



Legislation Text

File #: 19-1526, **Version:** 1

Health and Human Services Agency (HHS), in conjunction with Sheriff's Department and Probation, recommending the Board:

- 1) Approve and authorize the Chair to sign Agreement 19-96158 (FENIX 4259) with the California Department of Health Care Services, for participation in the Medi-Cal County Inmate Program, with a maximum obligation of \$403,078.43 for the retroactive term beginning July 1, 2019 through June 30, 2020;
- 2) Adopt and approve the Chair to sign Resolution **182-2019**, thereby delegating authority to the Director of the Health and Human Services Agency to execute future agreements with the California Department of Health Care Services to participate in the Medi-Cal County Inmate Program, contingent upon approval by County Counsel and Risk Management; and
- 3) Authorize the HHS Director, HHS Chief Fiscal Officer (CFO), Sheriff, or Sheriff's Office CFO to administer any subsequent administrative documents, including required fiscal and programmatic reports.

FUNDING: Federal (Medicaid); County share of cost for the non-federal portion is based on usage, not to exceed \$403,078.43 in General Fund.

DISCUSSION / BACKGROUND:

This Agreement with Department of Health Care Services (DHCS) was received August 6, 2019; HHS staff immediately began processing the agreement for the next available Board Agenda.

DHCS is the single state agency responsible for administering the California Medical Assistance Program, known as Medi-Cal. Federal law prohibits claiming Medicaid funds for healthcare services provided to inmates residing in correctional facilities. However, there is an exception to this federal prohibition when an inmate receives inpatient services at a medical facility located off the grounds of the correctional facility for an expected stay of more than 24 hours, and the inmate has completed the application process and is found to be eligible for the Medi-Cal Inmate Eligibility Program (MCIEP). Historically, counties have absorbed 100 percent of the health care costs associated with county inmates; however, this program offsets the cost for those inmates determined to be eligible for Medi-Cal.

Essentially, those inmates who qualify for Medi-Cal services are invoiced at the approved Medi-Cal rates, and the County only pays for the non-federal portion. Therefore, participation in the MCIP may result in a budgetary savings for the County. For eligible inmates and/or juvenile wards who have been determined eligible for MCIEP and receive a Medi-Cal covered service while off the grounds of the county correctional facility, the County may submit claims for covered services to DHCS. DHCS will reimburse the Medi-Cal provider at their applicable Medi-Cal rate for the services rendered, to the extent that federal financial participation is available. The County, in turn, is responsible for any remaining balance for claims by the Medi-Cal provider, not-to-exceed \$400,000 paid with County General Fund.

Additionally, the County must also reimburse DHCS for the non-federal share of DHCS's

administrative costs associated with administering the MCIP. Reimbursement of the administrative costs not-to-exceed \$3,078.43 will be paid with General Fund. The administrative costs include, but are not limited to, providing the County with a paid claim analysis report, and legal research and analysis related to MCIP.

Historical Costs:

In FY 2015-2016, medical care for inmates/wards not covered by Medi-Cal totaled approximately \$336,000. Due to the \$20,000 limited liability per inmate/hospitalization in the California Forensic Medical Group (CFMG) contract, CFMG paid \$200,000, leaving a balance of \$136,004 paid by the County out of General Fund.

In FY 2016-2017, General Fund paid \$101,522 for medical care for inmates/wards not covered by Medi-Cal due to the \$20,000 limited liability in the CFMG contract.

The MCIP program became effective April 2017. In FY 2017-2018, General Fund paid \$80,712 for medical care for inmates/wards not covered by Medi-Cal due to the \$20,000 limited liability in the CFMG contract.

In FY 2018-2019, General Fund paid \$21,694 medical care for inmates/wards not covered by Medi-Cal due to the \$20,000 limited liability in the CFMG contract.

ALTERNATIVES:

- 1) Disapproval of Agreement 19-96158 will result in the County paying the full amount for offsite medical care for inmates and wards, regardless of their eligibility for Medi-Cal.

- 2) Should the Board decline to adopt the attached Resolution delegating signature authority to the Director of HHSA, contract processing would continue to follow the current procedure, resulting in delays to the execution of agreements to participate in the MCIP program.

PRIOR BOARD ACTION:

- 1) 05-22-2018, File ID 18-0739, HHSA Agreement 2479 with CA Dept. of Health Care Services - Medi-Cal Inmate Program (MCIP)
- 2) 02-07-2017, File ID 17-0106, HHSA DHCS MCIP Agreement
- 3) 02-07-2017, File ID 17-0105, HHSA DHCS MCIP Agreement Q4 FY 2016-17

OTHER DEPARTMENT / AGENCY INVOLVEMENT:

Approved by County Counsel, Human Resources, Information Technologies, Probation, Risk Management, and Sheriff.

CAO RECOMMENDATION:

It is recommended that the Board approve this item.

FINANCIAL IMPACT:

Net County Cost associated with this Agreement to reimburse the State for the non-federal portion of Medi-Cal costs has a not-to-exceed of \$400,000 reimbursement for medical care, and \$3,078.43 for State administrative costs. The Fiscal Year budget for FY 2019-20 includes \$140,000 for the non-federal portion of Medi-Cal costs as well as payment for hospitalization costs for inmates not eligible

for Medi-Cal. This amount was estimated based on historical actual costs. In the event actual costs exceed \$140,000 HHSA will return to the Board with a Budget Transfer Request. Participation in this MCIP program may result in a reduction in overall Net County Cost associated with hospitalization and off-site medical care for those inmates and wards of the County who are eligible for Medi-Cal.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board to obtain the Chair's signature on three (3) originals of Agreement 19-96158.
- 2) Clerk of the Board to return three (3) signed Agreements to HHSA Contracts Unit at 3057 Briw Road for submission to DHCS for final execution.
- 3) Upon Board adoption and approval, please provide a fully executed copy of the Resolution to HHSA Contracts Unit at 3057 Briw Road.

STRATEGIC PLAN COMPONENT:

N/A

CONTACT

Don Semon, Director