



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:  
Department No.: 041  
For Agenda Of: 12-16-08  
Placement: Administrative  
Estimated Tme:  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors

**FROM:** Department Elliot Schulman, MD, MPH, Director and Health Officer  
Director  
Contact Info: Elizabeth Snyder (681-5252)  
Assistant Deputy Director Primary Care and Family Health Division

**SUBJECT:** CenCal Health Amendment Three

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**County Counsel Concurrence**

As to form:  Yes  No  N/A

**Auditor-Controller Concurrence**

As to form:  Yes  No  N/A

**Other Concurrence:** Risk Management

As to form:  Yes  No  N/A

**Recommended Actions:**

That the Board of Supervisors:

Approve and authorize the Chair to execute Amendment 3 to the Physician Services Provider Agreement Federally Qualified Health Center or Rural Health Clinic with CenCal Health for payment of established fees for healthcare services rendered to Medi-Cal members that are the responsibility of CenCal extending the term through December 31, 2011.

**Summary Text:**

The Santa Barbara Regional Health Authority is now doing business as "CenCal Health". Amendment 3 for this agreement extends the term with CenCal Health for three years, through December 31, 2011. The agreement authorizes CenCal Health, as the local Medi-Cal fiscal intermediary, to reimburse the Public Health Department for the provision of medical services to eligible Medi-Cal plan members. This agreement was initially executed by your Board on February 7, 2006. Amendments are entered into as needed to update recitals and/or extend the term of the agreement. Amendments 1 and 2 of this Agreement bore no monetary changes and, therefore, were not brought before your Board.

Amendment 1 replaced Exhibit A-Protocols for Primary Care Physicians and amended Santa Barbara Health Initiative member definitions. Amendment 2 amended the Agreement to address changes relating to the expansion of "Authority" into San Luis Obispo and to amend the definition of "Authority" to include San Luis Obispo Regional Health Authority. Amendment 2 also addressed the Authority's fictional business name ("dba") CenCal Health.

**Background:**

On February 7, 2006 your Board executed an agreement which authorized the local Medi-Cal fiscal intermediary, CenCal Health (formerly, The Santa Barbara Regional Health Authority), to reimburse the Public Health Department for the provision of medical services to eligible Medi-Cal plan members. Through its network of seven ambulatory care clinics countywide, the Public Health Department is CenCal's largest Santa Barbara County primary care provider, with approximately 12,000 assigned members. In addition, the clinics provide a range of specialty services that are not readily available in the private medical community.

**Fiscal and Facilities Impacts:**

Budgeted: Yes

**Fiscal Analysis:**

This action will provide for the continued contractual authority for CenCal Health to pay the County for clinical services it provides to CenCal members. Because of its FQHC status, the Public Health Department will continue to be paid at its FQHC rate (by a combination of CenCal Health and State payments), but will continue to be a participant in the CenCal Health provider incentive program. Because of actions taken at the State level, the amount of capitation payment from CenCal will be reduced by 10% effective January 1, 2009. However, because of the PHD's FQHC status, the State will increase its reimbursement accordingly, in order to keep its FQHC rate basis static.

This action will not result in the need for additional facilities.

**Staffing Impacts:**

**Legal Positions:**  
0

**FTEs:**  
0

**Special Instructions:**

Please return two (2) fully executed amendments to PHD Contracts Unit, 300 North San Antonio Road, Building 8, Santa Barbara, CA 93110. Please return an electronic copy of the Minute Order to the PHD Contracts Unit at [PHDRES.ContractsUnit@sbcphd.org](mailto:PHDRES.ContractsUnit@sbcphd.org)

**Attachments:**

Amendment 3 to the Physician Services Provider Agreement Federally Qualified Health Center or Rural Health Clinic

**Authored by:** Elizabeth Snyder, Assistant Deputy Director Primary Care and Family Health Division