



# Board Agenda Item 45

DATE: July 8, 2025

TO: Board of Supervisors

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

SUBJECT: Amendment No. 2 to Master Agreement No. 19-444 for the Provision of Specialty and Primary Professional Medical Services and Emergency Care

## RECOMMENDED ACTION(S):

- 1. Under Administrative Policy No. 34 for competitive bids or requests for proposals, determine that an exception to the competitive bidding requirement is satisfied and a suspension of competition is warranted due to unusual or extraordinary circumstances, and that the best interests of the County would be served by adding United Health Centers of the San Joaquin Valley to the Master Agreement given the noncompetitive nature of Master Agreements; and**
- 2. Approve and authorize the Chairman to execute Amendment No. 2 to Master Agreement to add United Health Centers of the San Joaquin Valley as a contracted provider with no change to the term of September 10, 2019, through September 9, 2029, or maximum compensation of \$22,793,197.**

There is no additional Net County Cost associated with the recommended actions. Approval of the recommended actions will allow the Department of Public Health (Department) to utilize an additional qualified licensed and Community Medical Centers (CMC) credentialed medical service provider group for mandated specialty and primary professional medical services and emergency care within the hospital and clinic setting to eligible patients accessing the County's Medically Indigent Services Program (MISP). This item is countywide.

## ALTERNATIVE ACTION(S):

Should your Board not approve the recommended actions, the Department will not have full medical service coverage available to the County's MISP eligible beneficiaries in compliance with Welfare and Institutions Code, section 17000, et seq. and the County would still be responsible for the medical care and subsequent costs for eligible MISP patients. Currently, the County's obligation is met through the MISP and services are provided at CMC and affiliate facilities per Agreements Nos. 19-411 and 19-444.

## SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

It is requested that the County find under Administrative Policy No. 34 (AP 34) that an exception to the competitive bidding requirement is satisfied, and a suspension of competition is warranted due to unusual or extraordinary circumstances as the Department seeks to provide access to medical services for MISP beneficiaries as mandated by Welfare & Institutions Code 17000 et seq. Since MISP services are approved to be provided at CMC and affiliated facilities under Agreement 19-411 and since CMC has contracted exclusively with United Health Centers of the San Joaquin Valley (UHC) to be the provider of medical services at certain CRMC Ambulatory Care clinics, adding UHC to the Master Agreement is the only way to

maintain mandated specialty care services to the County's MISP beneficiaries.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The addition of UHC to the Master Agreement does not change the maximum compensation of \$22,793,197 for the ten-year term. The County only pays for services rendered and, due to the Affordable Care Act, the County has realized minimal cost under MISP with the last services provided and claims paid under the Agreement being in 2017; however, a mechanism to provide care is still obligated under Welfare and Institutions Code section 17000, et seq. Agreement No. 19-444 is funded with Health Realignment. Sufficient appropriations and estimated revenues are included in the Department's Org 5240 FY2024-25 Adopted Budget and will be included in subsequent budget requests for the duration of the term. Actual costs are based on actual services provided.

DISCUSSION:

The MISP was created to address the County's legal obligation under Welfare and Institutions Code Section 17000 et seq. Prior to December 2014 the County delivered the mandated medical services through a comprehensive fixed payment master agreement with CMC. However, due to the implementation of the Affordable Care Act, California Affordable Care Act, and State Assembly Bill 85, the County, through its Department of Public Health, has changed how it delivers medical services to MISP beneficiaries and has maintained separate agreements with medical and hospital service providers for the MISP.

The current agreements of the MISP are Agreement No. 19-411 Provision of Comprehensive Inpatient Hospital Services, Emergency Care, and Outpatient Clinic Services, which allows for hospital and clinic services to be provided at CMC and affiliate facilities and Agreement #19-444 Master Agreement for the Provision of Specialty and Primary Professional Medical Services and Emergency Care.

The Board approved the Master Agreement No. 19-444 on September 10, 2019, and Amendment No. 1 to the Agreement on August 20, 2019. Approval of the recommended amendment will add UHC to the Agreement effective July 8, 2025, to provide specialty and professional medical services at CMC and affiliate facilities to maintain comprehensive medical services to MISP beneficiaries.

REFERENCE MATERIAL:

BAI #45, September 10, 2019  
BAI #33, August 20, 2019  
BAI #4 and Resolution No. 14-308, August 19, 2014

ATTACHMENTS INCLUDED AND/OR ON FILE:

Suspension of Competition Acquisition Request Form  
On file with Clerk - Amendment No. 2 to Master Agreement

CAO ANALYST:

Ronald W. Alexander, Jr.