MINUTES

California Health Facilities Financing Authority
("CHFFA")
915 Capitol Mall, Room 587
Sacramento, California 95814

Alternate Location for CHFFA Teleconference Participation:

Qiu Accountancy Corporation
3580 Wilshire Blvd., Suite 1126
Los Angeles, California 90010

March 27, 2014 – 1:30 P.M.

Deputy Treasurer Bettina Redway, serving as Chairperson, called the meeting to order at 1:30 P.M.

Roll Call

Members Present:	Bettina Redway for Bill Lockyer, State Treasurer
	Ruth Holton-Hodson for John Chiang, State Controller
	Todd Jerue for Michael Cohen, Director, Department of Finance
	Samuel Qiu, via Teleconference
	Oscar Sablan, M.D.
	Judith Frank via Teleconference
	Ann Madden Rice
Member Absent:	Jack Buckhorn
	Jay Hansen

Chairperson Redway declared a quorum present.

Approval of the Minutes from the February 27, 2014 Meeting (Action Item)
Ms. Holton-Hodson moved for approval of the minutes, Mr. Jerue seconded the motion. The motion was adopted with a 7-aye roll call vote.

Barbara Liebert, Executive Director, welcomed Dr. Marci Sablan, Dr. Sablan's spouse. Drs. Sablan were profiled in the Los Angeles Times for their contributions to the Central Valley and the wonderful ties with the people of Firebaugh.

Executive Director's Report
CHFFA Fund Balances and Comprehensive Debt List Summaries
Ms. Liebert submitted the fund balances as of February 28, 2014, the California Health Access Model Program ("CHAMP") fund balance and the Comprehensive Debt Limit Summaries of CHFFA's top 14 borrowers.

Ms. Holton-Hodson inquired about the high HELP II Loan fund balance of approximately $19,000,000.

Ms. Liebert replied CHFFA is aware of the fund balance and staff has been considering ideas on issuing more loans in the HELP II Loan Program.

Tax-Exempt Bond Delegation of Powers Monthly Update
No action was taken pursuant to the delegation of powers resolution.

HELP II Loan Program Delegation of Powers Monthly Update
No action was taken pursuant to the delegation of powers resolution.

Item #4 Children's Hospital Central California ("CHCC"), Madera, California Resolution No. CHP-3 2014-01 (Action Item)

Jim Rennie, Staff Analyst, reported CHCC was seeking grant funds in the amount of $8,077,556 to reimburse: 1) the purchase and installation of a surgery air handler unit; 2) the purchase of patient care equipment that includes ventilators, ultrasound machines, instrument sterilization equipment, an intravenous (IV) dosing system and other diagnostic and treatment equipment used in the areas of transport, surgery, laboratory, clinics and radiology; 3) additional information technology devices and software for the Electronic Medical Record (EMR) system and an upgrade of the Picture Archiving and Communication System (PACS), which digitally manages the sharing of x-rays and other diagnostic images.

Representing CHCC: Danny Davis, Executive Director of Acute & Patient Care Support and Stephanie Vance, Vice President Finance.

Staff recommended the Authority approve Resolution No. CHP-3 2014-01 for Children's Hospital Central California to provide a grant not to exceed $8,077,556 (less costs of issuance and administrative costs) subject to all requirements of the Children's Hospital Program of 2008.

Chairperson Redway asked if there were any questions or public comment. Hearing none, Mr. Jerue moved approval of Resolution No. CHP-3 2014-01, Dr. Sablan seconded the motion. The motion was adopted with a 7-aye roll call vote.

Mr. Qiu recused himself from agenda item #5 due to a potential conflict of interest.

Item #5 Investment in Mental Health Wellness Act of 2013

Ms. Liebert provided the Authority members with an update on the Investment in Mental Health Wellness Act of 2013.

Ms. Liebert introduced Will Rhett-Mariscal, PhD, Acting Associate Director of California Institute of Mental Health and Robert Oakes, Executive Director of California Mental Health Care Director's Association.

Ms. Liebert reported the notification letters were sent to the 17 counties who did not receive initial allocations for the entire requested amounts.

Ms. Liebert further explained the appeal process to the Authority and how staff is continuing discussions with the counties that received no or reduced initial allocations.

Initial allocations for the first funding round is approximately $76,000,000 of the $142,500,000 or 53% of the overall capital budget. It also equates to 95% of the personnel budget. More applications were received for mobile crisis than crisis residential and crisis stabilization. As a result, 835 beds and 52 mobile crisis teams will be potentially created. Once the final allocations are approved by the Authority, the second funding round can begin applying the same criteria with remaining funds. However, funds for crisis residential will likely be the only funding available for all of the regions with the exception of the Los Angeles region.

The Authority further discussed the need for crisis residential, crisis stabilization and mobile crisis programs.

Dr. Rhett-Mariscal and Mr. Oakes shared that research shows stabilization is less costly in the long term and provides the most effective services. Stabilization is the desirable recovery model while the demand for residential is greater. Mobile crisis programs appear to be the easiest to set up for operations.

Item #6 **Other Business**

Chairperson Redway asked for public comment. Hearing none and with no additional business, the meeting was adjourned at 2:08 P.M.