family incomes above 200%.

The analysis of AJR 54 is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%207(a)(2)%20AJR%2054%20Analysis.pdf.

The letter of support for AJR 54 from MRMIB is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%207(a)(2)b%20-%20AJR%2054%20Letter%20Support%20Final%2004-28-08.pdf.

Senate Bill 697.

Mr. Spingarn presented an analysis of SB 697 (Yee) and recommended that the Board support the bill. SB 697 prohibits all providers – contracted (in network) and non-contracted (out of network) with health plans – from charging HFP and AIM subscribers

for the balance of charges not paid to providers by a health plan to for services. The prohibition would not apply to co-payments and deductibles.

MRMIB staff recommends a "support" position of SB 697 because:

- The bill is consistent with MRMIB's existing policies in HFP and AIM;
- The bill would further protect HFP and AIM subscribers since MRMIB contracts with health plans, not providers;
- Federal and State law prohibit balance billing in Medicare and Medicaid and, since HFP and AIM subscribers are lower income and vulnerable to the high cost of health care, the bill would give HFP and AIM enrollees the same protection, and;
- The bill would prevent HFP and AIM subscribers from being put in the middle of disputes between health plans and providers.

The analysis of SB 697 is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%207(a)(3)%20SB%20697%20analysis.pdf. Mr. Spingarn indicated that a final version of the analysis was handed out at today's meeting. Board members had earlier received a draft and he would be happy to make that available to any member of the public upon request.

Chairman Allenby asked if there is any opposition to SB 697. Mr. Spingarn said there is none on record. Chairman Allenby asked for any questions or comments. There were none.

The Board unanimously voted to support the measure.

Ms. Cummings informed the Chair that a member of the public wished to comment. Chairman Allenby called on Donna Fox, California Nurses Association, who said that the legislative summary report (discussed above) should show CNA as the sponsor of SB 1459.

SPECIAL LEGISLATIVE SESSION

Mr. Spingarn said that there is nothing to report on this agenda item.

HEALTHY FAMILIES PROGRAM (HFP) UPDATE

Enrollment and Single Point of Entry Report

Thien Lam, Eligibility Operations Division Manager, reported that more than 861,000 children are enrolled in the HFP, and more than 28,500 new subscribers joined last month. The majority of those enrolled continue to be Latino and the top five counties for enrollment continue to be in southern California, representing around 60 percent of HFP's total enrollment. Nearly 70 percent of the 33,800 applications received through the Single Point of Entry went to the HFP.

The report is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.a%20-%20HFP%20Enrollment_SPE%20Summary%20Report.pdf.

Chairman Allenby asked for any questions or comments. There were none.

Administrative Vendor Performance Report

Ms. Lam presented the latest report to the Board. The contractor met all of its target goals.

The report is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.b%20-%20HFP%20Admin%20Vendor%20Performance%20Report.pdf.

Chairman Allenby asked for any questions or comments. There were none.

Enrollment Entities/Certified Application Assistants Reimbursement Report

Larry Lucero, Special Projects Section Manager, presented the EE/CAA report. In the current fiscal year, the HFP is paying an average of nearly $488,000 per month. 3,548 CAAs were certified year-to-date through web-based training.

The report is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.c%20-%20EE%20ReimRpt5.12.pdf.

Chairman Allenby asked if there were any public questions or comments. There were none.

2008 Open Enrollment Process

Ms. Lam said that MRMIB staff reported to the Board in March that open enrollment would be delayed due to the State's budget issues. Once the budget is signed, then MRMIB staff will conduct open enrollment. Because approximately two-thirds of HFP enrollees are expected to be impacted by changes proposed in the budget, staff suggests that HFP use the traditional open enrollment process rather than the postcard method employed for this benefit year. This will mean that customized information and preprinted open enrollment packages will be sent to all HFP families for open enrollment.

Chairman Allenby asked if there were any public questions or comments. There were none.

2008 Cultural and Linguistic Services Summary

Shelley Rouillard, Deputy Director of Benefits and Quality Monitoring (BQM), presented the 2008 Cultural and Linguistic Services Summary. Ms. Rouillard acknowledged the contributions of Dr. Monica Le, a family practice physician and graduate student at the Harvard School of Public Health, who did most of the analysis for the report as part of a practicum fellowship funded by the Endowment.

Staff submitted a previous report on this subject to the Board in October 2007. Today's report, presented in power point format, follows up on that earlier report.

Ms. Rouillard began her presention and highlighted:

- The impact of cultural and linguistic (C&L) issues on consumers;

- Examples of how culturally and linguistically competent services are provided by organizations and health care providers;
- The demographics and primary languages of the HFP population which emphasize the need for C&L care;
- HFP C&L contract requirements; and,
- Results from the most recent survey of plans on their approaches to C&L care.

Ms. Rouillard asked if there were any questions on her presentation so far. Board members had the following questions:

- Are the HFP C&L requirements consistent with those required of commercial plans? (Chairman Allenby). Ms. Rouillard replied that she would address this issue later in the presentation when she reviewed the Department of Managed Health Care's (DMHC) language access requirements.
- How will we know how successful the HFP requirements are? What role does information on utilization of services play in assessing this? (Mr. Campana). Ms. Rouillard replied that one the HFP encounter system has been implemented, it will be possible to look at utilization of service by ethnicity.
- Dr. Chang emphasized that there is more to cultural competence than language access. The ideal outcome would be that there is no difference in quality scores across ethnicities.

