



Legislation Text

File #: 24-1034, **Version:** 1

Health and Human Services Agency (HHS) recommending the Board approve and authorize the Chair to sign the Extended Letter of Agreement (LOA) with Mountain Valley Health Plan (MVHP), also known as the Health Plan of San Joaquin (HSPJ), which continues the terms and rates of Medi-Cal reimbursement for authorized medically necessary services to MVHP/HPSJ members, for the effective period of July 1, 2024, through December 31, 2024, while a final master agreement is in development, to ensure HHS and MVHP/HPSJ can meet implementation deadlines required by the California Department of Health Care Services.

FUNDING: 100% Federal Medi-Cal.

DISCUSSION/BACKGROUND:

California's Medi-Cal program, the largest state Medicaid program in the U.S., insures nearly one-third of the state's residents, providing vital health coverage for low-income children, adults, and people with disabilities. The San Joaquin County Health Commission (Commission) contracts with the DHCS to deliver a public managed care plan for Medi-Cal beneficiaries through the MVHP/HPSJ Local Initiative Two-Plan Medi-Cal Managed Care Plan Model. This plan has improved healthcare access and reimbursement rates for providers.

MVHP/HPSJ, a non-profit Health Maintenance Organization (HMO), has served the Central Valley for over two decades, focusing on primary and preventive care in collaboration with DHCS. Starting in 2021, the DHCS began expanding the Commission's plan to rural counties for greater local control. On December 14, 2021, the Board adopted Ordinance No. 5149, which authorized the County to join the Commission (Legistar File 21-1422).

Following the Board's approvals in 2021 and 2023, MVHP/HPSJ extended its coverage as a Medi-Cal Managed Care Plan (MCP) to El Dorado and Alpine Counties, with the planned effective date for service provision being January 1, 2024. The actual effective date was contingent upon the establishment/execution of a master agreement between HHS and MVHP/HPSJ, with said agreement based upon a DHCS provided contract template (Legistar File 23-0924, 23-1915).

On December 5, 2023, due to technical challenges with the DHCS-mandated contract template not fitting HHS Public Health's and MVHP/HPSJ's scope of current preventative services, the Board approved a temporary Extended LOA, to cover the temporary effective period of January 1, 2024, through June 30, 2024, while the master contract template was being revised between the parties and DHCS (Legistar file 23-1915). This LOA did not constitute an executed contract between the County and MVHP/HPSJ, however enabled the County to continue development of the long-term agreement in alignment with the evolving scope and structure of local health jurisdiction participation in DHCS statewide Medi-Cal Managed Care implementation.

Due to the continued development of said master agreement, a renewal of the Extended LOA is being presented in this agenda item for the period of July 1, 2024, through December 31, 2024, to continue to outline medical services and reimbursement rates for authorized medically necessary

services to MVHP/HPSJ members.

HHSA recommends the Board approve this Extended LOA to ensure continuity of the provision of medically necessary services while the master agreement between HHSA and MVHP/HPSJ is being finalized, to ensure that both parties can meet implementation deadlines required by the DHCS, which will be presented to the Board once completed.

ALTERNATIVES: Should the Board decline to approve this recommendation, the County could forfeit the opportunity to partner with the Health Plan of San Joaquin as the offered public plan of the Two Plan Model to improve health services for County Medi-Cal Members.

PRIOR BOARD ACTION:

- 1) 04/13/21, 21-0278, HHSA Letter of Intent for MMC
- 2) 08/31/21, 21-1362, Approval in Concept of HPSJ
- 3) 12/14/21, 21-1422, HHSA First Reading of Revised Ordinance
- 4) 06/06/23, 23-0924, Health Plan of San Joaquin Letter of Intent
- 5) 12/05/23, 23-1915, HHSA HPSJ Extension Letter of Agreement

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

County Counsel

CAO RECOMMENDATION:

Approve as recommended.

FINANCIAL IMPACT:

There is no Net County Cost associated with this agenda item. The covered medical services are reimbursed through 100% Federal Medi-Cal.

CLERK OF THE BOARD FOLLOW UP ACTIONS:

Clerk of the Board to obtain signature of Chair on one Extended Letter of Agreement.

STRATEGIC PLAN COMPONENT:

N/A

CONTACT

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