1. DHCS Update
   - Backcasting Deferral Claims (attached)
     The deferral claims report from DHCS is attached. A request for clarification has been sent to DHCS as it is still unclear what the loss is by area. DHCS is open to sharing this data. A group of LEAs continue to owe money back, though it has not yet been decided how these additional funds will be paid. Will it come directly from the district or out of Prop. 98 funds? The report shows that the majority of districts lost about 50% of their money.

   - SPA Updates
     DHCS is in communication with CMS and need to resolve some additional issues before it can be approved. The expectation is that it will be approved sometime in fall of 2019, though it missed the July approval date. CMS has had some recent staff changes and that has also affected the timeline of SPA approval. Implementation is now the focus and THK is in communication with DHCS about coordinating technical training for LEAs, along with connecting with districts who dropped out during the deferral. THK will also be presenting to the California Association of Health Plans to discuss background and Implementation of the SPA, as this expansion will also affect them and require collaboration between school districts and health plans.

   - PPL’s (attached)
     19-XXX (TSP Schedules)
     DHCS is considering adding TSP guidance for inputting schedules into the RMTS system. The concern is that this may be too restrictive as there are already limitation in the software that affect flexibility. It is unclear if this PPL is needed.

     19-XXX (Pre-questions)
     DHCS is considering adding response to the pre-questions in anticipation of integration of LEABOP into RMTS. It was question if the response should be in one or both pools.

     Comments and concerns were submitted to DHCS by LEAs regarding both PPLs.

2. State Superintendent of Schools Health Transition Team Support
   - Video link [https://collaborationincommon.org/collection/5ae241e2-cd31-454d-8115-6ad66fc95cbc/post](https://collaborationincommon.org/collection/5ae241e2-cd31-454d-8115-6ad66fc95cbc/post)
The video link has an update on the superintendent’s transition and goals. Slides of the presentation will be available and sent out soon.

3. Report from Healthy Students Promising Future – DC Conference

(See Guidance on Mental Health Doc. link below)

THK attended the recent Healthy Students Promising Future conference along with representatives from DHCS, CDE, CSNO, and other states. The focus was to discuss implementation of the Free Care Rule change. This included sharing best practices and upcoming policy changes in school-based health services. CMS shared a recent paper on the Guidance on Mental Health and various benefits to districts along with available funds through federally reimbursable programs through SAMSHA.

https://documentcloud.adobe.com/link/track?uri=urn%3Aaaid%3Ascds%3AUS%3Acfb3b5bb-5e9d-4450-96be-b454c5f02ede

4. THK Bill List

The legislature is out of session and will resume on August 12th and adjourn September 15th. The session will resume in January 2020. Bills continue to move forward; some have become two-year bills and others have died. See attached bill list.

5. Medi-Cal Enrollment Decline – Info and link below

California has seen a recent decline in Medi-Cal enrollment. See the info and link below. This decline in enrollment will affect district Medi-Cal percentage and decrease reimbursement for claimable services. Currently only Special Education is affected by this decrease, but as implementation of the SPA is put into effect this will decrease reimbursement by a larger margin. Outreach efforts may need to increase in schools to assist families in retaining coverage.

**Medi-Cal Managed Care Enrollment Declines**

Public managed care enrollment declined overall by nearly 300,000 (2.3%) to 12.9 million, driven by reductions in Medi-Cal managed care. Medi-Cal managed care enrollment dropped 3.5% to 10.4 million, while Medicare managed care grew by 3.1% to 2.5 million. Declines in Medi-Cal managed care have also been reported independently by the state Department of Health Care Services (PDF), confirming the downward trend in regulators’ data. Factors contributing to this trend may
have included an improved economy, increasing minimum wage, and federal immigration policies that have discouraged enrollment in public programs.