

Executive Committee Meeting Notes

Date: February 4, 2021
Time: 10:00am - 11:00am
Location: Via Zoom

Executive Committee Members In Attendance

- Julia Burrows, Senior Policy Advisor, Mayor Darrell Steinberg
- Chris Conlin, Assistant City Manager, City of Sacramento
- Bridgette Dean, Interim Director, Office of Community Response, City of Sacramento
- Niko King, Deputy Fire Chief, Sacramento Fire Department
- Leyne Milstein, Assistant City Manager, City of Sacramento

Other city staff from City Finance was also in attendance.

Pathways Support Team in Attendance

- Lisa Chan-Sawin, Transform Health
- Gretchen Schroeder, Transform Health
- Rana Suliman, Transform Health
- Alexis Sabor, Transform Health
- Rochelle Mulondo, Transform Health

Welcome and Introductions

- Lisa Chan-Sawin: Hello everyone, we are still waiting on everyone to join the call. While we wait, I just wanted to check-in on the off cycle IGT with folks from the finance team. We did all the leg work with the State to use Kaiser funds as local match, but Kaiser did not feel comfortable providing these funds. How else can we fund the off cycle IGT?
- Leyne Milstein: The City can provide these funds as long as we have a guarantee that the original source funds will stay in their program. And as long as the City money comes back to whichever City program it came from.
- Lisa Chan-Sawin: Great. We need roughly \$4.3-4.4 million dollars in local match. We can borrow the \$4.3 million dollars from one fund and then after the IGT, return the match to its original source.
- Leyne Milstein: We need to figure out which department/account this money will come from or whether the Treasurer will let us borrow money for the IGT that we will get back.

- Lisa Chan-Sawin: The State is treating these dollars as a straight bonus the City has earned. So, \$10 million dollars will come back to the program and the \$4.3 million dollars will go back to the original source. There will be roughly \$5.3M remaining that can be used to fund housing or other needs.
- Christopher Conlin: Is there a deadline for when we need to get this money to the State and when does the money come back to us?
- Lisa Chan-Sawin: It typically takes about 6-8 weeks for the State to complete the IGT cycle and to return the source funds so the City should get the money back quickly.
- Christopher Conlin: Is there a deadline to get this done?
- Lisa Chan-Sawin: No, but the State wants this to be done sooner rather than later – we can do a separate IGT now or as part of the May IGT. We are at critical mass. Let us run through the agenda and get into the presentation.

Committee Business

1. Action Item: Approve 7/30/20 Meeting Minutes and 10/15/20 Meeting Minutes

- Lisa Chan-Sawin: Do we have a motion to approve these?
- Bridgette Dean: Approve.
- Leyne Milstein: I second.
- Christopher Conlin: No objection.

2. Action Item: Appoint New Executive Committee Voting Members

- Lisa Chan-Sawin: We have two vacant spots on the Pathways Executive Committee due to Bridgette Dean shifting from representing the Sacramento Police Department spot to the Project Director spot. Additionally, Niko King informed us that Chad Augustine is moving to another position and leaving the City, so there is another spot opening up for the Sacramento Fire Department. We would like to know who will fill these vacancies and also if we would like to add a new spot representing city housing?
- Bridgette Dean: I was representing the police department, and I believe it is crucial that, if we can add a spot, that we add a spot for Danielle Foster representing city housing. As we shift our model at the City to connect all homeless response programs to housing, Danielle is a crucial voice on this committee. If we keep the police department representative and add Danielle Foster, I will ask Justin Risley to join as a representative for the police department since he is the Captain of these services. If we do not want to add an extra member, then I ask that we remove the police department representative and replace it with a city housing representative. I think it is that important that Danielle is a part of this conversation.
- Chris Conlin: Was the original reasoning for having the police department because of IMPACT team?
- Bridgette Dean: Yes.
- Chris Conlin: Then, I concur we can just have Bridgette on as Office of Community Response and we probably do not need a police department representative, and we can have Danielle Foster as city housing.
- Bridgette Dean: Do we need a formal motion Lisa?

- Lisa Chan-Sawin: Yes.
- Bridgette Dean: I motion that we replace the police department with a city housing representative and that would be Danielle Foster in the Office of Community Response.
- Chris Conlin: I Second.
- Lisa Chan-Sawin: Motion is adopted. We will strike the police department representative and add city housing with Danielle Foster, with Chad leaving will Niko be put into place for City Fire Department, and Julia Burrows representing the Mayor's Office?
- Niko King: Yes.
- Julia Burrows: Yes.

