



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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

Department Name: Sheriff-Coroner
Department No.: 032
For Agenda Of: 9/19/2023
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Bill Brown, Sheriff-Coroner (805) 681-4290
Director(s)
Contact Info: Anthony Espinoza, Lieutenant (805) 681-4091
SUBJECT: Medi-Cal County Inmate Program (MCIP) Agreement (#23-30049) with California for Eligible Inmates

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions: That the Board of Supervisors:

- a) Approve, ratify, and authorize the Sheriff or designee to execute the State of California-Health Services Agency Department of Health Care Services Medi-Cal County Inmate Program (MCIP) Participation Agreement 23-SANTABARBARA-42;
- b) Approve, ratify, and authorize the Sheriff or designee to execute the Medi-Cal County Inmate Program Agreement (#23-30049) with the California Department of Health Care Services for Medi-Cal reimbursement for eligible inmates in an amount not to exceed \$4,982.85 for July 1, 2023, through and including June 30, 2024, \$5,381.47 for July 1, 2024, through and including June 30, 2025, and \$5,812.07 for July 1, 2025, through and including June 30, 2026; and
- c) Determine that the activity is not a "Project" subject to California Environmental Quality Act (CEQA) review per CEQA Guideline Section 15378(b)(5), since the activity is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

Summary Text:

The Affordable Care Act allows providers to receive payment from Medi-Cal for services related to the healthcare and mental healthcare of inmates held in the custody of the Sheriff and treated outside of the facility when determined eligible. The program designed by the California Department of Health Care Services (DHCS) is the Medi-Cal County Inmate Program (MCIP). This agreement will allow DHCS to pay providers directly for covered services and bill the Sheriff's Office for any gaps between what Medi-

Cal covers and what is reimbursed to DHCS by Medicare. In other words, MCIP makes federal financial participation (FFP) available for medical care provided to Medi-Cal eligible county inmates. The County of Santa Barbara receives budgetary savings because it does not fund the federal share of MCIP services for their Medi-Cal eligible inmates.

Background:

When inmates in the custody of the Sheriff need medical attention outside the confines of the jail facilities, they are taken to the appropriate location to receive treatment. MCIP is intended to offset the costs to local government when treatments require admission to any offsite healthcare facility. For instance, participation in MCIP allows hospitals such as Cottage and Marian, who are Designated Public Hospitals (DPH) to make claims through the certified public expenditure (CPE) process. Medi-Cal providers can directly bill DHCS for MCIP services and DHCS will reimburse the Medi-Cal providers at their applicable Medi-Cal rate for the services rendered, to the extent FFP is available. In turn, DHCS will seek reimbursement through Medi-Cal FFP and charge the County the balance (non-FFP). The Medi-Cal benefit will likely result in significant savings ranging from \$100,000 to \$200,000 annually depending on qualified medical services billed.

If approved, the Sheriff will continue to coordinate with the Department of Social Services and local hospitals (as well as other providers) to process MCIP eligibility of inmates. DHCS will charge a very low administrative fee to cover its cost, which is estimated not to exceed \$4,982.85 for the full fiscal year 2023-24 with increases for the two subsequent fiscal years. The administrative fees are split between the counties that participate, based on county population statistics and program usage.

In Attachment A is the document that fully explains the agreement of services provided by MCIP and gives guidance to counties that are voluntarily signing up for the program. It is a valuable reference that will help in understanding the way to receive the MCIP's benefits. It also includes the administrative services agreement which outlines the responsibilities of each party as well as how the administrative fee for each county is applied (a portion is based on population of the County and a portion is split evenly between all Counties participating).

The County had a previous agreement for FY 2020-21 through FY 2022-23 agreement, and the Sheriff's Office recommends approval of the agreement between the County of Santa Barbara, and DHCS for the processing and administration of Medi-Cal claims under the MCIP for the time-period of FY 2023-24 through FY 2025-26.

Performance Measure:

In 2022, the Medi-Cal Inmate program was utilized by medical service providers in over fifty instances. During the course of this agreement, the Sheriff's Office will ensure that the annual savings from participating in this program exceed the annual administrative service fee charged by DHCS for participation in this program.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis: Budgeted: Yes.

Narrative: This agreement extension will allow the County and Sheriff’s Office to continue to utilize Medi-Cal for payment for in-patient hospital stays for Medi-Cal eligible inmates in-lieu of covering the entire costs of inmate medical treatment. The County would be responsible for the non-federal share of cost which is significantly lower than the amount billed by medical providers when not utilizing Medi-Cal. The program requires that the County pay administrative charges to the State of California in amounts not to exceed \$4,982.85 in FY 2023-24, \$5,381.47 in FY 2024-25 and \$5,812.07 in FY 2025-26 based on pro-rata population of each county participating in the program.

This program has helped the County and Sheriff’s Office to save significantly on overnight hospital stay costs. Unfortunately, the exact amounts cannot be calculated as the medical providers that bill Medi-Cal for services rendered do not submit invoices to the County for the amounts they would have billed the County had they not billed Medi-Cal. In one instance in 2022, an inmate was hospitalized for over three months due to a serious medical condition. The medical service provider billed Medi-Cal for the patients care in an amount in excess of \$1.8 million dollars. Medi-Cal settled that claim for much less and the County’s share of the cost in that instance was under \$29,000. This one instance, although far from ordinary, is an excellent example of the importance of this program.

<u>Funding Sources</u>	<u>Current FY (23-24) Cost*:</u>	<u>FY 24-25 Cost:</u>	<u>FY25-26 Cost:</u>	<u>3-Year Total:</u>
General Fund	\$4,982.85	\$5,381.47	\$5,812.07	\$16,176.39
State				
Federal				
Fees				
Other:				
Total	\$4,982.85	\$5,381.47	\$5,812.07	\$16,176.39

Special Instructions:

Clerk of the Board:

Please return two (2) fully executed original copies of the State of California – Health and Human Services Agency Department of Health Care Services Medi-Cal County Inmate Program (MCIP) Participation Agreement 23-SANTABARBARA-42 (Attachment A); and

Please return two (2) fully executed original copies of the Medi-Cal County Inmate Program Agreement for Administrative Services 23-30049 (Attachment B); and

Please send one official Minute Order to the Sheriff’s Office, Attention: Custody Lieutenant Anthony Espinoza.

Attachments:

Attachment A: State of California – Health and Human Services Agency Department of Health Care Services Medi-Cal County Inmate Program (MCIP) Participation Agreement 23-SANTABARBARA-42;

Attachment B: Medi-Cal County Inmate Program Agreement for Administrative Services.

Medi-Cal County Inmate Program

Authored by:

Anthony Espinoza, Lieutenant, Custody Support Division, Health Services
County of Santa Barbara Sheriff's Office