



County of El Dorado

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Legislation Text

File #: 08-0587, **Version:** 1

Public Health Department recommending Chairman be authorized to sign Amendment I to agreement 588-PHD0407 with California Forensic Medical Group, Inc., increasing compensation amount by \$20,000 annually (prorated to \$3,333 for FY 2007-08) to compensate contractor for increasing contractor's hospital financial liability limit from \$15,000 to \$20,000 per inmate/ward per episode beginning May 1, 2008.

RECOMMENDED ACTION: Approve.

FUNDING: General Fund.

BUDGET SUMMARY:		
Total Estimated Cost		\$2,038,534.05
Funding		
Budgeted	\$2,035,200.72	
New Funding	\$	
Savings	\$3,333.33	
Other	\$	
Total Funding Available	\$2,038,534.05	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost: \$0 - for FY 2007-08 no change to General Fund contribution required due to offset from savings experienced from insurance policy renewal. For subsequent years, amount is subject to medical CPI-u and is variable.

Background: California Forensic Medical Group, Inc., (CFMG) provides medical services in the Jail and Juvenile Hall settings. The current agreement provides that Contractor has a financial liability for the first \$15,000 per Inmate/Ward hospitalization. This \$15,000 limit matched the \$15,000 deductible in the Catastrophic Medical Insurance policy for each Inmate/Ward hospitalization. Effective March 15, 2008, the Catastrophic Medical insurance policy term expired and the lowest deductible available for the continued policy was \$20,000 per Inmate/Ward hospitalization.

The Contractor has agreed to increase their financial liability for each Inmate/Ward hospitalization to \$20,000; however, in consideration for accepting this increased limit, Contractor will increase the annual base rate by \$20,000. Staff have reviewed historical data which supported Contractor's requested increase. For FY 2007-08 this amount is prorated to the remaining two months of the year, for a total of \$3,333.33 (\$1,667.67 per month).

In addition, the amendment includes clarifying language regarding payment process, County use of

Contractor's PPO discount, the elimination of services at the Public Health Clinic, and contaminated medical waste pick up.

Reason for Recommendation: Increasing the Contractors financial liability per hospital admission will match the deductible amount in the Catastrophic Medical Insurance policy renewal and reduce County exposure to cost of Inmate/Ward hospitalizations.

Action to be taken following Board approval: Board Chairman to sign amendment and budget transfer request. Board Clerk to provide executed copy to Public Health for distribution back to Contractor.

Contact: Kathy Lang