Ms. Rouillard noted that the Endowment has commissioned a scan of local county plans to identify best practices in providing C&L services. Results will be available in the fall at the soonest. Staff look forward to the report and hope to use the information to recogninze plans with best practices

The Chairman asked if members of the public had any questions on the presentation so far. There were none.

Ms. Rouillard resumed her presentation, proceeding to a discussion of the Department of Managed Health Care's language assistance program, established by SB 853, passed into law in 2003, which require all health plans to provide language access services. Regulations to implement SB 853 became effective February 23, 2007. They require that health plans file their policies and procedures with DMHC on or before July 1, 2008 and implement language assistance programs on or before January 1, 2009. Ms. Rouillard commented that putting requirements in contracts is much quicker than relying on the regulatory process.

Ms. Rouillard reviewed the DMHC requirements and compared them to HFP requirements. . HFP requires enrollee cultural and language assessments every four years, while DMHC does not have recurring timeframes for this. DMHC requirements for commercial plans are more specific about staff training, policies and procedures than HFP requirements. MRMIB staff may look into creating requirements for HFP plans to require make providers aware how to access interpreter services. The National Council on Health Care Interpreting is developing standards that may help with this effort.

Ms. Rouillard then moved to Dr. Le's findings and recommendations on how to improve the HFP C&L process. Dr. Le suggests that MRMIB revise the C&L survey questions and shorten the survey to 15 or so questions (from the present 36). Staff would also move to a survey monkey approach, Staff also are assessing whether the survey should be administered on an 18 month rather than 12 month schedule. Dr. Le also suggested

that relying on plan reported data was not ideal and suggested that MRMIB develop a means to check on performance more objectively. Ms Rouillard noted that a particularly appealing aspect of the DMHC C&L process is that DMHC will actually review plan compliance when it conducts on-site medical reviews. She is hopeful that MRMIB can contract with DMHC to check on compliance with HFP requirements while they are in the field. Staff will continue to analyze DMHC requirements looking for how MRMIB can build and tailor its efforts now that DMHC will be involved in monitoring plans' language access. And staff will continue to incorporate C&L standards in HFP quality and performance initiatives.

The report is located at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.f%202007-08%20Cultural%20and%20Lingustic%20Services%20Survey.pdf

Chairman Allenby asked if there were any public questions or comments.

Dr. Crowell asked Ms. Rouillard to report back to the Board on the results of the California Endowment report on best practices in local county plans. Ms. Rouillard agreed.

Public Comment

Martin Martinez, California Pan Ethnic Health Network (CPEHN), said that CPEHN has worked with HFP staff from the beginning of the program on C&L requirements and has enjoyed working with staff on monitoring plans' implementation of the requirements. CPEHN, with other organizations, issued a report in 2006 CPEN making recommendations for improving the C&L process. These included re-establishing the quality advisory board Ms. Rouillard discussed.

CPEHN was also the sponsor of SB 853 which established the requirements for commercial plans to provide language access. One of the strongest pieces of the legislation is that DMHC will be able to do aggressive monitoring of the plans which MRMIB has been unable to do because of limited staffing. CPEHN deliberately chose not to exempt HFP plans from SB 853 for this reason. CPEHN actually prefers the HFP requirements to those that will apply via the DMHC. The HFP standards are superior and have better enforcement ability. It would be great if MRMIB could use DMHC to monitor for its standards. CPEHN thinks that HFP should still periodically report on its C&L surveys given that its requirements are different and consumers need the information. However, it may be possible to do them less frequently and to have them be shorter reports. MRMIB staff could work with the Office of the Patient Advocate to survey health plans as a way of reducing the workload associated with C&L surveys. It is challenging to go through all of the plan surveys and it is helpful for MRMIB to produce a high-level summary of results. In particular, having reports identify plans that inappropriately or inefficiently answered certain questions is very helpful. CPEHN appreciates the open discussion it has been able to have about what staff has the capacity to do, and what it doesn't has also been valuable in working collaboartively to improve services.

Veronica Montoya, Latino Coalition for a Healthy California (LCHC), thanked MRMIB staff for their work during the last few years providing language services to families. She wanted MRMIB to be aware of the C&L efforts underway at DHCS. Over the last year

and a half, LCHC has worked on a taskforce established by the Department of Health Care Services (DHCS) to develop language requirements for the fee-for-service Medi-Cal program. LCHC may need MRMIB staff to inform the effort about HFP language service requirements. She pointed to the need to establish national standards for medical interpreters that assure quality for consumers without establishing such a rigid standard that only a few interpreters could satisfy them. DHCS will issue its in the next two months and she will make sure that MRMIB staff get a copy.

Adoption of Regulations Clarifying Coverage of Lead Screening

Ruth Jacobs, Assistant Director for BQM, presented proposed regulations regarding lead screening coverage for adoption by the Board. Since the Board's first viewing of the regulations, there has been one minor revision which deletes a cross-reference to another regulation regarding provider standards.

Chairman Allenby asked if there were any public questions or comments. There were none.

