



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: Public Health
Department No.: 041
For Agenda Of: March 5, 2019
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Van Do-Reynoso, MPH, PhD, Director
Director(s) Public Health Department
Contact Info: Dan Reid, Assistant Deputy Director
805-681-5173
SUBJECT: Resolution to amend Indigent Care Program Eligibility Guidelines & Standards

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors consider recommendations as follows:

- a) Adopt a Resolution to amend Indigent Care Program Eligibility Guidelines and to authorize the Public Health Department (PHD) Director, or designee, to make administrative changes to the Indigent Care Program Eligibility Guidelines as needed to ensure compliance with federal, state and local legislation and to ensure the continued access to health care services for eligible individuals with a medical need; and
- b) Determine that these activities are not a “project” and are exempt from California Environmental Quality Act (CEQA) review per CEQA Guideline Section 15378(b)(5), as organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

Summary Text:

This item is on the agenda to amend the Indigent Care Program (ICP) eligibility guidelines to ensure the ICP is better aligned with State and local funding resources and other ICPs in comparable California counties.

Background:

The Indigent Care Program (ICP) was adopted through resolution by the Board of Supervisors in 2014 as a result of the implementation of the federal Affordable Care Act (ACA), the substantial reduction of State 1991 Health Realignment funding to the County, and to continue to comply with Welfare and

Institutions Code Section 17000 *et seq* requirements to ensure access to medical services for qualifying uninsured, indigent adults in Santa Barbara County that had a medical need.

With the advent of the ACA, an expansion of Medi-Cal coverage to individuals with an income up to 138% of the Federal Poverty Level was adopted by the state of California. In response to this Federal and State funded expansion of services, the state redirected more than \$8 million of 1991 Health Realignment funding from Santa Barbara County that previously supported indigent care. Eligibility for the ICP is based upon income levels, assets, and verification of exemption from the individual mandate to obtain coverage under the Health Benefit Exchange. These exemptions must be obtained from the Internal Revenue Service or other regulatory agencies. Since 2014, PHD has had a minimal number of applications and no individuals that have qualified for the program, as they have obtained Medi-Cal coverage or health insurance coverage through Covered California.

The PHD has five years of history with the ICP and is proposing a revision of the guidelines:

- to simplify and expedite the application process;
- to equate asset and income documentation and determination with standardized practices in Medi-Cal and Covered California; and,
- to improve program efficiencies which in turn will reduce potential administrative costs.

More importantly, the PHD proposes to change the qualifying ICP income level from the *current 138% to 200%* of the Federal Poverty Level (FPL), *to 100% and below the FPL* to better align with State and local funding resources, ICPs in comparable California Counties, and as allowed per Welfare and Institutions Code Section 17000 *et seq*. Similar to pre-ACA expansion Medi-Cal, the program will cover only those that are “indigent”, defined as 100% of federal poverty level (FPL) or below. Currently, the program will cover those up to 200% of FPL (with a “share of cost” billed to the individuals), which is not required by the code. Since 2014, the Department has received a very limited number of applications and the Department assisted them all to get coverage either through Medi-Cal or Covered California.

In the spirit of Renew '22, the program proposes to simplify and expedite the application process by reducing the requirements to what is required under Welfare and Institutions Code Section 17000 *et seq*. Only those truly indigent and that have a valid waiver from getting coverage from Medi-Cal or through Covered California can qualify. This rebalances and protects county assets. The proposed changes will also assist with potential cost increases as the 1991 Health Realignment that would have covered these costs has already been redirected back to the State, and another redirection is proposed with the Governor’s proposed FY 2019-20 Budget. The program also proposes to equate asset and income documentation with standardized practices in Medi-Cal and Covered California. Adopting the standardized practices will streamline the local application process, improve efficiencies, and administrative costs.

Even with the proposed changes, the Department will continue to function as the safety net and serve all patients in our Health Care Centers, regardless of ability to pay.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

There currently are no patients enrolled in the Indigent Care Program. The proposed revisions have the potential to reduce potential future administrative costs because: 1) less people will qualify as only those truly indigent can apply and they will be redirected to other more applicable public coverage options; 2) staff will not be spending time assessing the value of items that are no longer considered in the income determination, such as jewelry or gifts; and, 3) staff and billers will no longer need to determine and provide collection services for the “share of cost” for those that are not indigent (over 100% of FPL) and should qualify for other public programs.

Staffing Impacts:

There are no staffing impacts associated with adopting the Resolution for ICP guideline changes.

Special Instructions:

Please retain one (1) original signed Resolution and copy of the Minute Order for pickup by PHD. Please email phdcu@sbcphd.org when documents are available for pickup.

Attachments:

- A. Indigent Care Program Eligibility Guidelines Resolution
- B. Indigent Care Program Eligibility Guidelines Manual 2018 Revision

Authored by:

Dan Reid, Assistant Deputy Director