

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: 6/19/06
Department Name: Public Health
Department No.: 041
Agenda Date: 7/18/06
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Michele Mickiewicz, MPH
Interim Director, Public Health Department

STAFF CONTACT: Suzanne Jacobson, Chief Financial Officer, Public Health Department
681 5183

SUBJECT: Agreement for Services of Santa Barbara Cottage Hospital for CHIP
FY 2005-06

Recommendation(s):

That the Board of Supervisors:

Approve and authorize the Chair to execute the Agreement for Expenditure of California Healthcare for Indigents Program (CHIP) funds for Santa Barbara Cottage Hospital for Fiscal Years 2005-06 in the amount of \$112,274.61.

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with Goal No. 2 to ensure a safe and healthy community in which to live, work, and visit.

Executive Summary and Discussion:

Proposition 99, the Tobacco Tax and Health Protection Act of 1988, allocates tobacco tax revenues to California counties to help offset the cost of providing indigent health services. Funds are distributed to hospitals, physicians, and other providers through the California Health care for the Indigents Program (CHIP). Hospitals report financial data to the Office of Statewide Health Planning and Development (OSHPD) on a quarterly and annual basis. Uncompensated care cost data, which is based on the cost of serving charity patients and county indigent program patients, are collected from the quarterly hospital reports and then put through a formula to develop the hospital allocations. OSHPD determines the allocation after the close of the fiscal year and deposits money in the counties CHIP accounts to administer and distribute on an accrual basis including interest.

In recent years the allocations have been substantially lower and have only required purchasing contracts. The actual allocation for FY 2005-06 is not known until after the end of the Fiscal Year when all the data is reported and all funds are received from the State. Hence, the contract for Fiscal Year 2005-06 is now being submitted to the Board for execution.

Mandates and Service Levels:

The agreements will not change programs or service levels.

The controlling statute for this allocation is in Welfare and Institutions Code Sections 16943 to 16949.

Fiscal and Facilities Impacts:

There is no General Fund contribution or facility impact of the CHIP program.

The County acts as fiscal intermediary for the State in the disbursement of the CHIP allocation. The Public Health Department will receive \$252,199 of CHIP allocation for Fiscal Year 2005-06 of which \$112,274.61 is for this hospital contract.

These funds are part of the Adopted Public Health Department Fiscal Year 2005-06 budget and can be found on page D-186 of the County's Operating Plan document in the CHIP cost center.

Special Instructions:

Please return 2 of 3 fully executed Agreements along with a copy of the minute order to PHD Contracts Unit, 300 North San Antonio Road, Building 8, Santa Barbara, CA 93110 **Attn: Margaret Granger (805) 681 5367.**

Concurrence:

None required.