The Board unanimously adopted the resolution included with Agenda Item 8.g to adopt the regulations.
[Note: the Board first unanimously approved the regulations. Later, prior to the discussion on PERM, the Board returned to this item and approved the resolution.]

The documents are located at
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.g%20Regulations%20Clarifying%20Coverage%20for%20Lead%20Screening.pdf and
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.g.1.%20Lead%20Screening%20Regulations.pdf.

Mental Health Evaluation Update

Ruth Jacobs reported that the contract for mental health/substance abuse evaluation services with Macias (MCG) ended May 19. Ten health plans sent data to MCG prior to the end of the contract. All protected health information in the data was destroyed. MCG representatives gave non-protected data, such as policies and procedures, to MRMIB staff for use by a new contractor.

MRMIB staff are negotiating with APS Healthcare, which has extensive experience in behavioral health management, to become the new contractor. APS also serves as the external quality review organization for the Department of Mental Health, reviewing all county mental health and some substance abuse entities for Medicaid compliance. MRMIB staff intend to bring the final contract to the June Board meeting for approval and expect the final contract to be executed by June 30, 2008 for an August 1, 2008 start date.

Dr. Crowell expressed approval of staff's approach.

Chairman Allenby asked if there were any public questions or comments. There were none.

Encounter Data Project Update

Cristal Schoenfelder updated the Board on the HFP encounter database project.

Since the last report, MRMIB staff looked into the requirements of the California Medical Information Act on collection of encounter and claims data and has instituted processes designed to ensure compliance with the Act. Staff has been working with Maximus on establishing business associate agreements with each health plan and helping health plans prepare data for submission. MRMIB staff met with all HFP health plans on April 30 to update them on project. Staff encouraged them to "go live" in early 2009, and suggested they work with Maximus on any data submission issues. MRMIB staff also updated the Healthy Families Advisory Panel about the project. One of its members suggested collecting data about developmental conditions, an issue staff will expore.

Next steps are to obtain the business associates agreements, begin testing data files September through December, and working plans to ensure that the project timelines are met.

Chairman Allenby asked if there were any public questions or comments. There were none.

Advisory Committee on Quality

Ms. Rouillard reminded the Board that over the course of HFP, MRMIB has convened a quality improvement workgroup at various times to advise the Board and staff about monitoring quality of care in the HFP. The group was last convened in 2003.

As MRMIB prepares for its 2010 contracting process, MRMIB staff are proposing to get a quality work group togther again to advise on contract language, look at changes that have occurred over the years, and get input on how to incorporate encounter and claims data into the quality monitoring program. Other topics would be the current state of plan quality measurement, how to improvie quality performance, how to use information from patient satisfaction surveys and how to do public reporting on plan quality performance.

MRMIB staff met with the Office of the Patient Advocate staff last week about making the quality information on the MRMIB website more consumer-friendly.

In 2003, workgroup membership was comprised of 22 members, including representatives of various health and dental plans, health care quality researchers, Healthy Families members, and Dr. Crowell. Ms. Rouillard intends to begin with this and also include representatives from the Department of Managed Health Care, Department of Mental Health, and individuals who have expertise in using encounter data and consumer-friendly public reporting of health plan quality data. MRMIB staff will contact former members of the group to see if they would like to serve again. Ms. Rouillard welcomes recommendations from the Board for members. Staff will send nomination forms out to invite others to join and will research potentially contracting with a meeting facilitator and/or coordinator so that MRMIB staff may particpate in the meetings.

Ms. Rouillard intends to set the first meeting of the group in September of 2008. It will likely meet bi-monthly thereafter and have subcommittees that focus on specific tasks.

MRMIB will absorb the cost for convening meetings. Staff may seek outside sources to support it, especially to pay for travel not covered by MRMIB.

Chairman Allenby asked if there were any public questions or comments. There were none.

The document is located at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.j%20Advisory%20Committee%20on%20Quality.pdf.

PERM (Payment Error Rate Measurement) Update

Janette Lopez, Chief Deputy Director, reported to the Board on recent activities associated with CMS' PERM audit. PERM is a new process established by CMS for establishing a national error rate for SCHIP and Medi-Cal. It is doing so by first measuring state-by-state SCHIP error rates. California is one of the states being audited in the first year. CMS hired contractors to work with first year states. CMS is requiring a sampling of data over a 7 months period from January through September 2007. CMS's instructions on how the sample was to be conducted were very prescriptive.

Ms. Lopez contacted CMS and its contractors to explore the possibility of using the data collected as part of Maximus' performance standard audits. CMS agreed. However, after approving the random sampling process for MRMIB and reviewing MRMIB data, CMS representatives expressed disbelief at the high accuracy rate. They were of the view that the sample was not random, but "cherry picked". To demonstrate that it is not, MRMIB is providing all eligibility data reviewed monthly by Maximus's quality assurance unit --not simply the sample size CMS required.

Thus, the good news is that California has an excellent accuracy rate for HFP. However, California's experience will affect the national standard considerably. Chairman Allenby commented that this would displease a number of states. Ms. Lopez agreed, but noted that the final California's rate will be the result not just of HFP but of Medi-Cal eligiblity determinations for Medi-Cal children funded with SCHIP funds.

