

CalPACE

Board of Directors Meeting

August 04, 2020 | 3:00 PM – 4:00 PM

Join Zoom Meeting: <https://calpace.zoom.us/j/98734298982?pwd=V0k1Z2JlWjluVndVhicijNBR2dtdz09>

Password: 854518

Conference Line (669) 900-6833 | Meeting ID 987 3429 8982

AGENDA

1. Welcome
2. Approval of minutes of May 12, 2020 board meeting – *discussion and action item*
3. Neighborhood HealthCare Associate membership application – *discussion and action item*
4. Review of 2019-20 year-end financials – *discussion and action item*
5. 2021 annual retreat and 2020-21 events – *discussion and action item*
6. Positions on legislation: SB 275 and AB 683 – *discussion and action item*
7. Other business
8. Adjourn

ATTACHMENTS

- A. Minutes of May 12, 2020 CalPACE board meeting
- B. Neighborhood HealthCare Associate membership application
- C. CalPACE 2019-20 year-end financials and narrative
- D. CalPACE legislative update – 7-27-20d
- E. CalPACE letter of concern re: SB 275

Board Members

- | | |
|--|---|
| •AltaMed PACE, Maria Zamora | •Innovative Integrated Health, Phil Tsunoda |
| •Brandman Centers for Senior Care, Arnold Possick | •On Lok Lifeways, Eileen Kunz |
| •CalOptima, Elizabeth Lee | •Redwood Coast PACE, Melissa Hooven |
| •Center for Elders' Independence, Linda Trowbridge | •San Diego PACE, Kevin Mattson |
| •Central Valley PACE, Tony Weber | •St. Paul's PACE, Cheryl Wilson |
| •Family Health Centers of San Diego, Fran Butler-Cohen | •Sutter SeniorCare PACE, Julie Erdmann |
| •Gary and Mary West PACE, Tim Lash | •WelbeHealth, Elizabeth Carty |



Minutes of CalPACE Board Meeting

May 12, 2020

Zoom Meeting

Attendees

Board members:

Arnold Possick, Brandman Centers for Senior Care
Cheryl Wilson, St. Paul's PACE
Eileen Kunz, On Lok Lifeways
Elizabeth Carty, WelbeHealth
Elizabeth Lee, CalOptima PACE
Julie Erdmann, Sutter SeniorCare PACE
Kevin Mattson, San Diego PACE
Linda Trowbridge, Center for Elders' Independence
Maria Zamora, AltaMed PACE
Melissa Hooven, Redwood Coast PACE
Phil Tsunoda, Fresno PACE
Tim Lash, Gary and Mary West PACE

CalPACE staff:

Peter Hansel, Chief Executive Officer
Jennifer Blankenship, Vice President of Operations
Lucas Evensen, Public Policy Analyst
Fred Main, CalPACE Counsel

Other CalPACE Officers:

Bing Isenberg, Center for Elders' Independence

Guests:

Barbara LaHaie, Redwood Coast PACE
Carol Hubbard, St. Paul's PACE
Cindy Ward, LeadingAge California
Jackie Mark, CalOptima PACE
Jeff Gering, Family Health Centers of San Diego
Joyce Hayes, Redwood Coast PACE
Karli Holkko, WelbeHealth
Maria Lozzano, InnovAge
Pamela Ansley, Sutter SeniorCare PACE
Rena Smith, Gary and Mary West PACE
Rosana Scolari, San Diego PACE
Sharon Melancon, Fresno PACE
Shawn Bloom, National PACE Association
Susie Fishenfeld, Brandman Centers for Senior Care

Board members absent:

Fran Butler Cohen, Family Health Centers of San Diego

Note: These minutes are confidential and privileged and should not be circulated outside of the CalPACE Board.

Board Vice Chair Cheryl Wilson convened the meeting at 3:15 P.M.

DECISIONS

Minutes of April 21, 2020 board meeting. The minutes of the April 21, 2020 board meeting were approved on a 12-0 vote (Zamora/Possick).

