



Legislation Text

File #: 11-0919, **Version:** 3

Health and Human Services Agency, Mental Health Division, recommending the Board consider the following:

- 1) Approve retroactive Amendment III to Agreement for Services 038-S1011 with Anthem Blue Cross of California, acting as third party administrator for the County Medical Services Program, providing reimbursement for services at the County Psychiatric Health Facility for County Medical Services Program-eligible beneficiaries. This Amendment III is effective January 1, 2014 and modifies the current end term date from December 31, 2013 to December 31, 2015. Thereafter, the Agreement will continue upon the same terms and conditions unless terminated by either party with 120 days prior written notice; and
- 2) Authorize the Chief Administrative Officer to execute further documents relating to the above noted Agreement, including amendments thereto, contingent upon approval by County Counsel and Risk Management that do not affect the maximum dollar amount or the term.

FUNDING: State Realignment Funding.

Fiscal Impact/Change to Net County Cost

There is no Net County Cost associated with this revenue-generating Agreement for services provided by the County.

Background

In 1982, California law was amended to eliminate the medically indigent adult (MIA) category of Medi-Cal eligibility and this population became the responsibility of counties under California Welfare and Institutions Code § 17000. The law recognized that smaller, rural counties were not in a position to assume this responsibility; therefore, the law also provided that counties with a population of 300,000 or less could contract back with the State to provide health care services for indigent adults. The organization created to provide oversight and management of funds for indigent care services in these rural communities was the County Medical Services Program (CMSP). In 1991, the State/Local Program Realignment resulted in the State General Fund contribution for CMSP being capped at \$20.2 million each fiscal year, at which point Health Realignment revenue (motor vehicle license fees and sales tax) became the primary revenue source supporting the program.

On December 3, 2013, the Board adopted Resolution 181-2013 (refer item 13-1355), which confirmed redirection of 60 percent of Health Realignment revenues previously provided to counties who participate in the CMSP to a new Family Support Services Subaccount at the state level beginning January 2014, in accordance with Welfare and Institutions Code Section 17600.50(a). Despite the diminished funding, the CMSP program continues to be available to those individuals who do not qualify for Medi-Cal but meet the criteria of the CMSP program.

On July 27, 2010, the Board approved the attached contract (refer item 10-0763) with Anthem Blue Cross of California (Blue Cross), so the County could be reimbursed for CMSP beneficiaries who receive services at the County Psychiatric Health Facility (PHF). On August 23, 2011, the Board approved Amendment I to that Agreement, extending the term through December 31, 2011, and on

January 31, 2012, the Board approved Amendment II to that Agreement to extend the term of the Agreement through December 31, 2013 (refer item 11-0919). This Amendment III to that Agreement for Services 038-S1011 retroactively extends the term of said Agreement through 2015, thereby continuing to make available reimbursement for services provided at the County PHF.

Reason for Recommendation

Approval of Amendment III to Agreement for Services 038-S1011 will ensure continued reimbursement is available to the County for those persons who are CMSP-eligible and receive services at the County PHF.

Clerk of the Board Follow up Actions

1. Chair to sign two (2) original Amendments III to that Agreement 038-S1011.
2. Clerk of the Board to submit both original signed Amendment III to the Health and Human Services Agency at 3057 Briw Road, Placerville, CA 95667, for return to Blue Cross for final signature.

Contact

Don Ashton, M.P.A., Director

Concurrences

County Counsel