MRMIB is wrapping up its analysis and submissions to CMS now. The PERM audit results are a cause for pride for MRMIB as they clearly show the high accuracy rate of HFP's administrative vendor in making eligilbity determinations (approvals and denials) and doing annual eligibility reviews. Staff will report to the Board when CMS determines California's final error rate.

Adoption of Final Regulations Deleting the HFP to Medi-Cal Bridge

Chairman Allenby noted that staff were requesting that the Board adopt the resolution included with agenda item 8.I adopting final regulations deleting the Health Families to Medi-Cal bridge.

Chairman Allenby asked if there were any questions or comments. There were none.

The Board unimously adopted the resolution.

Naomi Yates, Policy Manager, noted that Board members had previously received a draft memo and regulation package. What has been distributed at the meeting is the final version of these documents, but she will make the earlier drafts given to the Board available to anyone who would like to see them

The letter to the Board from Lesley Cummings is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.I.1%20Letter%20to%20Board.pdf.

The final regulation text is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.I.2%20R-1-07%20Final%20Regulation%20Text%20Medi-Cal%20Bridge%20Deletion.pdf.

The transcript of the April 21 public hearing is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.I.3%20Public%20Transcript%20R-1-07.pdf.

Written public comments about the regulations are available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.I.4%20Public%20Comments%20HFP%20to%20Medi-Cal%20Bridge%20Deletion.pdf.

Responses to public comments are available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.I.5%20R-1-07%20HFP%20To%20Medi-Cal%20Bridge%20Deletion%20-%20Response%20to%20Public%20Comments.pdf.

The resolution adopting the regulations is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.I.6%20HFP%20to%20Medi-Cal%20Resolution.pdf.

Adoption of Final Regulations Authorizing the Board to Establish a Waiting List and Authorizing the Board to Require Disenrollments If It Determines Such Action Necessary Given Inadequate Funding

Ms. Cummings acknowledged that the final adoption of regulations to establish a wait list for HFP or conduct disenrollments in the event of inadequate funding is an unpleasant and awkward task for Board members, staff and all concerned. The issue facing the Board is whether it should have in HFP program regulations the authority to reduce program costs by suspending or reducing enrollment.

She reminded the Board that HFP is not an entitlement program. It has been blessed through its history with phenomenal support from California's Governors and the Legislature and thus has operated much like an entitlement program. However, it is not. And the Board has the statutory obligation to manage the program within the funding provided. Board members and Executive Director are personally responsible for any deficiencies. Chairman Allenby interjected that the Board members and the Executive Director were actually personally liable for any deficiencies—a stronger obligation that personal responsibility.

The original HFP regulations included Board authority to establish a waiting list. MRMIB removed the authority from the regulations in conjunction with approval of a waiver allowing SCHIP-funded coverage of parents in California as CMS wanted assurance that children would not lose coverage if parents were added . Parental coverage was never implemented and now the Board needs to decide if it should restore the authority so that it has a tool to use in the event that the program has inadequate funding.

Staff brought emergency regulations to the Board at a time when there was no long term funding for SCHIP expendiures in the current year due to a stalemate between the President and Congress in 2007. Subsequently, funding was provided through March 2009. So, the Board is facing a similar issue in that it does not know what funding is available for the program for March through September of 2009 . There is also uncertainty about funding from the State General Fund for the budget year. In the budget, the Governor has proposed specific actions to reduce HFP's General Fund costs. But these have not yet been acted on by the Legislature. It is unclear what amount of General Fund support HFP will have once the budget is passed and signed. The regulations provide the authority for a tool. If sufficient state and federal funding materializes, then the Board will not have to use the authority the regulations provide.

Ms. Cummings then introduced Laura Rosenthal, MRMIB's Chief Counsel, to review with the Board the comments on the regulations MRMIB received during the public comment period.

Chairman Allenby asked if all other states have waitlist and disenrollment authority for their SCHIP programs. Ms. Lopez confirmed that all other states have such authority.

Ms. Rosenthal informed the Board that the reason the regulations are before the Board at this meeting is that the regulations previously adopted as "emergency regulations" in November have worked their way through the formal adoption process, which included a public hearing process and public comment. After very serious consideration to numerous public comments, MRMIB staff recommend that the Board adopt the regulations without revision. Many public comments on these regulations were raised and considered when the Board discussed adopting emergency regulations on this matter in October and November, 2007.

Despite the comments' thoughtfulness and thoroughness, and the concerns of the groups, MRMIB staff believe the original emergency regulations represent the best current approach to the difficult obligation that California law places on the Board.

The Board, and the public, have copies of all written public comments received during the formal process, a transcript of the comments made at the public hearing on the regulations, a detailed write-up and evaluation of the comments, and letters submitted more recently (submitted after the formal public comment period).

Ms. Rosenthal went on to summarize the key comments submitted by the public during the public comment period, those made at the public hearing and subsequent, similar letters that largely make the same points. The comments fall into two categories: first, those that request the Board not to act on the regulations today, allowing the emergency regulations to expire; second, requests for specific changes to the regulations if the Board decides to proceed with adoption.

