



# County of San Mateo

## Inter-Departmental Correspondence

---

**Department:** HEALTH

**File #:** 22-723

Board Meeting Date: 9/27/2022

---

**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:** Return of Children's Health Initiative Funds to First 5 San Mateo County, Peninsula Health Care District and County Health

**RECOMMENDATION:**

Adopt a resolution authorizing and directing the return of Children's Health Initiative funds in the amount of \$286,053 to First 5 San Mateo County, \$282,099 to the Peninsula Health Care District, and \$851,387 to County Health.

**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 Healthy Kids, a locally supported health insurance program 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 Coalition amended its Memorandum of Understanding (MOU) in 2020, stating that the Coalition would 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 or returned to the contributing funders. The MOU further provided that County Health would oversee the financial stewardship of the restricted CHI Trust Fund established to support CHI.

Following the expansion of the State's role in health insurance coverage for children and the decision to close the local Healthy Kids program in 2019, the CHI Coalition has taken steps to direct financial resources originally contributed to support universal health coverage to other shared priorities related to children's health, in accordance with the CHI Coalition's MOU. For example, in November 2021, this Board approved transfers from the CHI Trust Fund to support grant agreements related to children's dental care and oral health, as well as an agreement with the Mission Asset Fund to provide financial and coaching support to residents of San Mateo County whose children do not qualify for the federal child tax credit because of their immigration status.

The CHI Coalition's MOU also authorizes the return of CHI funds to contributing funders. In November 2021, this Board authorized the first round of return of funds to three contributing funders: First 5 San Mateo County, the Peninsula Health Care District, and the Sequoia Health Care District. At that time, some funds were held back while a final funding determination was made. Subsequently, an additional grant agreement was executed to support additional children's dental care and oral health.

At its June 2022 meeting, the CHI Coalition recommended that the balance of funds in the CHI Trust Fund be returned to the County, First 5 San Mateo County, and the Peninsula Health Care District. (Sequoia Health Care District received its full allocation in the first round.) The San Mateo Health Commission approved and adopted the CHI Coalition's recommendation at its September 2022 meeting.

**DISCUSSION:**

The amount to be returned to the Peninsula Health Care District is \$282,099, and the amount to be returned to the First 5 San Mateo County is \$286,053. The amount to be returned to the County is \$851,387 and will be retained by County Health to fund future priority technology projects. After the disbursement of these funds, the CHI Trust Fund will sunset, with any remaining immaterial funds transferred to the Health Coverage Unit's operating budget.

Approval from this Board is now being sought to effectuate the transfer of CHI funds to First 5 San Mateo County, the Peninsula Health Care District, and County Health, as they are held by the County in a restricted CHI Trust Fund.

**FISCAL IMPACT:**

Revenue from the CHI Trust Fund into the Health Coverage Unit's operating budget and expenditure of the return of funds in the amount of \$1,419,539 has been appropriated in the FY 2022-23 Adopted Budget. No Net County Cost is associated with this action.