



# Board Agenda Item 66

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DATE: June 21, 2022

TO: Board of Supervisors

SUBMITTED BY: David Luchini, RN, PHN, Director, Department of Public Health

SUBJECT: Approve Second Amendment to Agreement with United Health Centers of the San Joaquin Valley

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute Second Amendment to Agreement with United Health Centers of the San Joaquin Valley for COVID-19 testing and to address testing needs in vulnerable populations within rural and urban communities, effective upon execution with no change to the term of August 20, 2020 through June 30, 2022 and increasing the maximum by \$436,460, to a total not to exceed of \$936,460.**

There is no Net County Cost associated with the recommended action. Approval of the recommended action will execute a second amendment with United Health Centers of the San Joaquin Valley (UHC) to increase the total compensation amount to pay for outstanding invoices for COVID-19 tests performed on clients who were denied coverage by both the Human Resource & Services Administration (HRSA) and their own health insurance for the administered tests. This item is countywide.

ALTERNATIVE ACTION(S):

There are no viable alternative actions. Should your Board not approve the recommended action, Fresno County will not be able to reimburse UHC for outstanding invoices for COVID-19 tests administered to clients who were denied coverage by HRSA and their health insurance provider for UHC's testing services.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. The agreement was funded by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding through June 30, 2021. The remaining term is funded by the Epidemiology and Laboratory Capacity for Prevention and Control of Emerging Infection Disease (ELC) Enhancing Detection funding. The remaining balance available in UHC's agreement is \$39,120. The total amount of outstanding invoices is \$475,580. The proposed maximum payable under this contract will be \$936,460, which represents a \$436,460 increase. Sufficient appropriation and estimated revenues are included in the Department's Org 5620 FY 2021-22 Adopted Budget.

DISCUSSION:

On March 15, 2020, pursuant to California Government Code Section 8630, and Fresno County Ordinance Code Chapter 2.44, due to the imminent and proximate threat of COVID-19, a Local Emergency was proclaimed by the County Administrative Officer serving as Emergency Services Director. Your Board adopted a Resolution proclaiming and ratifying the Local Emergency on March 17, 2020. On April 13, 2021, your Board terminated the proclamation of the local emergency and Fresno County continues to function

under the State proclaimed emergency.

On May 25, 2021, your Board ratified UHC's Agreement (No. D-20-325) and First Amendment to Agreement (No. D-20-325-1), along with other Federally Qualified Health Centers (FQHCs) Agreements providing COVID-19 testing services to Fresno County residents. UHC is one of many FQHCs that have assisted in COVID-19 response efforts since the beginning of the pandemic and provided Fresno County residents with access to COVID-19 tests. UHC is currently one of two FQHCs remaining contracted with Fresno County to continue to provide COVID-19 testing services to residents. The original contract included a clause that allowed UHC to invoice the County for services performed and not covered by insurance or another source of funds. The multiple sites that UHC has in the County provide UHC and Department staff with the data to help trace and investigate transmission data. As of March 31, 2022, UHC had tested over 310,031 individuals in Fresno County.

UHC currently has an outstanding invoice of \$475,580 with only a balance of \$39,120 remaining in the agreement. The outstanding invoice is for 3,397 COVID-19 tests for clients who were denied coverage for the tests through their health insurance provider and who did not qualify for reimbursement through HRSA's COVID-19 Claims Reimbursement to Health Care Providers and Facilities for Testing, Treatment, and Vaccine Administration for the Uninsured Program. HRSA's Uninsured Program provided claims reimbursement to health care providers, generally at Medicare rates, for testing uninsured individuals for COVID-19, treating uninsured individuals with a COVID-19 diagnosis, and administering COVID-19 vaccines to uninsured individuals. The delay in submittal of the invoice is due to the processing time in billing for the claims, sending the claims to the payer, waiting for the approval/denial, and printing each denial for each account and sending the denied claims to Fresno County for payment. UHC's billing department completed a special project in tabulating the unpaid invoices qualified under the agreement. Each COVID-19 test claim expense includes sample collection, lab diagnostic, and patient follow-up for test results.

The Amendment will allow Fresno County to reimburse UHC for the COVID-19 tests that were denied by the insurance and are not reimbursable through SB 510 signed by the Governor on October 8, 2021.

REFERENCE MATERIAL:

BAI #49, May 25, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Second Amendment to Agreement with United Health Centers

CAO ANALYST:

Ron Alexander