The points made related to the first category include: federal funding problems are no longer immediate; the Board may adopt "emergency regulations" to address the issue should it be necessary in the future; waiting lists and disenrollments are better addressed by the Legislature and the Administration, not the Board; consideration should be given to transferring children from HFP into Medi-Cal if there are insufficient federal funds; making the regulations permanent will harm the program, confuse applicants, depress applicants, weaken good will and undermine the case for federal funding; not insuring children damages children's health; and suggestions that MRMIB use the budget deficiency process and other alternate means to present alternatives to the Legislature and the Administration.

Ms. Rosenthal said that these comments uniformly misunderstand MRMIB's existing statutory obligation; as noted by the Executive Director, state statute requires MRMIB to take steps to limit enrollment, if necessary, to ensure that expenditures do not exceed available funds. MRMIB staff and Board should and would explore all reasonable alternatives to waiting lists and disenrollments. However, many of the proposed alternatives , such as transferring children into Medi-Cal or increasing State appropriations, are not within the Board's control. The regulations are needed to address a situation in which there is insufficient funding for HFP and the Board must comply with its statutory obligation to limit enrollment. The correct and legal way to address the situation is to adopt a regulation.

Ms. Rosenthal then responded to a few specific comments made by those urging the Board not to adopt the regulations:

- It would be highly imprudent, Ms. Rosenthal said, for the Board to let the regulations expire and then scramble to adopt emergency regulations if such a need arises in the future. Under the State Administrative Procedures Act, emergency regulations are available when agencies encounter unforeseen situations requiring immediate action. Agencies cannot count on OAL approval of emergency regulations when they have an opportunity to plan ahead but fail to do so. And, from a practical standpoint, waiting for a future emergency to manifest could reduce any flexibility the Board might have to act in the least harmful way. For example, given the time to plan, the Board might implement a waiting list approach; by contrast, if the board must wait for the emergency regulation process to unfold, it may have to turn to disenrollments.

- Deferring to the Legislature and the Administration to address any under-funding problem does not absolve the Board from its statutory obligation to limit enrollment in the event of funding shortfalls. It was the Legislature and Administration that enacted this provision of law. It is current state policy and it is binding on MRMIB.

- The Board's decision to adopt a regulatory mechanism authorizing waiting lists and disenrollments is not a decision to adopt waiting lists or implement disenrollments. The two should not be confused.

- Staff understands that establishing a wait list or disenrolling children would have serious consequences for the program and for children. The Board's mission, after all, is to expand coverage and access to health care services. But, as the executive director noted, the Board is not administering an entitlement program.

The law requires the Board to limit enrollment, if necessary, to live within its means. The Board is obligated to have an orderly mechanism to limit enrollment if it becomes necessary to do so.

At this point, Ms Cummings asked for a pause in the meeting to allow a public radio station to record remarks.

Ms. Rosenthal then went on to respond to some of the key comments by those in category two, those having specific suggestions on changing the regulations.

- MRMIB should prioritize or exempt different groups of children, i.e., those who are eligible for California Children's Services (CCS) because of their HFP enrollment or those who are chronically ill or facing surgery.

  MRMIB staff explored the CCS option in some detail and concuded that it is not currently feasible. Six counties, with the majority of HFP enrollees, do not post eligiblity information to MEDS, the database which MRMIB would use to confirm whether a child is enrolled in CCS and whether the child is eligible solely because of HFP enrollment. Further, these counties use social security numbers when they post to the CCS database. As SSN's are optional under HFP, MRMIB would not have the ready ability to confirm eligibility.

  Chairman Allenby asked staff to continue to assess the feasibilty of providing for this exemption as the situation evolves, noting that the Board could revise the regulations later if this exemption becomes feasible. Ms. Rosenthal acknowledged the Chair's request, noting that the database is not under MRMIB's control, but that staff will be attuned to changes and will evaluate whether it is appropriate to bring back proposed modifications in the future.

  Another proposal suggests exempting children with chronic medical conditions or treatment needs.

  Staff are concerned about the ability of the program to fairly, realistically and cost-effectively prioritize children based on their health conditions, which likely would require a case-by-case assessment. Also, if certain groups are exempted. it may be necessary to disenroll more total children sooner to meet the program's financial targets.

- MRMIB should forward applications of all wait-listed and disenrolled children to the applicable county for Medi-Cal eligibility determination or send all applications of ineligible children to the counties for Medi-Cal determinations

  It is current HFP practice to forward applications to counties when a child appears eligible for no cost Medi-Cal. Where children do not appear eligible for no cost Medical, but may be eligible for share of cost Medi-Cal, staff have concluded it is more efficient and cost-effective to provide referral information in notices to applicants rather than sending all applications to the counties.

- The Board should amend the regulations to include prerequisites for implementation of waiting lists or disenrollments i.e., notify the Legislature six

months prior to a projected deficiency, make mandatory findings of fiscal deficiency three months before implementing a wait list, require the Board to evaluate specific issues in deciding to continue disenrollments once started.

Staff believes placing these types of prerequisites in law would preclude the Board from flexibly assessing changing funding realities and the best strategies for minimizing disenrollments. Further, MRMIB may not be able to project funding in advance if the Legislature or Congress faild to act within whatever time frames the board inserts in the regulations.

- Institute mandatory reporting to the Legislature.

  Staff's view is that a regulation is not needed to permit the Board to provide information to the Legislature and the public.

- Establish clear standards for when disenrollments would end.

