



# Board Agenda Item 40

DATE: March 24, 2020

TO: Board of Supervisors

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

SUBJECT: Agreement with Santé Health System, d.b.a. Advantek Benefit Administrators

RECOMMENDED ACTION(S):

1. **Make a finding that it is in the best interest of the County to suspend the competitive bid process consistent with Administrative Policy No. 34 in accordance with the “unusual or extraordinary circumstances” exception to contract with Advantek Benefit Administrators for payment, of certain non-emergency specialty medical services as referred by approved federally funded clinics and emergency hospitals; and**
2. **Approve and authorize the chairman to execute an Agreement with Santé Health System dba Advantek Benefit Administrators, for the determination of beneficiary eligibility and administration of payment to approved providers for non-emergency specialty medical services for Fresno County, effective April 20, 2020 through April 19, 2025, which includes a three-year base contract with two optional 12-month extensions, total not to exceed \$3,000,000.**

Approval of the recommended actions will allow the Department of Public Health to continue to fund the administrative services and to reimburse non-emergency specialty care services for residents meeting property and income limits and who do not qualify for the Medically Indigent Services Program (MISP) or participation in the Affordable Care Act (ACA). This item is Countywide.

ALTERNATIVE ACTION(S):

Your Board could choose not to approve the recommended actions, ceasing the non-emergency specialty medical care services funded by the Department, requiring individuals who do not qualify for MISP or full Scope Medi-cal under ACA to find an alternate means to receive and fund services.

SUSPENSION OF COMPETITION/SOLE SOURCE CONTRACT:

The Department's request to waive the competitive bidding process is consistent with Administrative Policy No. 34, as Advantek Benefit Administrators provides claims and utilization management services and is uniquely positioned to continue to provide these services to serve this population.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The recommended agreement is for a three-year base contract with two optional 12 month extensions with a maximum compensation of \$3,000,000. This agreement is funded with Health Realignment. Sufficient appropriations and estimated revenues are included in the Department's ORG 5240 FY 2019-20 Adopted Budget and will be included in subsequent budgets.

DISCUSSION:

On April 7, 2015, the Board approved Agreement No. 15-130 with Advantek Benefit Administrators to provide claims management authorization services. The agreement allowed various federally qualified health centers and emergency room providers to refer medically indigent and uninsured individuals for necessary non-emergency specialty medical services. The County's current agreement with Advantek Benefit Administrators expires on April 19, 2020, and a new agreement needs to be in place.

The agreement allowed approved specialty care providers within the County to claim costs of services that are reimbursable at Medi-Cal rates. Individuals seeking services were required to have applied for and been denied Full-Scope Medi-Cal and all other available health care options and must meet property and income limits. This process ensured individuals had exhausted all other possible health care funding options.

The Department determined Advantek possesses the qualities and experience to continue to provide the necessary administrative services consisting of eligibility and provider claims management services through existing business processes. Their experience and established relationships with local healthcare providers including Federally Qualified Health Centers will allow them to continue to competently and effectively provide claims management services.

Claims that are properly submitted to Advantek will be reviewed, approved, and paid if referral forms are complete and accurate. Advantek shall be responsible to deny incomplete/inaccurate referral forms that do not meet eligibility requirements for reimbursement funding. Advantek will submit a bill to the County for reimbursement every 30 days and Advantek will retain an eight percent administrative fee for all claims processed.

The agreement capitates compensation at \$3,000,000 and, as conditioned by the agreement, Advantek will notify the County and referring clinics and providers when available funding is 85 percent expended.

With your Board's approval, the recommended agreement is for a three-year base contract with two optional 12 month extensions for a total of five years. The agreement authorizes the Director, or designee, to execute written approval on behalf of the County to extend the agreement through April 19, 2025, upon satisfactory performance by the contractor. This agreement may be terminated by either party without cause upon issuance of a 30-day written notice of termination to the other party.

REFERENCE MATERIAL:

BAI #49, November 6, 2018  
BAI # 50, September 26, 2017  
BAI #12, April 7, 2015

ATTACHMENTS INCLUDED AND/OR ON FILE:

Sole Source Acquisition Request  
On file with clerk - Agreement with Santé Health Systems d.b.a. Advantek Benefit Administrators

CAO ANALYST:

Raul Guerra