CalPACE financials through March 31, 2020. Leading Age CA VP for Finance Cindy Ward presented updated CalPACE financial statements through March 31 2020. The statement of financial position shows a strong financial position with a budget surplus of \$113,000. The statement of activities shows that overall, revenues and costs are for the most part tracking with projections from the budget. Several areas are showing savings, including website design, actuarial consulting and technical assistance consulting. A few are showing higher than anticipated costs, including legal work. CalPACE is receiving revenues and is incurring expenses from three strategic planning projects that were not included in the budget but the revenues and expenses are offsetting. A motion to adopt the financials was adopted on a 12-0 vote (Kunz/Lash).

CalPACE proposal for COVID-19 supplemental rate adjustment. Peter Hansel informed board members that CalPACE has submitted its proposal for a COVID-19 supplemental rate adjustment to the administration and key legislators. Fred Main explained that with access to the Capitol limited due to COVID-19 restrictions, a grassroots lobbying campaign, in which POs send letters of support to their local legislators and ask them to weigh in with budget chairs, will be the most effective. CalPACE is also starting to set up meetings with key officials including Dr. Gilbert, DHCS Director, and budget committee chairs in June and July. CalPACE will provide a template letter for POs to use for their letters of support as well as email addresses to send them and the names of the budget chairs.

DISCUSSION

NPA Update. Shawn Bloom provided an update on NPAs efforts and activities related to COVID-19. NPA is collecting data on positive COVID-19 cases, hospitalizations, and deaths. Thus far, prevalence of the disease is relatively low among PACE participants. Many PACE organizations are doing innovative things to respond the public health emergency, including adapting PACE Centers to provider overnight care and use of mobile health clinics. NPAs COVID activities fall into five categories -- supporting current members, providing resources, providing connections, providing education, and thinking and planning around implications for PACE growth and marketing once the public health emergency subsides. NPA continues to advocate for regulatory and financial assistance for POs, including working with CMS to find a way for POs to draw down funds from the provider relief fund and inclusion of funding for PACE in the most recent House proposal.

The meeting adjourned at 4:15 P.M.

Respectfully submitted,

Eileen Kunz, Secretary

Prepared by: Peter Hansel, Chief Executive Officer
Jennifer Blankenship, Vice President of Operations

DRAFT

CalPACE
STATEMENT OF FINANCIAL POSITION
June 30, 2020

	<u>6/30/2020</u>	<u>6/30/2019</u>		
	UNAUDITED	Prior Year End	CHANGE	%
ASSETS				
Cash	\$321,233	\$337,560	(\$16,327)	-5%
TOTAL CASH & CASH EQUIVALENTS	321,233	337,560	(16,327)	-5%
Receivable - Membership Fee				
Receivable - Other	17,150	2,264	14,886	658%
Prepaid Expenses	702	693	9	1%
TOTAL CURRENT ASSETS	17,852	2,957	14,895	504%
FIXED ASSETS				
Computers and Office Furniture	14,455	6,020	8,435	140%
Accumulated Depreciation	(6,195)	(4,054)	(2,141)	53%
TOTAL FIXED ASSETS, net	8,260	1,966	6,294	320%
TOTAL ASSETS	\$347,345	\$342,483	\$4,862	1%
LIABILITIES				
Accounts Payable - Trade	53,123	79,736	(26,613)	-33%
Accrued Expenses	27,876	21,732	6,144	28%
Deferred Revenue	27,500	27,500	0	0%
TOTAL LIABILITIES	108,499	128,968	(20,469)	-16%
NET ASSETS				
Unrestricted	213,517	173,215	40,302	23%
Net Surplus (Deficit), Unrestricted	25,329	40,302	(14,973)	-37%
TOTAL NET ASSETS	238,846	213,517	25,329	12%
TOTAL LIABILITIES AND NET ASSETS	\$347,345	\$342,485	\$4,860	1%

