

**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: 2/19/04
Department Name: Public Health
Department No.: 041
Agenda Date: 3/16/04
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Roger E. Heroux, MPA
Public Health Department Director

STAFF CONTACT: Michele Mickiewicz
681-5446

SUBJECT: Contract for Hospital and Emergency Room Care funded through the Tobacco Settlement for FY 2003-2004

Recommendation(s):

That the Board of Supervisors:

A. Execute agreements totaling \$588,624.27 with the subcontractors below for hospital and emergency room care for adults and children who are uninsured and not eligible for publicly funded programs for the period of July 1, 2003 to and including June 30, 2004:

A. Cottage Hospital	\$340,577.85
B. Marian Medical Center	\$248,046.42

B. Authorize the Director of Public Health to execute any amendments to these contracts during the Fiscal period of 2003-2004.

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with

Goal No. 2: A Safe and Healthy Community in Which to Live, Work, and Visit and

Goal No. 5: A High Quality of Life for All Residents.

Executive Summary and Discussion:

In May 2003, your Board approved the recommendation of the Tobacco Settlement Advisory Committee (TSAC) to allocate \$800,000 of the year 2003 tobacco settlement revenues for hospital and emergency room care countywide for the period July 1, 2003 to June 30, 2004. The actual amount of tobacco settlement funding available from the State allocation was less than projected, so all allocations were reduced proportionately with the Hospital and Emergency Room Care allocation being reduced to \$777,575. This funding is to be used to pay local hospitals and physicians for uncompensated charity care to indigent patients. The agreements before you account for \$588,624.27 of the \$777,575 allocated. Purchase order

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contracts have been established to allocate the remaining \$188,950.73 to Lompoc District Hospital, Goleta Valley Cottage Hospital, Santa Ynez Cottage Hospital, and the Rehabilitation Institute at Santa Barbara.

The distribution of these funds among the local hospitals was made as a result of a meeting of Santa Barbara County Hospital Administrators and was based, not only on uncompensated care, as determined by the Office of Statewide Health Planning and Development (OSHPD), but each hospital's respective share of services delivered to Medi-Cal eligible patients.

In the past, a large part of this hospital and emergency room care for the indigent was funded through the California Healthcare for the Indigent Program (CHIP) funds through the Tobacco Tax Initiative (Proposition 99); however, CHIP funds have decreased by more than 97% over the past 11 years leaving local hospitals with a larger and larger share of the cost for providing this care. The funding recommendation for hospital and emergency room care made by TSAC and approved by your Board will help alleviate some of this burden and ensure that hospital care will be available for adults and children who are uninsured and not eligible for publicly funded programs.

Mandates and Service Levels:

There are no mandates regarding the allocation and use of tobacco settlement funds. Service levels will be monitored through performance measures to track hospital and emergency room care provided.

Fiscal and Facilities Impacts:

These two agreements totaling \$588,624.27 are funded by the Tobacco Settlement Advisory Committee allocation approved by your Board in May 2003. These amounts were included as part of the adopted Public Health Department Fiscal Year 2003-04 budget. The allotment is included in the MIA/Indigent Care cost center of the Family Health and Primary Care division shown on page D-180 of the budget. There is no increase in the use of County's General Fund resources as a result of executing these agreements.

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

Special Instructions:

Return the minute order and one original of each agreement to the Public Health Department Contracts Unit, 300 North San Antonio Road, Bldg 8, Santa Barbara, CA 93110 Attn: Margaret A. Granger (681 5367)

Concurrence:

Not Applicable.