



# Board Agenda Item 57

DATE: September 25, 2018

TO: Board of Supervisors

SUBMITTED BY: David Pomaville, Director, Department of Public Health

SUBJECT: Retroactive Amendment with the California Department of Public Health, Office of AIDS

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute a retroactive Amendment I to Revenue Agreement No. 17-467 with the California Department of Public Health, Office of AIDS, for AIDS Drug Assistance Program funds to modify the fee for service pay schedule and extend the term of the existing Agreement by one year from July 1, 2019 to June 30 2020 with no increase in the base amount of \$15,000 for the four-year term.**

Approval of the recommended action will allow the Department of Public Health to continue their designation as an AIDS Drug Assistance Program (ADAP) enrollment site for an additional year and add the Pre-Exposure Prophylaxis (PrEP) Assistance Program. The Department will continue to receive compensation from the California Department of Public Health, Office of AIDS (CDPH-OA) based on the number of ADAP and PrEP enrollment services provided; however, the recommended amendment modifies the fee for service pay schedule by reducing reimbursement rates, with no increase in Net County Cost. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, the Department would no longer be designated as an ADAP/PrEP enrollment site and unable to provide enrollment services to clients.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The Department is reimbursed according to a fee for service schedule based on ADAP and PrEP client enrollment services provided. CDPH-OA reduced reimbursement rates by approximately 50% or more. In FYs 2016-17 and 2017-18, the reimbursement rate for enrolling just one new ADAP client was \$5,000 per year. In FYs 2018-19 and 2019-20 new client enrollment reimbursement has been reduced to \$2,500 per year. The reduction results in no change to the base amount of \$15,000, but will require Health Realignment funds to cover the program's administrative costs. Additional reimbursements are based on the type of enrollment services performed; reimbursements rates range from \$10 to \$100 per service.

Sufficient appropriations and estimated revenues are included in the Department's Org 5620 FY 2018-19 Adopted Budget and will be included in the FY 2019-20 budget request. The total actual revenue in FY 2016-17 was \$12,813. Based on the actual revenue of \$10,680 in FY 2017-18 the estimated revenue of \$5,500 is anticipated for FYs 2018-19 and 2019-20. The total anticipated revenue for the four-year agreement is \$34,493. The reduction of revenue is due to the reduction of reimbursement rates by

CDPH-OA. The additional revenue required to administer the program (\$11,000) will be funded with Health Realignment. The agreement does not allow for indirect cost recovery. Indirect costs estimated at \$3,114 will be funded with Health Realignment.

DISCUSSION:

On September 12, 2017, the Board approved Agreement No. 17-467 to designate the Department as an ADAP enrollment site. Through ADAP, clients can utilize CDPH contracted pharmacies located within the County to fill AIDS-related prescriptions; the pharmacies are reimbursed by CDPH for the medication costs. ADAP is for clients who do not qualify for any other source of payment for their prescriptions.

CDPH data indicates that during the 2017 calendar year approximately 214 clients benefited from the ADAP services in the County. The Department provided enrollment services to 113 of the 214 clients. The remaining 101 clients were enrolled at Community Regional Medical Center. Overall reduction in numbers from previous years is attributed to patients now using MediCal Expansion for prescription services instead of ADAP.

Approval of the recommended action will modify the fee reimbursement rate reduced for FYs 2018-19 and 2019-20, the difference of which will be covered by Health Realignment. In addition, the recommended amendment will add the PrEP Assistance Program to the agreement, which allows high-risk clients access to pre-exposure medications that help the client become resistant to the HIV infection. Currently, the Department has not identified local providers to link PrEP clients to, but will continue to seek providers. All other terms and conditions of the agreement remain unchanged.

REFERENCE MATERIAL:

BAI #57, September 12, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment I to Agreement No. 17-467 with CDPH  
On file with Clerk - AIDS Drug Assistance Program Enrollment Site Fee for Service Pay Schedule

CAO ANALYST:

Sonia M. De La Rosa