CalPACE
STATEMENT OF ACTIVITIES
For the year ended June 30, 2020

	YTD ACTUAL	ANNUAL BUDGET	\$ VARIANCE	%
REVENUES:				
Membership	\$497,500	\$490,000	\$7,500	2%
Associate membership	20,000	24,375	(4,375)	-18%
Affiliate membership	58,125	55,000	3,125	6%
ISAT fee	6,000	6,000		
Sponsorships	4,575	11,000	(6,425)	-58%
Event registration - Meet and Greet	58,650	57,000	1,650	3%
Event registration - Retreat	3,250	7,600	(4,350)	-57%
Operating revenues - Subtotal	648,100	650,975	(2,875)	0%
Strategic planning - Brand Development	26,500		26,500	
Strategic planning - SNP Feasibility	58,600		58,600	
Strategic planning - PACE 2.0	2,800		2,800	
Strategic initiative revenues - Subtotal	87,900		87,900	
TOTAL REVENUE	736,000	650,975	85,025	13%
TOTAL SALARY AND FRINGE BENEFITS	304,431	304,716	(285)	0%
CONTRACTUAL SERVICES:				
Lobbying	88,644	89,000	(356)	0%
Legal	39,000	24,500	14,500	59%
Actuarial	17,663	20,000	(2,337)	-12%
Consultant - other	15,318	58,000	(42,682)	-74%
Accounting	8,760	8,760		
Administrative services	5,100	5,100		
Public relations	4,900	25,000	(20,100)	-80%
Strategic planning - Consultant	3,250	20,000	(16,750)	-84%
I-SAT/Other	2,735	3,600	(865)	-24%
Audit/Tax	1,500	2,000	(500)	-25%
Website Design	1,180	24,500	(23,320)	-95%
Marketing		3,000	(3,000)	-100%
Subtotal	188,050	283,460	(95,410)	-34%
Strategic planning - Brand Development	26,500		26,500	
Strategic planning - SNP	58,600		58,600	

	YTD ACTUAL	ANNUAL BUDGET	\$ VARIANCE	%
Strategic planning - PACE 2.0	2,801		2,801	
Subtotal	87,901		87,901	
	275,951	283,460	(7,509)	-3%
TRAVEL & TRAINING:				
Travel and Entertainment	13,862	18,000	(4,138)	-23%
Training and Conferences	2,467	7,600	(5,133)	-68%
	16,329	25,600	(9,271)	-36%
TOTAL PROGRAM & TRAVEL EXPENSE	292,280	309,060	(16,780)	-5%
GENERAL OFFICE & ADM EXPENSE				
Board retreat	45,426	40,000	5,426	14%
Affiliate meeting expense	13,177	20,000	(6,823)	-34%
Office rent	11,145	11,220	(75)	-1%
Dues and subscriptions	8,430	12,100	(3,670)	-30%
IT services	5,097	3,800	1,297	34%
Telephone	4,726	4,740	(14)	0%
Insurance	2,799	3,000	(201)	-7%
Fees and licenses	2,113	1,700	413	24%
Supplies	1,880	1,600	280	18%
Printing	161	500	(339)	-68%
Facility rent		4,500	(4,500)	-100%
TOTAL GENERAL OFFICE & ADM EXPENSE	94,954	103,160	(8,206)	-8%
OTHER EXPENSES:				
Catering	15,650	24,500	(8,850)	-36%
Depreciation	2,142	2,040	102	5%
Postage	89	50	39	78%
Contributions and Gifts	1,125	2,800	(1,675)	-60%
Other				
TOTAL OTHER EXPENSES:	19,006	29,390	(10,384)	-35%
TOTAL OPERATING EXPENSES	710,671	746,326	(35,655)	-5%
NET SURPLUS (DEFICIT)	25,329	(95,351)	120,680	-127%

CalPACE Financial Narrative

July 1, 2019 thru June 30, 2020

Statement of Financial Position as of June 30, 2020

- Cash – \$321,233, which is a decrease of \$16,327 over prior year.
- Receivables – increased by \$14,886. This balance represents the receivable due on supplemental dues and ISAT fees.
- Prepaid Expenses – balance of \$702 for prepaid insurance.
- Fixed Assets, net – Increase of \$6,294 due to purchase of office furniture.
- Accounts Payable – at \$53,123 is \$26,613 lower than prior year. The balance of this account is primarily due to LeadingAge CA for payroll and services.
- Accrued expenses – \$27,876 represents accrued PTO. Increase primarily due to increase in earned PTO hours.
- Deferred revenue – \$27,500 are amounts collected for Brand Development that are not yet earned.
- **Net Assets are \$238,846, an increase of \$25,329 from June 30, 2019.**