3. Discussion Item: Frequency of PY6 Executive Committee Meetings

- Lisa Chan-Sawin: Initially, the Executive Committee was meeting monthly to launch the program but shifted to quarterly in 2018. We wanted to offer to meet monthly or every other month due to the influx of programmatic changes that need to be discussed.
- Chris Conlin: I agree.
- Leyne Milstein: Whatever you need.
- Bridgette Dean: I agree, Lisa and I have already started to meet one-on-one. We are going to start doing more Department of Community Response meetings and will also be doing more regular weekly meetings with this team moving forward.
- Lisa Chan-Sawin: Thank you, we will go ahead and connect with you offline to schedule this and get a meeting schedule out for the year.

Program Updates (please refer to meeting slides)

1. Info Item: Dashboard

- Lisa Chan-Sawin: This is the newest dashboard. Since the beginning of the program, we have housed 921 clients.
- Bridgette Dean: Danielle Foster and I have been reviewing the Pathways program's data for the past few years and though this is positive data we want to make sure all this data is accurate and that individuals are getting the full services they need in order to secure permanent housing. We have been working with Lisa and her team to get definitions for each of these categories including what 'housing services provided' entails.
- Niko King: For the 548 people that are permanently housed, what definition qualifies for the use of the term permanently housed? Are these 548 different individuals or do these numbers include repeats?
- Lisa Chan-Sawin: Those are unique individuals. The permanently housed term means they are permanently housed, the transitional term includes shelters, HCV, and some Room and Board.
- Bridgette Dean: Danielle and I are getting caught up on quite a bit of this information, so I can include you in some meetings so you can get caught up on this also.
- Niko King: Thank you, that would be great.

2. Info Item: Housing Update

- Lisa Chan-Sawin: We have heard some challenging news from our partners regarding HCV vouchers from SHRA. SHRA notified the three Pathways housing partners in October that there would be a pause in HCV vouchers for Pathways enrollees. Partners were asked to submit a list of individuals they were planning on submitting applications for and vouchers would only be issued for those individuals. There were 225 applications submitted. SHRA noted that the pause would be re-visited at a later date. For a while, two housing partners were able to submit new applications for individuals not on this list, and this became an issue with the third housing partner who was told that they could not submit new vouchers. There is a sense that there are not a lot of PSH slots in our community so if HCV is not an option there is a lack of options for housing. We are working with Danielle and Bridgette on this. We were hoping to get a sense on when the HCV pause will be lifted, and when new voucher applications will be accepted.
- Gretchen Schroeder: There was an email on Tuesday to our partners from SHRA reiterating that they would not issue new applications to our partners except for the names on the October list.
- Bridgette Dean: Can you forward us that email?
- Lisa Chan-Sawin: Yes.

3. Info Item: 1115 Waiver Update

- Lisa Chan-Sawin: DHCS received approval from the Centers for Medicare & Medicaid Services (CMS) for a one-year extension of the Medi-Cal 2020 Section 1115 demonstration, through December 31, 2021. There are additional dollars to fund another year of the program. The extension was authorized with the same funding level as 2020, and we will get \$8 million dollars if we get an additional \$8 million dollars of local match (total \$16 million dollars). We have heard back from one hospital partner about them continuing to commit funding to the program. The City will need to update their Whole Person Care (WPC) contract in late Q1 or early Q2, and we will track this.

4. Info Item: CalAIM Updates Impacting WPC

- Lisa Chan-Sawin: The State also put out an update to the CalAIM proposal. This program includes a successor to the WPC program, Enhanced Care Management (ECM). ECM does not pay for housing, but another part of the proposal called In Lieu Of Services (ILOS) does. ECM and ILOS are intentionally paired. The State expects the WPC pilots to work with plans to transition enrollees into this new benefit. Right now, Medi-Cal beneficiaries can choose to be in fee-for-service (FFS), but starting January 1, 2022 all enrollees will be ushered into Managed Care because health plans will provide more services through this model.
- Lisa Chan-Sawin: Plans can contract with and pay WPC pilots to provide ongoing services under ECM. Plans are also directed to work with WPC pilots and counties to design and execute transition between WPC/HHP into ECM. We have 5 plans in Sacramento, and they have created a committee where they will be discussing this transition path. They have invited the City and the County to take part in this effort. Should we be involved?

