



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: CEO  
Department No.: 012  
For Agenda Of: 6/3/2014  
Placement: Administrative  
Estimated Tme:  
Continued Item: NA  
If Yes, date from:  
Vote Required: Majority

**TO:** Board of Supervisors

**FROM:** Department Director(s):  
Contact Info: Mona Miyasato, County Executive Officer, 568-3400  
Wendy Sims-Moten, Fiscal Analyst, First Five  
Dennis Bozanich, Assistant to the CEO, 568-3400

OB  
for

**SUBJECT:** Children's Health Initiative – Santa Barbara Outcome and Contract Update

**County Counsel Concurrence**

As to form: Yes

Other Concurrence: NA

**Auditor-Controller Concurrence**

As to form: Yes

**Recommended Actions:**

That the Board of Supervisors:

1. Receive and file this report on program outcomes for the Santa Barbara County Children's Health Initiative.
2. Approve, ratify and authorize the Chair to execute an agreement between the County of Santa Barbara and Foundation of Santa Barbara Regional Health Authority, Inc. (dba Doorway to Health) for Fiscal Years 2009-10 to 2013-14 to provide health (medical, dental, vision) insurance to children residing in Santa Barbara County with family incomes under 300% of the Federal Poverty level, who do not qualify for Medi-Cal, and determine that such program serves public purposes.
3. Determine that the above actions do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment, and are therefore not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA guidelines.

**Summary Text:**

This item is on the agenda to provide an annual report to the Board of Supervisors regarding the Santa Barbara County Children's Health Initiative as well as to approve and ratify a service contract from fiscal years 2009-10 through June 30, 2014. Ratification is necessary at this juncture due to contracting

deficiencies identified via the recently initiated Contract and Grant Compliance Policy approved by the Board in 2013.

The Santa Barbara County Children's Health Initiative has been in existence since 2001. Its primary mission is to provide eligible children with access and utilization support for one of the two publicly funded health insurance products, Medi-Cal and Healthy Kids. The Children's Health Initiative is supported by a partnership of County and community agencies, such as First 5, with Santa Barbara County Education Office serving as the staff home for the initiative.

In 2001, Santa Barbara County had the dubious distinction of having the highest percentage of uninsured children in California. According to UCLA's 2009 California Health Interview Survey (CHIS), after outreach, enrollment, retention and utilization activities county-wide by the Children's Health Initiative partnership network, Santa Barbara County now has one of the lowest percentages of uninsured children in California.

The Board of Supervisors has approved Children's Health Initiative funding of \$1 million each year since FY 2007-08 to the present. During a recent contract review process, staff identified that contracts had not been executed covering the period after June 30, 2009. Following discussions between County Counsel, Auditor-Controller and County Executive Office staff, it is recommended that the Board approve and ratify a contract for FY 2009-10 through FY 2013-14. No additional funds are required. All invoices paid during the FY 2009-10 through FY 2013-14 period were provided timely and back up data was/is available to support the expenditure of funds. The only defect that needed to be cured was the lack of executed contracts, which with recommended action, pertaining to this item, is resolved.

### **Background:**

The Santa Barbara County Children's Health Initiative has been in existence since 2001. Its primary mission is to provide eligible children with access and utilization support for one of the two publicly funded health insurance products, Medi-Cal and Healthy Kids. It is supported by various County and community agencies with Santa Barbara County Education Office serving as the staff home for the initiative. Funding is provided by private foundations and by public funds, including First 5 Santa Barbara County Children & Families Commission. The County Board of Supervisors approved funding in the amount of \$1,000,000 in the 2007-2008 through the 2013-14 budgets to increase the number of children in the County receiving public health insurance with a particular focus on funding for Healthy Kids premiums. Healthy Kids, the local health insurance product for children that do not qualify for Medi-Cal or Covered California, has been able to greatly expand enrollment since 2006 (843 children currently enrolled in April 2014) with the Santa Barbara County allocations but currently has a waiting list of nearly 1,150 children due to lack of sufficient funding. (Please reference Attachment A)

In addition to the enrollment, outreach, retention, and utilization efforts around Medi-Cal and Healthy Kids, the Santa Barbara Children's Health Initiative collaborates with the California Coverage and Health Initiatives, California Covering Kids and Families (National Health Foundation—Community Health Council), Communities for Healthy Kids (Institute for Local Government) and Teachers for Healthy Kids (California Teachers Association) on state-wide advocacy, information and legislative efforts for children's health insurance. At the federal level, CHISB also monitors changes and the implementation of the Affordable Care Act, Children's Health Insurance Program Re-Authorization



(CHIPRA) and Medi-Cal and analyzes the impact for children at the local level as well as disseminates pertinent information to public and private agency staff county-wide.

The Children's Health Initiative of Santa Barbara County continues to demonstrate consistently positive outcomes for Healthy Kids insurance subscribers and for recently insured children in the areas of health and dental services access and utilization, as well as parental assessment of children's health. In 2001, Santa Barbara County had the dubious distinction of having the highest percentage of uninsured children (22%) or 22,000; in 2005, our County was identified as having the second highest percentage of uninsured children state-wide (16%) or 16,000. According to UCLA's 2009 California Health Interview Survey (CHIS), after cross-sector Outreach, Enrollment, Retention and Utilization activities county-wide since 2006 and the development of a robust Certified Application Assistor (CAA) network, in 2009 Santa Barbara County had one of the lowest percentages (4%) of uninsured children in California. Presently it is estimated that several thousand children within Santa Barbara County remain uninsured and ineligible for Medi-Cal or other insurance.

### **Accomplishments**

The Children's Health Initiative presents the following evaluation outcomes.

- ✓ **Augmented state/federal revenue to Santa Barbara County medical providers due to the increased enrollment in public insurance products (Medi-Cal/Healthy Kids).**
  - 42% increase (15,822 children) in Medi-Cal enrollment in our County since 2005, resulting in an estimated \$18,021,890 of additional medical services reimbursement for previously uninsured children that will be earned in 2014 to community clinics, hospitals and private providers.
  - It is projected that in 2013-14, there will be an additional estimated \$877,458 Healthy Kids Santa Barbara medical services reimbursement provided for previously uninsured children. Since 2007-08, Healthy Kids has furnished medical services at an estimated cost of \$5,880,125 for previously uninsured children.
  - Based on data collected over the past four years of CHISB Evaluation Parent Survey data, parents report on average fewer school absences as children are healthier after years of health insurance enrollment. If each MC or HK-insured child missed just one day less in 12-13 from schools in Santa Maria-Bonita, Lompoc Unified and Santa Barbara School Districts, those schools would have received a total estimated \$841,255 in Average Daily Attendance (ADA) funding. (Please reference Attachment A)

### **What has worked?**

- ✓ **Increased accessibility of public health insurance enrollment assistance to families.**
  - Since 2006, over 100 Certified Application Assistors (CAA) in Santa Barbara County have been trained and supported by CHISB. These Assistors are primarily located in community-based organizations, often at school-linked sites easily available to families. With the implementation of the Affordable Care Act (ACA) and ongoing support of CHISB staff, these CAAs offer information on Medi-Cal and Covered California to families, and refer uninsured families to enrollment assistance or assist in enrollment on site.

- Before the implementation of Covered California, CenCal Health developed a web-based enrollment portal so that families could enroll all their children at one time, in whatever public health insurance product for which they qualified.
- With the implementation of the Affordable Care Act (ACA), information and training activities with public and private agencies, and the community, about Healthy Kids insurance as an option for uninsured children not eligible for Medi-Cal/Covered California has been crucial.

Since 2006, the County Office of Education have convened quarterly regional Children's Health Access Resource Teams to institutionalize the practice of identification and referral of uninsured children by public and private agencies to health insurance enrollment assistance and connection to a medical/dental primary provider.

### **Why does Children's Health Initiative make a difference?**

- ✓ Children having health insurance is critical to the operation and financial stability of County Public Health Clinics, the Community Clinics, and hospitals.
  - Health insurance reimbursement is crucial for the financial stability of our clinics and hospitals. There is not capacity in these institutions to furnish a large percentage of their services as non-compensated. With State realignment in 13-14, funding has been greatly reduced by the amount of \$8 million over two years that pays for uncompensated care at the County Public Health Care Centers.
  - After health insurance enrollment, families access health and dental services for their children at a significantly higher rate. This pays for additional medical services reimbursement for previously uninsured children that will be earned by community clinics, hospitals and private providers.
  - Decreased percentage of uncompensated costs of the emergency department
    - From 2010 to 2013, after the significant decrease in uninsured children county-wide, one local hospital has reported a decrease in the percentage of uncompensated care costs relative to overall emergency department visit costs by children from 7.4% to 4.5%.
- ✓ Insured children are now accessing medical and dental services at significantly increased rates (CHISB Evaluation 12-13, Parent Survey Results).
  - Child has visited a doctor in the past year
    - 72% at enrollment
    - 98% at 12 month re-enrollment
  - Child has visited a dentist
    - 38% at enrollment
    - 98% at 12 month re-enrollment
  - When children access well-child visits they have ½ the sick child visits resulting in better school attendance and less time taken off work by a parent.

### **Future Considerations:**

- ✓ Although CHISB has significantly decreased the number of uninsured children county-wide according to data from the County and the Healthy Kids Waiting List, there remain several



thousand children who are uninsured and ineligible for Medi-Cal/Covered California health insurance.

- ✓ To eliminate the Healthy Kids Waiting List and enroll the remaining uninsured children in Santa Barbara County would cost an additional \$1.5 million.
- ✓ Uninsured children eligible for Healthy Kids will not qualify for Medi-Cal or Covered California under the Affordable Care Act in its present form. This restriction could potentially change with the passage of immigration reform sometime in the future.

### **Contract Update**

An executed contract was completed between Doorway to Health and the County for Fiscal Year 2008-09. All contracted services were fully performed on that contract. That executed contract expired on June 30, 2009.

At each of the Budget Hearings for Fiscal Years 2009-10 through 2013-14, the Board of Supervisors approved the Doorway to Health agreement on the ongoing contract list and made annual appropriations. First Five performed monitoring of the services required by the contract, and determined that agreed upon services were provided and that corresponding payments were authorized.

However, contracts were not fully executed. The Board's Recommended Action #2 today will ratify and approve execution of an agreement between the County of Santa Barbara and Foundation of Santa Barbara Regional Health Authority, Inc. (dba Doorway to Health) for Fiscal Years 2009-10 to 2013-14 to provide health (medical, dental, vision) insurance to children residing in Santa Barbara County with incomes under 300% of the Federal Poverty level, who do not qualify for Medi-Cal.

This issue was discovered as a result of implementing the Contract and Grant Compliance Policy approved by the Board in 2013. Since discovering that contracts were not fully executed, Auditor-Controller has been holding the third quarter of Fiscal Year 2013-14 payment until the issue is resolved with Board approval and complete contract execution. This has been communicated to and understood by the contractor and has not caused any hardship or risk to the health insurance coverage of any children in Santa Barbara County. The contractor and the county have also agreed that it may take up to thirty days for the contract execution and delivery of payment after Board approval. Every effort will be made to make the third quarter payment as quickly as possible.

As a result of this contract issue, County Executive, Auditor-Controller and County Counsel staff documented the steps required by each of the participants in the Ongoing Contract renewal process. That process was published as County Administrative Policy 121-11 *Ongoing Contracts Procedures* (Attachment B) and provided to all department directors and contract managers this last month. This policy will be a valuable aid in avoiding issues beginning immediately.

### **Performance Measure:**

NA

### **Fiscal and Facilities Impacts:**

Budgeted: YES **Fiscal Analysis:**

<b><u>Funding Sources</u></b>	<b><u>Current FY Cost:</u></b>	<b><u>Annualized On-going Cost:</u></b>	<b><u>Total One-Time Project Cost</u></b>
General Fund		\$0.00	
State			
Federal			
Fees			
Other:			
Total	\$ -	\$ -	\$ -

Narrative:

**Key Contract Risks (if applicable):**

None

**Staffing Impacts:**

**Legal Positions: 0**

**FTEs: 0**

**Special Instructions:**

**Attachments:**

- Attachment A: Fiscal and System Impact Report of the Santa Barbara County Children's Health Initiative and FAQ
- Attachment B: Contract
- Attachment C: *Ongoing Contract Procedures* (County Administrative Policy 121-113)

**Authored by:**

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Dennis Bozanich, Assistant to the County Executive Officer

**CC:**