



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 Dept.
Department No.: 041
For Agenda Of: 10-13-09
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Michele Mickiewicz, MPH, Interim Director
Director
Contact Info: Dan Reid (681-5173)
Assistant Deputy Director Primary Care and Family Health Division

SUBJECT: CenCal Health Amendment 4 to Physician Services Provider Agreement

County Counsel Concurrence:

As to form: Yes

Auditor-Controller Concurrence:

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

Approve and authorize the Chair to execute Amendment 4 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.

Summary Text:

CenCal Health, as the local Medi-Cal fiscal intermediary, reimburses the Public Health Department (PHD) for the provision of medical services to eligible Medi-Cal plan members. Amendment 4 serves to accomplish two purposes: (1) Change the contribution by PHD in the participation of CenCal Health's 2009 PCP (Primary Care Program) Incentive Program effective January 1, 2009. This change will allow the PHD to sustain its current amount of incentive payments from CenCal Health. The incentive program is a way in which CenCal Health incentivizes providers, including the PHD, to achieve higher reimbursement by meeting quality and utilization measures. The PHD is committed to high quality medical care and has consistently performed well in this regard; and (2) Apply standard PCP Capitation Rates, which are now consistent with the prevailing community provider rates in effect as of August 1, 2009. The PHD will no longer receive a capitation premium for its FQHC clinics, but this will not decrease our overall reimbursement for services provided. These changes do not negatively impact the overall revenue received for medical care as the combination among CenCal and the State remains the same and the County receives the maximum reimbursement rates. However, these changes do improve

the ability of CenCal to continue to contribute and maintain their Incentive Program which allows the County Public Health Department to continue to receive and possibly increase the amount of funding we receive through this program.

Background:

On February 7, 2006 your Board executed an agreement which authorized the local Medi-Cal fiscal intermediary, CenCal Health (formerly 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 six ambulatory and four satellite clinics, the Public Health Department is CenCal Health's largest County primary care provider, with approximately 12,000 assigned members.

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 related to the expansion of Santa Barbara Regional Health Authority (Authority) into San Luis Obispo County 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. Amendment 3 extended the term of the agreement with CenCal Health for three years through December 31, 2011 and was executed by your Board December 16, 2008.

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 Health 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), and will continue to be a participant in the CenCal Health provider incentive program. It is estimated that all payments for services provided to CenCal Health patients will continue at the amount projected in the FY 2009-10 adopted budget and that overall reimbursement for services will not decrease.

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

Staffing Impacts:

Legal Positions:
0

FTEs:
0

Special Instructions:

Please return one fully executed original amendment 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

Attachments:

Amendment 4 to the Physician Services Provider Agreement (Federally Qualified Health Center or Rural Health Clinic)

Authored by:

Dan Reid, Assistant Deputy Director Primary Care and Family Health Division