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County of El Dorado

Legislation Details (With Text)

File #:	20-0291 **Version:** 1		
Type:	Agenda Item	**Status:**	Approved
File created:	2/19/2020	**In control:**	Board of Supervisors
On agenda:	4/21/2020	**Final action:**	4/21/2020
Title:	Health and Human Services Agency recommending the Board: 1) Adopt and authorize the Chair to sign Resolution 075-2020, to delegate authority to the Director of the Health and Human Services Agency to execute amendments to specified Behavioral Health Service Provider Agreements so that vendors may be paid a monthly average payment in advance to temporarily alleviate cash-flow issues, contingent upon approval by County Counsel and Risk Management, without change to the term or maximum obligation of any agreement; and 2) Approve and authorize that each of these amendments will have a retroactive effective date of March 1, 2020. FUNDING: State and Federal funding with varied percentages based on the clientele eligibility and type of services being provided.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. A - Approved CRS for Resolution, 2. B - Resolution, 3. Executed Resolution 075-2020		

Date	Ver.	Action By	Action	Result
4/21/2020	1	Board of Supervisors	Approved	Pass

Health and Human Services Agency recommending the Board:
1) Adopt and authorize the Chair to sign Resolution **075-2020**, to delegate authority to the Director of the Health and Human Services Agency to execute amendments to specified Behavioral Health Service Provider Agreements so that vendors may be paid a monthly average payment in advance to temporarily alleviate cash-flow issues, contingent upon approval by County Counsel and Risk Management, without change to the term or maximum obligation of any agreement; and
2) Approve and authorize that each of these amendments will have a retroactive effective date of March 1, 2020.

FUNDING: State and Federal funding with varied percentages based on the clientele eligibility and type of services being provided.

DISCUSSION / BACKGROUND:

On March 19, 2020, Governor Newsom signed Executive Order N-33-20 resulting in Californian's observing the Stay-In-Place order. This has resulted in a significant impact not only to the economic viability of service provider organizations but also their ability to provide services in accordance with service agreements held by and between their organization and the County of El Dorado.

In response to issues identified by the service provider network, the Health and Human Services Agency (HHSA) is recommending the Board adopt and authorize the attached Resolution thereby delegating authority to the Director of the HHSA to amend certain agreements to pay a monthly average payment in advance for a limited period of time to ensure sustainability of the service provider network for the Behavioral Health program.

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HHSA has identified four (4) fee-for-service agreements that may be paid a monthly average payment in advance to alleviate cash flow issues. These amendments would have a retroactive effective date of March 1, 2020, and would reimburse the provider based on the average monthly payment amount from the period of July 2019 through February 2020. In the event the actual monthly service bill is higher than the monthly average amount, a supplemental payment to the provider will be made. These payments are subject to the year-end cost report settlement process.

Rates currently contained in these agreements may be temporarily increased by as much as twenty percent (20%) to compensate for temporary decrease in productivity due to the COVID-19 crisis. Rates would require mutual agreement by both parties, and service providers would determine appropriate rate levels that are consistent with their projected/actual costs. Existing not-to-exceed amounts in each agreement would remain unchanged. The term of these amendments would be as authorized by the HHSA Director, and shall not exceed the duration of the COVID-19 pandemic emergency.

Additional administrative modifications may be made to provider agreements in keeping with the objective of providing immediate financial support for continuity of payments and operations as a result of COVID-19 related disruption, including additional rate adjustments as deemed appropriate by the HHSA Director.

ALTERNATIVES:
Should the Board decline to adopt and authorize this Resolution, the certain identified HHSA provider contracts would remain unchanged.

PRIOR BOARD ACTION:
N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT:
Approved by County Counsel and Risk Management.

CAO RECOMMENDATION:
It is recommended that the Board approve this item.

FINANCIAL IMPACT:
The potential fiscal impact short term and estimated at approximately $77,721 per month in delayed Federal Financial Participation (FFP) reimbursement during the months billed. Because Medi-Cal billing is processed in arrears, the impact to Medi-Cal reimbursement is anticipated to be seen in June or July. However, the overall impact is short term as each provider must settle costs through the Medi-Cal Cost Report process at which time costs will be settled to the lesser of actual and allowable costs, published charges and contracted rates and not exceeding the maximum amount of the Agreement. The El Dorado County Health and Human Services Agency will monitor all funding streams closely and will make adjustments where necessary as soon as the need is identified.

CLERK OF THE BOARD FOLLOW UP ACTIONS
Clerk of the Board to obtain signature of Chair on the attached Resolution and return one fully executed Resolution to the Health and Human Services Agency Contracts Unit at 3057 Briw Road.

STRATEGIC PLAN COMPONENT:

Good Governance

CONTACT
Don Semon, Director