



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
Department No.: 041
For Agenda Of: January 10, 2012
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Takashi Wada, MD, MPH, Director & Health Officer
Director(s) Public Health Department
Contact Info: Dan Reid, MPA, Assistant Deputy Director, Public Health
Department
SUBJECT: CenCal Health Systems Federally Qualified Health Center Agreement

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) Approve and authorize the Chair to execute the Medi-Cal Physician Services Provider Agreement, Federally Qualified Health Center, with CenCal Health for the period of January 1, 2012 to December 31, 2017 for payment of established fees for healthcare services rendered to Medi-Cal beneficiaries enrolled with CenCal Health.
- b) Ratify coverage changes that modified the rates and payment process (from a capitated rate to a fee for service process) for Medicare/Medi-Cal dual coverage member services within the FY 2008-11 Provider Agreement, effective January 1, 2011.
- c) Determine that these activities are exempt from California Environmental Quality Act review per CEQA Guideline Section 15061(b)(3), since it can be seen with certainty that there is no possibility that the activities may have a significant effect on the environment.

Summary Text:

This item is on the agenda to authorize the Chair to execute a new Agreement with CenCal and to ratify changes that occurred within the term of the previous Agreement. The Public Health Department (PHD) provides direct pediatric and adult medical care for Medi-Cal patients in Santa Barbara County. CenCal Health is the local Medi-Cal fiscal intermediary for Santa Barbara and San Luis Obispo counties. Board approval for Recommendation A will execute an Agreement with CenCal which re-establishes the

reimbursement rates and conditions for eligible medical services for Medi-Cal patients seen at the County Health Care Centers. Approval of Recommendation B will ratify coverage changes which removed Medi-Cal/Medicare member services coverage from a capitated rate process to a fee for service process for eligible services which took affect at the beginning of 2011.

Background:

Through its network of seven ambulatory care clinics countywide, the Public Health Department (PHD) is CenCal's largest Santa Barbara County primary care provider, with approximately 13,000 assigned members. In addition, the clinics provide a range of specialty services to CenCal members that are not readily available in the private medical community.

The proposed Agreement outlines CenCal Member services and is effective January 1, 2012 through December 31, 2017. It involves overlap for multiple payer sources such as Medicare and Medi-Cal. In late 2010, CenCal Health and the Public Health Department began negotiations on this agreement and have been working to refine and clarify multiple elements to finalize this agreement. Concurrent with negotiations for this Agreement, CenCal Health's Board of Directors notified PHD of changes to their capitation and fee for service rates in relation to patients with dual Medi-Cal and Medicare coverage (typically known as Medi/Medi members). This change in coverage has been incorporated into the new Agreement, but was not included in the current agreement which terminates on December 31, 2011; therefore, we are also requesting that your Board recognize and ratify this change. This change has not, and will not, reduce PHD revenue for services to Medi/Medi members due to State Medi-Cal wraparound payments which are specific to Federally Qualified Health Centers, such as PHD.

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 wraparound payments) and will continue to be a participant in the CenCal Health provider incentive program.

Staffing Impacts:

Legal Positions:

0

FTEs:

0

Special Instructions:

Please return one (1) fully executed Agreement and one certified Minute Order to PHD Contracts Unit, 300 North San Antonio Road, Bldg 8, Santa Barbara, CA 93110, Attn: Rose Davis.

Attachments:

The Physician Services Provider Agreement, Federally Qualified Health Center

Authored by:

Dan Reid, Assistant Deputy Director, Primary Care and Family Health Division, 681-5173