Statement of Activities for July 1, 2019 thru June 30, 2020

- **Operating Revenues** – near budget.
 - Membership - \$7,500 better than budget due to new member mid year.
 - Sponsorships – (\$6,425) less than budget. Actual should have been higher but some amounts collected prior to yearend were not deferred from the prior year.
- **Strategic initiative revenue** Include the member supplemental dues that were not included in the approved budget.
- **Expenses**
 - Salary and Fringe Benefits – (0 %) are near the costs that were anticipated in the budget.
 - Contractual – (33%) \$95,410 savings year to date. As follows:
 - Legal \$14,500 higher than budget - incurred for the legal opinion on corporate practice.
 - Actuarial (\$2,337) - less has been spent on the 2020 rate analysis than was anticipated.
 - Consultant – Other (\$42,682) - technical assistance work delayed.
 - Public relations (\$20,100) - development of a contract was delayed due to work on COVID, Master Plan, and Cal AIM.
 - Strategic planning – Consultant (\$16,750) lower than budget due to post retreat planning delayed.
 - Website Design (\$23,320) - redesign of member page has been put on hold for now.
 - Strategic planning – Brand Development \$26,500 - costs are offset by supplemental dues, which are \$26,500.
 - Strategic planning – SNP Feasibility \$58,600 costs to be offset by supplemental dues, which are \$58,600.
 - Strategic planning PACE 2.0 \$2,801 costs are offset by supplemental dues, which are \$2,800.

- Travel and Training – (36%) \$13,782 - all travel was suspended in March 2020 due to COVID-19.
- General office and Administration – (8%) \$8,206 under budget due many activities being put on hold due to COVID-19.
- Other expenses- (35%) \$10,384 better than budget primarily due to less than anticipated catering costs.
-
- **Net Surplus at \$25,329** for the year.



Bill No./Author	Description	Company Position	Organizations in Support/Oppose	Status	Similar Legislation
AB 683 Carrillo D	<p>Medi-Cal: eligibility. Current law requires Medi-Cal benefits to be provided to individuals eligible for services pursuant to prescribed standards, including a modified adjusted gross income (MAGI) eligibility standard. Current law prohibits the use of an asset or resources test for individuals whose financial eligibility for Medi-Cal is determined based on the application of MAGI. This bill would require the State Department of Health Care Services to disregard, commencing July 1, 2020, specified assets and resources, such as motor vehicles and life insurance policies, in determining the Medi-Cal eligibility for an applicant or beneficiary whose eligibility is not determined using MAGI, subject to federal approval and federal financial participation.</p>	<p>Recommend Support</p>		<p>6/23/2020 - Referred to Com. on HEALTH.</p>	
AB 1850 Gonzalez D	<p>Worker classification: employees and independent contractors. Current law exempts specified occupations and business relationships from the application of the ABC test as specified. Current law, instead, provides that these exempt relationships are governed by the multifactor test previously adopted in the case of S. G. Borello & Sons, Inc. v. Department of Industrial Relations (1989) 48 Cal.3d 341. Current exemptions include a bona fide business-to-business contracting relationship, as defined, under the specified conditions. Under current law, the business-to-business exemption does not apply to an individual worker, as opposed to a business entity, who performs labor or services for a contracting business. This bill would delete that individual worker provision.</p>	<p>Watch</p>		<p>7/1/2020 - Referred to Com. on L., P.E. & R.</p>	
SB 29 Durazo D	<p>Medi-Cal: eligibility. Would, subject to an appropriation by the Legislature, and effective</p>	<p>Recommend Support</p>		<p>1/3/2020 - Read second time. Ordered</p>	

