

# SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

**Agenda Number:**  
**Prepared on:** 10/16/02  
**Department Name:** Public Health  
**Department No.:** 041  
**Agenda Date:** 11/5/02  
**Placement:** Departmental  
**Estimate Time:** 15 Minutes  
**Continued Item:** NO  
**If Yes, date from:**

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**TO:** Board of Supervisors

**FROM:** Charlene Chase, DSS Director  
Roger E. Heroux, PHD Director

**STAFF CONTACT:** Roger E. Heroux  
681-5102

**SUBJECT:** Current and Future Challenges for the Health Care System in Santa Barbara County

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## **Recommendation(s):**

That the Board of Supervisors:

- A. Receive a report on TSAC's recommendation for FY 03-04 to allocate \$1,800,000 for hospital and emergency room care, primary & specialty medical care, and emergency room physicians. Attchmnt 1.
- B. Support the SBRHA three-year grant application to the California Endowment for \$400,000 for indigent care.
- C. Request the Legislative Program Committee to consider asking Congresswoman Lois Capps to sponsor legislation to change the methodology to our local geographic cost adjustments in the Medicare physician fee schedule.
- D. Request the Legislative Program Committee to consider supporting S. 3013 which would provide reimbursement to state and healthcare organizations up to \$200 million per year for medical care to undocumented immigrants.
- E. Consider scheduling a Special Workshop to further discuss these health-related issues with the community.

## **Alignment with Board Strategic Plan:**

The recommendations are primarily aligned with:

- Goal 2: A Safe and Healthy Community in Which to Live, Work and Visit;
- Goal 5: A High Quality of Life for All Residents; and
- Goal 7: A Community that Fosters the Safety and Well-being of Families and Children.

## **Executive Summary and Discussion:**

- A. On October 1, 2002, your Board received a report from the Santa Barbara Regional Health Authority (SBRHA), Department of Social Services (DSS), Public Health Department (PHD), hospitals, and the physician community. Following the presentation, your Board requested that we return with some recommendations. An initial meeting of the seeds of a task force group was held to discuss an action plan, with representatives from the County, the Health Authority, Cottage Health System, and the County Medical Society. This group decided to add three health professionals to the ad hoc task force: a hospital administrator from Lompoc, a physician from Santa Maria, and perhaps a representative from a physician multi-practice group. This short timeframe has not allowed the group to fully develop and explore all the alternatives and recommendations. We also want to provide the Board with additional data and information. As these are our preliminary recommendations, we request that we be allowed to return in 60 days with additional recommendations.

On November 2, 1999, your Board voted to allocate all of the TSAC dollars into health programs. The proposed allocation of \$800,000 for hospital and emergency room care, \$800,000 for primary care and specialty care services, and \$200,000 for emergency room physicians will assist in bad debt and charity care in providing medical care to the uninsured and underinsured.

- B. On October 16, 2002, the Santa Barbara Regional Health Authority Board of Directors authorized the executive director to submit a grant application to the California Endowment. This planning and three-year implementation grant is for coalitions whose members include public and private hospitals, county agencies, and health clinics that provide care to high-risk uninsured residents – in other words, frequent users of medical services who generally use hospital emergency departments to access the care system. Grant recipients will use the award to develop “better ways to provide care” to uninsured residents with chronic disease.
- C. On September 25, 2002, your Board was copied on a letter submitted to Congresswoman Nancy Johnson, Chairperson to the Ways and Means Health Subcommittee, regarding the geographic cost adjustments in the Medicare Physician Fee Schedule. Santa Barbara County was unfairly placed in what is referred to as Locality 99. The major flaw in this methodology is that Medicare did not look at the relative cost difference in each county, but used multiple county groupings, established in 1967, for Medicare’s old reasonable-charge-based physician payment system. We are requesting your assistance to recommend that Congress establish a mechanism for individual counties such as ours, to be reclassified to a more appropriate locality or a unique locality based on our practice costs.
- D. We are closely following the development of S. 3013, co-sponsored by Senators Kyle & McCain of Arizona and Bingaman & Dominici of New Mexico, that would reimburse states and local health providers for the costs of federally mandated care to illegal immigrants. This bill would direct funds to the 17 states with the highest numbers of illegal immigrants, with more funds for the six states that top the list.
- E. The committee is also requesting that your Board schedule a Special Hearing to conduct a three-hour workshop inviting other health professionals and the general public to discuss these issues and potential avenues and courses of action.

**Mandates and Service Levels:**

No mandates and service levels affected.

**Fiscal and Facilities Impacts:**

Adoption of these actions will not impact the use of County general fund resources nor increase the use of countywide overhead. The only fiscal impact is detailed below:

- A) The recommended TSAC funding allocation for Fiscal Year 2003-2004 of \$1,800,000 for hospital and emergency room care, primary & specialty medical care and emergency room physicians is also being brought before your Board in a separate action. The funding for this comes from the County's Tobacco Settlement Allocation and can be found in the Tobacco Settlement Funds line-item in the Public Health Department's Summary on Page D-184 of the County's FY 2002-03 Operating Plan.

This action does not impact existing facilities or result in a need for additional facilities.

**Concurrence:**

Social Services Department