- Bridgette Dean: We should absolutely be involved in this. Thank you for letting us know.
- Leyne Milstein: Is this at our cost or at their cost? Is this part of our existing contract?
- Lisa Chan-Sawin: So, we have to talk about the transition work because that has not been contracted. We have been doing this, but it is not part of our contract right now. We have not re-upped the contract for services for the rest of this year, and so we need to talk about contracting in general for all WPC services. But the City will not have to bear the cost on the plans' side, but I think the question is who do you want to engage in this transition work and designing this process?
- Leyne Milstein: I think there is a value to take part in this, but they must bear the burden of this. It is their program now.
- Lisa Chan-Sawin: The plans are providing the venue and the organization. I can pull the charter and let you know what level of participation we would need.
- Bridgette Dean: Just to be clear that is what I am implying also.
- Lisa Chan-Sawin: Great, we will look into that. These are benefits offered by the plans, ILOS is voluntary for plans and optional for beneficiaries. In addition to that the State is including incentive payments to plans to invest and build local capacity. This is another opportunity to build local capacity, we have been talking to Bridgette about lack of local capacity so this is a place we can get involved. For this program, we did two rounds of Request for Proposal (RFPs) and we did not have a lot of interest locally in our second RFP from housing providers. So, we had to work with a provider that was not a housing provider but had interest in becoming one to meet our program capacity needs.
- Bridgette Dean: This is a reason why it is so important to have Danielle Foster in the game. This is why we are having this gap of people being housed. So, I think it is a bigger picture that we are working with Lisa and her team on to address this. We will work with our local vendors to ensure that capacity needs are addressed.
- Lisa Chan-Sawin: Yes, this is an opportunity to address provider insufficiency, and there are ways we can change the infrastructure to help fill local gaps.
- Julia Burrows: Did you say you are working without a contract right now?
- Lisa Chan-Sawin: Yes. Since we anticipated that the program would end our contract covers us managing the program through end of Decemeber 2020. Since the program got extended, our contract also needs to be extended. This is a function of timing, so we are working with Bridgette to extend our contract, also all the provider contracts need to be extended because they are ending on March 31st, 2021.
- Bridgette Dean: We are working on this in-house. We had some shifts occur in the Homeless Services Department, but we are working with Lisa on this.
- Julia Burrows: Okay great.
- Lisa Chan-Sawin: I would also like to add that some plans are interested in paying the City to provide these services.
- Leyne Milstein: We are not interested in this. This is not something we got into for the long run and this kind of program should not be housed within the City.
- Bridgette Dean: Yes, Lisa and I discussed this, and we are not interested in following this route. Lisa is just bringing it up to let you know.
- Chris Conlin: Agree.

Discussion Items:

1. Next Steps for May IGT Gap & Off-Cycle IGT

- Lisa Chan-Sawin: We already covered this in the beginning of the meeting. Do you have anything to add here Gretchen?
- Gretchen: No that was a great update on the off-cycle IGT, thank you Leyne.
- Lisa Chan-Sawin: We have an update on the May IGT, go ahead Gretchen.
- Gretchen Schroeder: Thank you Lisa, I created this chart with the intent that we would be doing the off-cycle IGT with the May IGT, so I have included those dollars on the invoice amount. Based on what we anticipate for services wrapping up next year we would have an IGT gap of \$21 million dollars and we would have a \$6.8 million dollar gap for the May IGT. What we have right now for local match besides the dollars identified for the off-cycle, we only have hospital IGT amounts. We have not received an incentive fund donation but they are usually around \$100,000 so it is not going to make a profound difference. I also want to confirm if we have reserve funds from the previous IGT, if you could check with someone on your team Bridgette to confirm that we have half a million to contribute here that would be great.
- Bridgette Dean: I can check into this.
- Leyne Milstein: Can you help us understand what this is?
- Gretchen Schroeder: To draw down the full \$21 million dollars from the Feds in this IGT cycle we have to put up our local match which 43.8% of that amount. If we do not have that local match, then this is the gap which is the \$6.8 million dollars, we cannot draw down the full IGT for the program.
- Leyne Milstein: And that will be what it is because I do not see more money going into this program from the City. Because when you fill that gap, that means that \$6.8 million dollars stays with the program. I do not see us having the capacity to fill in this gap, so we need to plan to proceed with the \$6.8 million dollar gap.
- Chris Conlin: Beyond pulling down additional IGT dollars, what does this mean to us? Is there a decrease in the program or services? It sounds like we are at as much capacity as we can do with the providers, so does this have any real impact other than we cannot pull down the full IGT amount?
- Lisa Chan-Sawin: It would have an impact on funding ongoing services this year.
- Gretchen Schroeder: It could, depends on if the City chooses to approve it. The \$6.8 million dollars also includes the local match for the off cycle IGT. So, we may only have about a \$2 million dollar gap.
- Leyne Milstein: So, the gap is really \$1.8 million dollars not \$6.8 million dollars?
- Lisa Chan-Sawin: Yes.
- Leyne Milstein: Okay, that is a lot different. We also have that money at the end that we know we want to set aside in case we have an audit. We can choose to put some into our ramp down. Theoretically, are you counting the reserve, would that reduce it to \$1.3 million dollars?
- Gretchen Schroeder: The reserve is included. So, it does not decrease the total.