	<p>July 1, 2020, extend eligibility for full-scope Medi-Cal benefits to individuals who are 65 years of age or older, and who are otherwise eligible for those benefits but for their immigration status.</p>			<p>to third reading. (Set for hearing on 1/6/2020) 7/30/2020 #15 ASSEMBLY THIRD READING FILE - SENATE BILLS</p>	
<p>SB 275 Pan D</p>	<p>Health Care and Essential Workers Protection Act: personal protective equipment. Current law establishes the State Department of Public Health to implement various programs throughout the state relating to public health, including licensing and regulating health facilities and control of infectious diseases. This bill, the Health Care and Essential Workers Protection Act, would require the State Department of Public Health to establish a personal protective equipment (PPE) stockpile to ensure an adequate supply of PPE for health care workers and essential workers, as defined, and would require the stockpile to be at least sufficient for a 90-day pandemic or other health emergency. The bill would require the department to establish guidelines for the procurement of the PPE stockpile, taking into account, among other things, the amount of each type of PPE that would be required for all health care workers and essential workers in the state during the pandemic or other health emergency, which would represent the amount of PPE to be maintained in the stockpile.</p>	<p>Support_If Amended</p>		<p>6/29/2020 - From committee: Be re-referred to Com. on L. & E. (Ayes 7. Noes 0.) (June 29). Re-referred to Com. on L. & E. (Published 7/13/2020) (Amended 7/27/2020) 7/29/2020 1:30 p.m. - State Capitol, Room 437 ASSEMBLY LABOR AND EMPLOYMENT, KALRA, Chair</p>	
<p>SB 512 Pan D</p>	<p>Long-term services and supports. Would establish the California Long-Term Services and Supports Benefits Board (LTSS Board), to be composed of 9 specified members, including, among others, the Treasurer as chair, the Secretary of California Health and Human Services as vice chair, and 3 members to be appointed by the Governor. The bill would require the LTSS Board to manage and invest revenue deposited in the California Long-Term Services and Supports Benefits Trust Fund (LTSS Trust), which the bill would create in the State Treasury, to, upon appropriation, finance long-term services and supports for eligible individuals. The bill would also create, until January 1, 2025, the Long-Term Services and Supports Advisory Committee for the purpose of providing ongoing advice and recommendations to the LTSS Board.</p>	<p>Support</p>		<p>8/30/2019 - Failed Deadline pursuant to Rule 61(a)(12). (Last location was APPR. on 7/5/2019)(May be acted upon Jan 2020)</p>	



July 22, 2020

The Honorable Richard Pan
Senator, District 6
State Capitol, Room 5114
Sacramento, CA 95814

Re: SB 275 (Pan); Health Care and Essential Workers Protection Act: CONCERNS

Dear Senator Pan:

On behalf of CalPACE, I am writing to express concerns about **SB 275**, which would require the California Department of Public Health (CDPH) and health care employers to maintain a stockpile of unexpired personal protective equipment (PPE) for use in the event of a declared state of emergency.

Program of All-inclusive Care for the Elderly (PACE) organizations provide comprehensive health care and long-term services and supports to low-income seniors who qualify to be in nursing homes, to enable them to remain in the community for as long as possible. Our members currently provide and coordinate services through 58 care centers located in 20 counties in the state.

The COVID-19 pandemic exposed California's failure to adequately plan and prepare for a pandemic. SB 275 aims to resolve this by creating a statewide stockpile of PPE to be used in the event of a statewide emergency. CalPACE's concern lies with the timing and the cost of procuring and maintaining a 90-day supply of PPE.

Since the onset of the pandemic, PACE organizations have not been able to get PPE from state, federal or county sources. Despite providing medical and long-term supports and services to frail seniors who are most vulnerable to COVID-19, other providers such as hospitals and nursing homes have received higher priority for allocation of available resources.

The requirement to maintain a 90-day supply of PPE at all times is both unreasonable and costly for providers such as PACE and represents an impossible requirement to meet due to the lack of adequate supplies and prioritization of available resources.

We urge you to consider further amendments to SB 275 to address these issues.

Thank you for your consideration of our concerns.

Sincerely,

A handwritten signature in black ink that reads "Peter Hansel". The signature is written in a cursive, flowing style.

Peter Hansel
CEO

cc: Members, Senate Labor and Employment Committee