  The proposed regulations do provide clear, usable standards for ending disenrollments, and for deciding when to eliminate the waiting list. Specifically, this will occur when there is sufficient funding. And mindful of the need to end disenrollments quickly once there is adequate funding, the regulations permit the Executive Director to take this step immediately, rather than waiting for Board action.

- Incorporate a number of specific items into the content of notices in the regulations.

  A number of commenters made valuable suggestions regarding information to be included in notices, but MRMIB can take these suggestions into consideration without putting them into law.

- There should be a longer public notice period, i.e., 30, 45 or 60 days.

  The 15-day notice period in the proposed regulations is a minimum, not a maximum. Staff will provide greater notice if possible, but the 15 day minimum provides flexibility to delay disenrollments as long as possible in case federal funding is uncertain or other tenuous situations exist.

Ms. Rosenthal ended her presentation noting that it had been a summary of the key points made in public comment. She indicated that staff is requesting that the Board adopt the resolution included with agenda item 8.m adopting final regulations authorizing the Board to establish a waiting list and authorizing the Board to require disenrollments if the Board determines that such action is needed given inadequate funding. And she offered to take questions immediately or after the Board heard public testimony.

Chairman Allenby asked if there were any questions or comments from the Board.

Member Figueroa asked whether there have been recent changes to state law or processes regaring submission of emergency regulations to the Office of Administrative

Law (OAL), the criteria by they are reviewed, and the process for notifying and getting approval from the Department of Finance and the Legislature for any budget deficiencies. Ms. Rosenthal confirmed that there have been recent changes in both of those. As a result of legislation that took effect around a year ago, OAL adopted regulations making it more difficult to make the case for emergency regulations. On the budget side, the deficiency process that previously existed no longer does. It is basically forbidden for an agency to incur a deficiency

Chairman Allenby indicated that an agency has to get a bill in the event of deficiency, noting that he had had this experience in some of his former positions. He also pointed out that the Legislature had enacted the statute requiring the Board to manage within funding provided. The proposed regulation meets the test of being fairly throughtout.

Dr. Crowell acknowledged that adopting the regulations was difficult, particularly since so many organizations whose judgment and opinion she values have asked the Board not to do so. But the facts are clear. Although some suggestions warrant pursuing, it may not be practical to do so given the current budget problems. In the current budget process, the Legislature and Administration are contemplating alternative methods for reducing HFP General Fund expenditures. She expressed confidence that the Board, staff and Executive Director will do everything possible to avoid having to act on the authority under the proposed regulations, but, in the end, the Board needs authority to act if it becomes necessary.

Chairman Allenby asked if there were any questions or comments from the audience.

Michael Arnold, California Children's Hospital Association, said adopting the regulations will send the wrong signal to enrollees and future enrollees as well as to the federal government. Parents could be discouraged from applying for the program. Also, he said, the Board could adopt emergency regulations if the need arises later instead of acting today.

Cliff Sarkin, Children's Defense Fund and the 100% Campaign, noted that they have submitted a number of comments and that many people would be commenting at the meeting. Therefore, he would limit his comments: When the Board adopted the emergency regulations there was, in fact, no appropriation of SCHIP funds for the year. However, now there is an appropriation sufficient for the program through March 2009. Congress will debate the issue of additional funding early in 2009. The Board should not adopting permanent regulations that may need to be modified later. It should do it right the first time.

He acknowledged the Board's statutory obligation to limit enrollment when there is inadequate funding. However, the regulations before the Board make a number of policy decisions already made that could turn out differently if there were a debate. Why not disenroll children from families with the highest incomes? Why not move lower income children from HFP to Medi-Cal? This approach would allow for enrollment limits in HFP but maintain coverage for children.

Mr. Sarkin noted a requirement within the rulemaking process in the Administrative Procedures Act that no other alternative exists that is effective but less burdensome. He argued that the alternative he proposed is effective, but less burdensome on children.

He suggested that there were grounds to question the passage of the regulations if this alternative were not sufficiently responded to and explained.

Member Figueroa noted that a fiscal insufficiency could result either from a lack of federal funds or from lack of state general funds. He asked whether moving children into Medi-Cal would work if there were a state General Fund shortfall. Doing so would increase costs to the General Fund. Mr. Sarkin replied that the budget provides sufficient General Fund support for HFP in the budget year. Medi-Cal is an entitlement, and so, even though it would require more state support, the children would be covered. Member Figueroa commented that the Governor's budget does indeed provide sufficient funding for HFP, but does so by proposing specific changes to reduce the General Fund cost of the program. Mr. Sarkin agreed that this was so.

Dr. Crowell asked if this approach (moving HFP subscribers into Medi-Cal) would require a State Plan Amendment. Ms. Cummings said that she believes it would require a change in state law. Dr. Crowell noted that even obtaining approval of a state plan amendment doesn't happen quuickly. Mr. Sarkin said that staff had raised this issue in its document responding to public comments and that his view is that it is not appropriate to rule out an option just because there would be hurdles. There is no emergency at this time. There is time to pursue the alternative.

Andie Martinez, California Primary Care Association, urged the Board to vote against adoption of the final regulations. They will cause significant harm to the program, the children and the families in the program by confusing subscribers and potential applicants.

