

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, MAY 20, 2025**

MINUTE ORDER NO. 5

SUBJECT: RECEIVE AN UPDATE FROM THE MEDICAID AD HOC SUBCOMMITTEE ON INCREASING MEDI-CAL REIMBURSEMENT RATES TO IMPROVE HEALTHCARE FOR NEARLY ONE MILLION SAN DIEGANS (DISTRICTS: ALL)

OVERVIEW

On March 12, 2024 (13), the San Diego County Board of Supervisors (Board) directed the Interim Chief Administrative Officer to take several actions focused on maximizing Medi-Cal reimbursement for providers and increase access to care for the nearly one million Medi-Cal beneficiaries in San Diego County. This direction included conducting a Medicaid Landscape Analysis to assess Medi-Cal reimbursable services; exploring opportunities to increase Medicaid reimbursement to providers in the San Diego region; and establishing an Ad Hoc subcommittee to return to the Board within 120 days.

Since April 2024, the Medicaid Ad Hoc Subcommittee (Subcommittee) has met regularly to discuss stakeholder engagement, preliminary findings of assessments, Medicaid funding mechanisms at the federal and State level such as intergovernmental transfer, and existing County services and resources.

On July 16, 2024 (15), the Board received a 120-day update from the Subcommittee and a staff presentation with progress update. Additionally, at this meeting, the Board took action to extend the Subcommittee through April 30, 2025, with the expectation that staff report back to the Board at the end of the calendar year. In response to this direction, staff submitted a memorandum to the Board on December 31, 2024, with accomplishments and updates on progress for each of the approved Board recommendations.

The purpose of the Subcommittee is to assess Medi-Cal reimbursable services and explore opportunities to increase Medicaid reimbursement. With directions from the Subcommittee, staff engaged community partners, engaged consultants to provide expertise and conduct detailed assessments of revenue opportunities, and researched federal Section 1115 waivers implemented in other jurisdictions to develop a menu of potential policy options for consideration to maximize Medi-Cal reimbursement for providers and increase access to care.

As a result, the focus of the Subcommittee is reprioritizing policy options that improve access to care and leverage existing Medicaid funding mechanisms to increase reimbursement. With the proposed policy changes from the new federal administration, existing Medicaid funding mechanisms may no longer be available or may significantly change, requiring further analysis. Thus, it is critical to extend the work of the Subcommittee through October 31, 2025, to allow County staff to complete the billing feasibility assessment currently underway and assess impacts of changes to the Medi-Cal/Medicaid program at the State and federal levels prior to bringing recommendations before the Board at a future meeting.

Today's action requests the Board receive an update from the Subcommittee on the progress to date on the Medicaid Landscape Analysis and to extend the Subcommittee.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

1. Receive an update from the Medicaid Ad Hoc Subcommittee on the progress to date on the Medicaid Landscape Analysis.
2. Direct the Chief Administrative Officer (CAO) to return to the Board of Supervisors no later than October 31, 2025, with a final report, findings and recommendations from the Medicaid Ad Hoc Subcommittee. Upon presentation of the final report, findings, and recommendations to the Board by the CAO, the ad hoc subcommittee will be concluded.

EQUITY IMPACT STATEMENT

Individuals receiving Medi-Cal face significant challenges that impact their access to care, quality of care, and health outcomes. In 2021, Healthcare Payments Data showed that Medi-Cal beneficiaries in San Diego County had higher prevalence of asthma, heart failure, diabetes, stroke, chronic obstructive pulmonary disease, and chronic kidney disease, compared to those enrolled in commercial health plans. In 2023, the report found that Medi-Cal beneficiaries were also more likely to experience higher rates of emergency department utilization compared to those with commercial health insurance. These metrics can be associated with decreased access to primary care services.

Data from the 2022 Health Disparities Report showed varied performance across managed care accountability indicators, with notable racial and ethnic health disparities across Medi-Cal managed care member populations. This highlights the disparities in health outcomes across different racial and ethnic Medi-Cal managed care plan members within the county. Recognizing the intersectionality of race, socioeconomic status, social supports, and health outcomes is essential to fostering a healthcare system that is truly inclusive and just. Maximizing Medi-Cal reimbursement and having a robust system of providers to support members is key to achieving optimal care.

SUSTAINABILITY IMPACT STATEMENT

Today’s proposed action contributes to the County of San Diego Sustainability Goal #2, to provide just and equitable access to care, and Sustainability Goal #4, to protect health and well-being by prioritizing the long-term health, safety, and well-being for San Diego residents by promoting sustainable Medi-Cal reimbursement rates and ensuring access to quality health care services for those who need it most.

FISCAL IMPACT

There is no fiscal impact associated with today’s actions for Fiscal Year 2024-25. There may be future impacts based on recommendations. Any such recommendations would be brought to the San Diego County Board of Supervisors for consideration and approval. There is no change in net General Fund costs and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Montgomery Steppe, seconded by Supervisor Desmond, the Board of Supervisors took action as recommended, on Consent.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond

ABSENT: (District 1 Seat Vacant)

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter