

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: 1/4/02
Department: Public Health
Budget Unit: 041
Agenda Date: 2/5/02
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Roger E. Heroux, Director
Public Health Department

STAFF CONTACT: Jane Overbaugh 681-5173
Primary Care & Family Health Division Director

SUBJECT: SBRHA Medi-Cal Orthopedic Revenue Agreement Amendment

Recommendation(s):

That the Board of Supervisors:

Execute the First Amendment to Second Agreement with the Santa Barbara Regional Health Authority for Non-Emergency Orthopedic Surgical Services for the period July 1, 2001 to June 30, 2002 in the amount of \$5,920 for administration and an unlimited amount for surgical services.

Alignment with Board Strategic Plan: The recommendation is primarily aligned with Goal No. 2. Community Health and Safety: A safe and healthy community in which to live, work and visit.

Executive Summary and Discussion: The Santa Barbara Regional Health Authority (Authority) is the payer of services for the Medicaid (Medi-Cal) program in Santa Barbara County. The County and Authority have entered into special agreements for guaranteed access to orthopedic services since February 1, 1988, in Santa Barbara and since February 1, 1993, in Santa Maria. The Authority wants to continue to provide payment to the County for case management of non-emergency orthopedic services for Medi-Cal patients in South Santa Barbara County. With the elimination of the Santa Maria Orthopedic clinic when community access improved in the last year, this agreement no longer applies to North County SBRHA members.

On August 15, 2000 your Board executed a Second Agreement with the Authority to reimburse the County for providing guaranteed orthopedic access for Medi-Cal patients for the period July 1, 1999, to June 30, 2001, in the amount of \$215,000. We request that your Board execute the First Amendment to the Second Agreement for Non-Emergency Orthopedic Surgical Services, with changes effective July 1, 2001, extending

the period to June 30, 2002. Full reimbursement on a fee for service basis will replace prepayment at a set quarterly amount for services rendered in South County only; there is a change in the County's designated representative; data submission requirements have been modified; language and definitions updated to reflect current practice and payment of an administrative fee to the County has been added to this Amendment.

Mandates and Service Levels: The County is mandated to provide access to necessary medical care for residents of Santa Barbara County by California's Code of Regulations, Title 176, Chapter 3, Article 2, Sections 1276, 2500, 2501, 2502, 2503, and 2505, and by the Welfare and Institutions Code, Section 17000.

The Authority is authorized to operate the California Medi-Cal program in Santa Barbara County by California Health and Safety Code Section 101675 and Welfare and Institutions Code Section 14495.5. The Authority operates under a federal Health Care Financing Administration (HCFA) 1915(b) waiver.

Fiscal and Facilities Impacts: This Amendment is not encompassed by the agreement the County has with the Authority for medical services delivered to Medi-Cal patients in the County Federally Qualified Health Center (FQHC) clinics. It specifically covers orthopedic services and surgeries delivered outside of the County clinics.

It does not affect the ability of the six County FQHC clinics to receive Prospective Payment System (PPS) reimbursement for its treatment of Medi-Cal patients. Therefore, total FQHC program reimbursement for medical treatment services to Medi-Cal eligible patients will not be changed and enactment of this Amendment will not require any additional use of General or Public Health Department Special Revenue Funds. In addition, approval of this Amendment will not increase the indirect costs to the Public Health Department or its use of County A 87 Plan overhead.

The total annual reimbursement from the Authority for this program was \$105,000 in Fiscal Year 1999-2000 and \$110,000 in Fiscal Year 2000-01. In Fiscal Year 2001-02 payment will be made for full reimbursement on a fee for service basis. Six months after the close of Fiscal Year 2001-02 an administrative fee of 7.4% of total claims paid during the previous fiscal year or \$5,920, whichever is less, will be received.

Fiscal Year 2001-02 has revenue and appropriations budgeted in the amount of \$110,000 in Fund 0042, Department 041, Program 1573 (SBHI Clinic Referral), Revenue Account 5559 (SBHI fees) and Expenditure Account 7469.

The Amendment will not result in the need for any additional facilities

Special Instructions:

Please return one original and one copy of the signed contract to the Department, attention: Dawn McGrew.

Concurrence: Auditor-Controller, County Counsel, and Risk Management