Beth Abbott, Health Access California, agreed with the comments of Ms. Martinez.She argued that making the regulations permanent is unnecessary as there are additional alternatives that should be explored before doing so. She said she previously held a position at the CMS, and would commit to working with CMS if the state submitted a state plan amendment. While she cannot guarantee the outcome of CMS' decision, she would work diligenty to get a quick response. She noted that California has done a great job operating the program and administering it efficiently. She acknowledged that the federal government has not fully funded the program and has been a difficult partner. But there is no present funding emergency and changes at the federal level are assured that will make policy makers more favorably disposed to SCHIP. She urged the Board to delay a decision on the regulations and consider the facts presented on the issue.

Ann Rubinstein, Health Rights Hotline, said the regulations will cause unnecessary confusion among consumers and, consequently, some consumers will make decisions that may result in their losing coverage. The 15-day notice timeframe is too short – most employers require more time than that to add a dependent to coverage. The notice to be sent to subscribers should indicate that they have a right to appeal the decision and how to appeal it, and that they may be able to enroll when funding becomes available. While MRMIB staff comments say there is no right to appeal, Section C of the regulations says otherwise. The regulations fail make any distinctions among children to be disenrolled. They should, particularly regarding children who are only eligible for CCS because they are in HFP, children with chronic conditions and children scheduled for surgery. During the appeals process, familes could self-identify any special needs,

such as CCS enrollment, so that they can be prioritized when they are taken off the waiting list or reenrolled.

Ms. Rubinstein then introduced Lillian Clark, the parent of children in the HFP.

Lillian Clark, parent of a child enrolled in HFP, said that she received a letter when her child was dropped from transitional Medi-Cal saying that it would cost nearly $1,800 per month for her child to remain in Medi-Cal (share-of-cost). The letter did not identify any alternate coverage options, such as HFP. She called the Medi-Cal caseworker who told her that her child might qualify for HFP coverage. She applied. After some time she contacted the HFP administrative vendor and was told there was no record of her application. She then contacted the Western Center on Law and Poverty to get help and was referred to Ann at the Health Rights Hotline. Ann helped her work through the issues and her children will be enrolled in the program tomorrow. Ann also told her about the proposed regulation which has caused her to be fearful her child may be dropped from coverage. One of her children has to receive ongoing medical care and a loss of coverage would mean that she would be at very high risk for harm. She asked the Board members to consider alternatives and think about the damage the regulations could do to the health of other children, to parents who will be confused about coverage status, and to the program, which would have to be rebuilt.

Marty Martinez, CPEHN, noted that HFP is considered a model of providing culturally and linguistically appropriate care. He supports delaying adoption of regulations until alternatives can be more fully explored.

Veronica Montoya, Latino Coalition for a Healthy California, supports what earlier witnesses said. She acknowledged the Board's fiduciary responsibility. She indicated that the state has invested in outreach to at-risk communities and families have come to trust the HFP. She noted that HFP coverage would be changing, given the budget balancing reductions under consideration, and urged the Board to look at the regulations "based on a cumulative perspective" and with consideration to the impact on Latino families, who are disproportionately represented in the program.

Michelle Wood, Community Health Councils and the California Covering Kids Statewide Coalition strongly opposed the regulations and asked the Board to not adopt them. She said adopting them is premature since there is not insufficient funding now, and implementing the policy would be completely irreversible. She also expressed disappointment that the regulations are proposed for adoption without substantive modifications, particularly those related to the CCS population.

Guillermina Becerra, a parent whose son and daughter have been in HFP for around three years, testified in Spanish. Carmen Herrera from Sacromento Cover the Kids served as her translator. Ms. Becerra said that the program gives her family a sense of security that she did not have as a child, and it is important to her and others like her family.

Olga Duran, representing Valley Community Clinic and the Access to Health Coalition of Los Angeles, said that they have enrolled more than 9,000 people into the programs. She strongly urged the Board to reject the regulations.

Erin Aaberg Givans, representing the Children's Speciality Care Coalition, supports the previous witnesses and opposes the regulations. She said she is confused about the MRMIB staff stating there are technical issues with getting information about children enrolled in CCS and coordinating that with HFP. Children's Medical Services branch staff told her that the necessary information would be available except for two counties, which would get it from a different source with a one or two day delay. She said since there is not a pending emergency and there does not need to be a quick decision about the regulations, the Board should delay adopting regulations for a month or two to address children in CCS.

Donna Fox, California Nurses Association, urged the Board to reject the regulations. The Board should not have tools unless it intends to use them, and, she said, that it is not necessary for the Board to have this authority as it does not intend to use it.

David Ford, California Medical Association, submitted comments in writing and orally at the hearing on the regulations. The regulations still do not address the concerns he raised earlier, so, he continues to oppose them.

Ms. Rosenthal said that adopting the regulations is not a decision to disenroll children or put them on a wait-list, but gives the Board a necessary legal tool that it should have if it becomes necessary to limit enrollment to conform with the Board's statutory obligations. The authority given to the Board in the proposed regulations is appropriate and would have been appropriate even if there had not been a fiscal crisis causing a potential funding shortfall last fall. The Board previously had a modified version of the authority contained in the proposed regulations, but regulations that conferred this authority were deleted because of the pending federal waiver (now expired).