- Lisa Chan-Sawin: Yes, we carried over the reserve. And you are right Leyne, at the end of the program there is a final IGT, those dollars are not accounted for here.
- Leyne Milstein: Okay.
- Lisa Chan-Sawin: Okay, if there are no other questions here, we can move on to some concerns about FHP.

2. Rehousing & FHP Concerns

- Gretchen Schroeder: We were told that 27 Pathways clients who were referred into FHP may be in danger of being evicted. We are working with the County through case conferencing to identify who these Pathways enrollees are and what the next steps are for them. We will most likely pull them back into the Pathways program.
- Lisa Chan-Sawin: Many of you were not here when we started to work on this compromise with the County on FHP. Many of our enrollees were eligible for FHP. We had the opportunity to refer in and the agreement is that we could do dual enrollment and provide the health services and the County would provide the housing services.
- Gretchen Schroeder: We will work with the County to see if there are PSH spots through the County but where we cannot locate housing, we will bring them back in the program.
- Lisa Chan-Sawin: It is a shame because they were housed and now, they may be put back on the streets.
- Leyne Milstein: Sorry if I missed this, but what is the basis of the evictions?
- Bridgette Dean: Yes, I would also like to know.
- Gretchen Schroeder: We do not know, the County just let us know they issued evictions. I think there was some property damage involved a lot of these folks were challenging to house. I can imagine there are a wide variety of reasons as to why they were evicted.
- Leyne Milstein: We have been having some conversations about radical honesty about housing this population, and this is an example of our best effort, to get people housed, but if people cannot follow basic rules and expectations around behavior (it may or may not be their fault) we cannot keep them housed. Getting people housed is very important, but that if they cannot stay housed that is not a failure of our providers or our program. I am not sure how to communicate this but maybe Julia can help us communicate this?
- Bridgette Dean: To be fair, I think it could be a failure on our providers part also.
- Leyne Milstein: Okay, fair enough then. We need to own it where we need to own it. It is an incredibly challenging group to house. It is like we take two steps forward and one step backwards and sideways. That is the nature of this kind of program delivery.
- Bridgette Dean: Yes, that is a valid point. There is a big discussion around the issues that this population brings to all of the service provisions we try and offer and the long-term case management that is needed. I know we are running short on time so Lisa can you give me an update on this in more depth at a later date? I have some real questions about how it even got to this point.
- Lisa Chan-Sawin: Yes absolutely, we probably need to talk about this in the context of the \$3 million rehousing dollars from the Governor. The partners were paid in advance

and they were told they needed to provide the documentation for these funds, and we have been working with them to get the documentation. We are really concerned about this because the funds are running low. We have had at least one partner say that they will issue evictions because these funds are coming to an end.

- Gretchen Schroeder: More than 325 enrollees have benefitted from this rental subsidy program and it has been used to house individuals while they waited for their HCV voucher to come through, to stabilize individuals for a few months to allow them to focus on their medical care and to house individuals who were in danger – either due to domestic violence or a dangerous living situation. To date, close to all of these dollars have been spent down. To fully support our partners’ efforts with existing enrollees and for new enrollees, particularly those we are working on re-housing, the program would need an additional \$2 million dollars for the remainder of 2021.
- Bridgette Dean: I think we need to have some offline discussions because I am learning a lot, are you saying the City fronted \$3 million dollars to three housing partners, and now they are out of money, there are no invoices, and they are issuing eviction notices?
- Lisa Chan-Sawin: We have had some invoice submissions, not all of them. And they were given \$500,000 advances and some of them have come back for their second advance. The reason why we are flagging this is because we are concerned there is a reputational risk to the City at this time to evict clients under a City program given everything else that is going on, and if these dollars are running out that is going to be really challenging.
- Leyne Milstein: I am going to be the fiscal voice and say that this is the problem with one-time money where we assume there will be follow-up money. This was never something that we had ongoing funding available for, and it depends on what you want to say is ongoing. This is the risk you run in using one-time money to the fullest extent because when it runs out this is the situation you find yourself in.
- Lisa Chan-Sawin: So, it is up to the City what you want to do, but we estimate that \$1-2 million dollars are needed to sustain this programming for the rest of the year as the program is structured now. We have also elevated this as an issue to the State given that they gave us the money and now people may be put back on the street.
- Bridgette Dean: I think the bigger questions for me, and I agree with Leyne, is the messaging that was put out with all of this. So Lisa, I need more information. I would like to know more information about who is at risk and how much money is needed.
- Lisa Chan-Sawin: Okay, we can loop back with you.

