



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 21-920

Board Meeting Date: 11/16/2021

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, San Mateo County Health
Srija Srinivasan, Deputy Chief, San Mateo County Health

Subject: Transfer of Children's Health Initiative Funds to the Immigrant Families Recovery Fund, as Approved by the San Mateo Health Commission, and Approval of Grant Agreement

RECOMMENDATION:

Recommendation to:

A) Adopt a resolution authorizing and directing:

1. The contribution of \$3,225,150 in Children's Health Initiative funds to the Immigrant Families Recovery Fund to provide financial and coaching support to San Mateo County families with children who are ineligible for the federal child tax credit because of their immigration status; and
2. The execution of a grant agreement with Mission Asset Fund for a term of November 9, 2021 through December 30, 2024 in the amount not to exceed \$3,225,150 for the Immigrant Families Recovery Fund and distribution of grant funds to selected recipients in San Mateo County; and

B) Approving an Appropriation Transfer Request (ATR) in the amount of \$3,225,150, transferring revenue from the Children's Health Initiative Trust Fund to Mission Asset Fund, and direct the Controller to take such steps as are necessary to effectuate this transfer.

BACKGROUND:

In 2003, the County and key partners launched the Children's Health Initiative (CHI) to achieve universal health insurance coverage in San Mateo County. The County worked with many partners to further this aim through: outreach to uninsured children and families, enrollment into public health coverage programs, and a locally supported health insurance program called Healthy Kids that was designed to serve children ineligible for federal and state programs.

In 2007, governance for this initiative was moved from the County to the San Mateo Health

Commission, the governing body for the Health Plan of San Mateo, with the newly formed CHI Coalition serving as an advisory body.

When state policy actions expanded the State's role in health insurance coverage for children, the CHI Coalition took actions to align local responsibilities accordingly, including a decision to close the local Healthy Kids program in 2019. The CHI Coalition amended its Memorandum of Understanding (MOU) in 2020, stating that the CHI Coalition would, among other things, assure responsible stewardship of the financial resources originally contributed to support universal health coverage so that the funding is directed to address shared priorities related to children's health. The MOU further provided that County Health would oversee the financial stewardship of the restricted CHI Trust Fund established to support CHI.

In January 2021, your Board authorized the use of funds in the CHI Trust Fund to address shared priorities related to children's health, as determined by voting members of the CHI Oversight Committee (Oversight Committee), subject to approval by the San Mateo Health Commission. Your Board also authorized a grant agreement to the Legal Aid Society of San Mateo County and the Mission Asset Fund (MAF) to supplement the San Mateo County Immigrant Relief Fund that the County and local philanthropists supported.

DISCUSSION:

Based on learnings in administering the San Mateo County Immigrant Relief Fund, MAF mobilized a successor program aimed at families ineligible for the federal child tax credit called the Immigrant Families Recovery Fund. The Oversight Committee learned about this effort and invited MAF to discuss the potential for this effort to reach San Mateo County families with local financial support. MAF is positioned to reach 500 San Mateo County families as part of this national effort.

The Oversight Committee recently voted to recommend that the San Mateo Health Commission approve a grant of \$3,225,150 in CHI funds to the Family Recovery Fund, in alignment with the CHI Coalition's goal of addressing the health challenges of low-income children and their families.

The Oversight Committee also voted to return a total of \$2,281,070 to the original funders of the CHI Trust Fund, in a related Board of Supervisors item on this agenda. Of the MAF grant amount of \$3,225,150, \$2,000,000 is a general contribution from the CHI Trust Fund, \$1,053,400 represents the entirety of the San Mateo County contribution that would have been returned to the County and is instead allocated to supplement MAF, and \$171,750 represents part of First 5's contribution that would have been returned to First 5 and is instead allocated to supplement MAF.

The San Mateo Health Commission adopted the Oversight Committee's recommendations at its October 2021 meeting.

Approval from this Board is now being sought to effectuate the transfer of these CHI funds (the original source of which were the County, as well as several other members of the Coalition), as they are held by the County in a restricted CHI Trust Fund. The County's role in overseeing financial stewardship of the restricted fund established to support CHI includes executing the recommended Appropriation Transfer Request (ATR), which transfers \$3,225,150 from the Children's Health Initiative Trust Fund to Mission Assets Fund. This Board's approval of the ATR satisfies the County financial requirements to document all financial transactions with the appropriate action by your Board.

In addition, Board approval is sought for a new grant agreement between the County and the Mission Asset Fund setting forth terms and conditions related to this expenditure. The grant agreement is modeled after a grant agreement that was previously entered into among these parties that terminated on June 30, 2021.

The grant agreement and resolution have been reviewed and approved by County Counsel as to form and have been approved by Risk Management.

FISCAL IMPACT:

This ATR appropriates \$3,225,150 in revenue from the CHI Trust Fund into the Health Coverage Unit's operating budget, as well as appropriates the expenditure of the grant agreement. No Net County Cost is associated with this action.