Ms. Rosenthal said that, if the Board does not wish its current authority to expire, then it must act today to adopt regulations. Shifting children from HFP into Medi-Cal would require statutory changes and possibly a federal waiver. MRMIB staff will continue working to attempt to address the issue of children enrolled in CCS. The information staff has from CCS about this issue is that six counties do not have the capacity to coordinate with the HFP; this differs from the information raised by a witness today.

Dr. Chang said that she believes every one in the room today is completely committed to trying to assure that as many children as possible have health coverage: this is very much the sentiment of the Board. Also, the need for a regulation is clear, and its passage should not be interpreted to mean that the Board intends to act on the authority to create a wait list and disenroll children unless it is the absolutely last possible alternative available to the Board. The witnesses and others serving consumers have a shared responsibility with the board to help assure that confusion about the meaning of the regulations is not transmitted to families served by the HFP.

Member Figueroa asked Ms. Rosenthal about the 15-day notice requirement and appeals issue raised by a witness. Ms. Rosenthal said that statute and regulations provider for limited situations in which there are formal appeals in the HFP. If one has a right to appeal, then the HFP disenrollment notices inform the person about that right. MRMIB staff interpret federal regulations and state statute and regulations as not conferring an appeal right when the Board implements a decision affecting a group of people not based on individual circumstances.

Member Figueroa moved to adopt the regulations.

Chairman Allenby asked if there were any questions or comments. There were none.

The Board unanimously adopted the resolution included with agenda item 8.m adopting the regulations with Board members Allenby, Chang and Figueroa voting aye. Chairman Allenby said that Dr. Crowell and Mr. Campana had had to leave prior to the vote to catch an airplane.

The summary of public comments is available at:
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.l.6%20HFP%20to%20Medi-Cal%20Resolution.pdf.

The regulations are available at:
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.m.2%20R-2-07%20Final%20Reg%20Text%20Disenrollment-Waiting%20List.pdf.

The transcript of the April 21 hearing about the regulations is avilable at:
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20item%208.m.3%20-%20R-2-07%20Transcript%20of%204-21-08%20Hearing.pdf.

Public comments about the regulations are available at:
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.m.4%20-%20Public%20Comments%20-%20R-2-07%20Dissenrollment-Waiting%20List.pdf and
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.m.5%20R-2-07%20Disenrollment-Waiting%20List%20Public%20Comments.pdf.

The resolution adopting the regulations is available at:
www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%208.m.6%20Disenrollment-Waiting%20List.pdf.

ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE

Enrollment Report

Ms. Lam asked if there were any questions on the latest AIM enrollment report. There were none. The report is available at
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%209.a%20-%20AIM%20Enrollment%20Summary%20Report.pdf.

Administrative Vendor Performance Report

Ms. Lam asked if there were any question on the latest AIM performance report. There were none.

The report is available at
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%209.b%20-%20AIM%20Adm%20Vendor%20Performance%20Report.pdf

MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE

Enrollment Report

Ms. Yates asked if there were any questions on the enrollment report. There were none.

The report is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%2010.a%20-%20MRMIP%20Enrollment%20Summary%20Report.pdf.

Update on Enrollment Cap and Waiting List

Ms. Yates asked if there were any questions on the latest report, which shows 572 people waitlisted due to program closure. There were none. The report is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%2010.b%20-%20Weekly%20Wait%20List%20for%20MRMIP.pdf.

Administrative Vendor Performance Report

Ms. Yates asked if there were any questions on the latest report. There were none. The report is available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%2010.c%20-%20MRMIP%20Admin%20Vendor%20Performance%20Report.pdf.

Enrollment Estimate

Janette Lopez informed the Board that based on projected program revenues and recoupments as well as PricewaterhouseCooper's analysis of program costs staff recommend that the Board adopt an enrollment cap of 7,100 persons. Currently, 7,531 persons are enrolled. Therefore, until enrollment drops below 7,100, the program will remain closed to new enrollees. While staff does not have a written document to share with the public for this meeting, one will be prepared and made available on the MRMIB website.

Chairman Allenby asked that staff also make sure that the public understands that an enrollment level of 7,100 is significantly lower than it has been in the past.

Member Figueroa asked what the current enrollment level is. Ms. Lopez said it is 8,101. Mr. Figueroa asked Ms. Lopez to confirm that MRMIP would go from a monthly enrollment cap of 8,101 to 7,100. She confirmed this. Chairman Allenby commented that a decrease in enrollment of 1,000 persons is a large number of people.

COUNTY HEALTH INITIATIVE MATCHING-FUND (CHIM)

Chairman Allenby noted that staff have requested that the Board adopt three resolutions approving contract extension amendments with San Mateo County, City and County of San Francisco, and Santa Clara County.

Chairman Allenby asked if there were any questions or comments. There were none.

The motion passed unanimously. Note: Dr. Crowell was no longer in attendance.

The resolutions are available at www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%2011.a.%20San%20Mateo%20Resolution%2008-09.pdf, www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%2011.a%20City%20and%20County%20of%20San%20Francisco%20Board%20Resolution.pdf, and www.mrmib.ca.gov/MRMIB/Agenda_Minutes_052108/Agenda%20Item%2011.a%20Santa%20Clara%20County%20Board%20Resolution.pdf.

There being no further business to come before the Board, Chairman Allenby duly adjourned the meeting at 2:04 pm.