

**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: 12/6/05
Department Name: Public Health
Department No.: 041
Agenda Date: 12/13/05
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Elliot Schulman, MD, MPH, Director and Health Officer

STAFF CONTACT: Elizabeth Snyder, Assistant Deputy Director
Primary Care and Family Health Division
Public Health Department 681-5252

SUBJECT: Marian Medical Center Medically Indigent Adult Agreement

Recommendation(s):

That the Board of Supervisors:

Approve and execute an agreement with Marian Medical Center to provide in-patient services for the County's Medically Indigent Adult (MIA) Program, for the period of July 1, 2004 to June 30, 2006, in the amount of \$405,000 for FY 2004/05 and fee-for-service, based upon qualifying claims submission, for FY 2005/06.

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with Goal No. 2. Provide a Safe and Healthy Community in Which to Live, Work, and Visit.

Executive Summary and Discussion:

This renewal Agreement with Marian Medical Center is for hospital in-patient services for patients eligible for the Medically Indigent Adults (MIA) Program. It covers the per diem cost per patient of the facility and support staff but not emergency room care, outpatient services, or physician services. The County has had the responsibility for the care of MIA patients since 1983 and, because there is no County Hospital, has found agreements with local hospitals for in-patient services to be cost effective. The change in payment methodology is the result of extensive negotiations, which resulted in a delay bringing this before your Board.

The Agreement has two different methodologies of reimbursement:

1. For the period July 1, 2004 through June 30, 2005 the County will pay Marian Medical Center for 345 MIA in-patient days in the form of a monthly block appropriation.

2. For the period July 1, 2005 through June 30, 2006 the County will pay the Marian Medical Center through the County's Utilization Review program as per Board Resolution #84-183, on a fee-for-service basis. The rates are set commensurate with the Santa Barbara Regional Health Authority's (SBRHA) per-diem rates for Marian Medical Center. The change in the reimbursement methodology from prior years will be consistent with how the County, under the MIA program, pays all other hospital providers.

Mandates and Service Levels:

This is a mandated service under section 17000 of the State of California Welfare and Institution Code. There is no change in program or service level.

Fiscal and Facilities Impacts:

Approval of this agreement will not increase the use of A87 overhead or use of local funding by the Public Health Department. The funding for this agreement comes from the Department's State Realignment allocation, the source of which is Vehicle License fees. The amount of the agreement is \$405,000 for FY 2004/05, which was accrued as a liability in FY 2004/05. In addition, the cost for these services for FY 2005/06 is estimated at \$560,000, based upon actual services rendered. This represents an increase of \$155,000, or 38%, because of increased MIA service volume and costs at Marian Medical Center. This amount can be found in the County's Operating Plan document as part of the Public Health Department MIA/Indigent Care cost center on page D-186.

This requested action will not result in a need for any additional facilities.

Special Instructions:

Please return one original signed agreement and send a copy of the minute order to PHD Contracts Unit, 300 North San Antonio Road, Building 8, Santa Barbara, CA 93110 **Attn: Dawn McGrew (805) 681 5205.**

Concurrence: None required.