3. Ramp Down Budget Trade Offs & Recommendations

- Lisa Chan-Sawin: Contracts need to be extended.
- Gretchen Schroeder: If we hold our panel at 700 it will serve the largest number of people, it will reduce number of transitions and would help maintain continuity of care. The downside is it would cost more money and go beyond our DHCS budget. The second option would be to be more affordable, reduce the number of people served and could impact continuity of care. The third option costs the lowest amount of dollars, lowest number of enrollees, there would be a very low continuity of care. These are the three

options, there is a lot that we do not know right now due to lack of direction from the State. We would like to make contraction decisions based on these options.

- Lisa Chan-Sawin: We would like to see who we can work with at the City to bring these contracts to City council on March 16th. The estimated contract extensions will be \$7.1 million dollars and we can make changes after that. The key question is whether we should keep panel sizes the same from April – December? Who will take contracts to Council on March 16th?
- Gretchen Schroeder: I think given all the unknowns; flexibility is key. We do not have a lot of information.
- Lisa Chan-Sawin: We could do smaller contract extensions, or we can do extensions and then do amendments later on, there are many choices but the timing to execute is short.
- Chris Conlin: If providers drop off, then the services will continue with the health plans, right? There is going to be natural attrition anyway.
- Lisa Chan-Sawin: That is a key point of contention because the health plans have not contracted with any housing providers they have only contracted with clinics. We know the outcomes are not the same, and we are seeing it with the health homes program right now.
- Chris Conlin: Okay.
- Leyne Milstein: The \$7.1 million dollars means we are keeping the panel sizes the same? And where does that fit into the budget that we have available?
- Gretchen Schroeder: It does, and we would have to spend above the DHCS budget we currently have for this year.
- Leyne Milstein: We cannot consider this question until we know how far above the DHCS budget this would go. I think there has to be some sort of program attrition and we have to figure out who to contract with, we should target the providers who provide the services we need and keep them onboard and attrite those who are not providing at the level we need. We need to make conscious decisions. It is the same situation as the rehousing funding, we do not have money above the DHCS budget. We need to talk about how we can ramp down before the extension. We need to do some level of ramp down.
- Chris Conlin: Another thing, which is why it is good that Bridgette wants to bring Danielle Foster in. We do not know if we could transition some of these clients into what the City is doing in our housing programs so we should consider that. It may not be as big as an issue because the City is ramping some programs up. Is that something Danielle can give input on?
- Bridgette Dean: Yes, I think Danielle should be a part of this conversation.
- Chris Conlin: I agree with Leyne, the program has to ramp down. We did this because the County would not. We need to transition people out. We also have a new administration that has made this a priority. We do not know what other changes will be added from the State to this program that could help support this transition.
- Gretchen Schroeder: We do have the \$5 million dollars coming back to the City from the State, we could use this.

- Leyne Milstein: Yes, but we do not know the budget yet, until we see all these things, we cannot make all of these decisions. I think getting all this data together is the next step.
- Gretchen Schroeder: Yes, we can do that.
- Lisa Chan-Sawin: Would it be helpful to come back to this committee to talk this through more?
- Leyne Milstein: Yes, since we also need to structure contracts by March 16th.
- Lisa Chan-Sawin: We will work with Bridgette and Danielle, we will need to regroup in the next couple of weeks to get a decision on the contracts.
- Chris Conlin: If we need to have a meeting in the next couple of weeks then that is fine. Let us just make sure that we have all the data and that we have input from Danielle Foster on how the City and all the housing programs are matching up with this.
- Lisa Chan-Sawin: Great.