



County of Fresno

Hall of Records, Rm. 301
2281 Tulare Street
Fresno, California
93721-2198

Legislation Text

File #: 18-1245, **Version:** 1

DATE: November 6, 2018

TO: Board of Supervisors

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

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

RECOMMENDED ACTION(S):

- 1. Approve and authorize the Chairman to execute a retroactive 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, 2018 through April 19, 2020, which includes one-year base contract with an optional 12-month extension, total not to exceed \$5,569,392.**
- 2. Ratify the Director of the Department of Public Health and the County Purchasing Manager's previous payment of invoices received from Santé Health System dba Advantek Benefit Administrators from April 20, 2018 to November 6, 2018 for services performed.**

Approval of the recommended actions will allow the Department of Public Health to fund administrative services to reimburse non-emergency specialty medical 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). Additionally, approval will ratify invoices paid for services provided from April 19, 2018, the end of the previous agreement, to November 6, 2018. The recommended agreement encompasses the two remaining years of the previous five-year agreement. The recommended agreement is funded with Health Realignment, with no increase in Net County Cost. This item is countywide.

ALTERNATIVE ACTION(S):

Your Board could choose not to approve the first recommended action, ceasing the non-emergency specialty medical care services funded by the Department, requiring individuals who do not qualify for MISP or the ACA to find an alternate means to receive and fund services. There is no alternative action for the second recommended action since Advantek Benefit Administrators (Advantek) has continued services and the Department has made payment for those services.

RETROACTIVE AGREEMENT:

The recommended agreement will continue services through Advantek, which ended April 19, 2018 due to the Department's oversight in the issuance of an extension letter for approval by Advantek. The recommended agreement was not brought to your Board on an earlier date as the oversight was discovered on September 17, 2018. The original agreement allowed for two optional 12-month extensions with written approval by both the County and Advantek. Upon execution of the recommended agreement, the Department will continue to monitor the services performed by Advantek and upon confirming satisfactory performance, will start the written approval letter for the optional 12-month extension thru April 19, 2020, in early 2019.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The recommended agreement is for a one-year base contract with an optional 12-month extension until the maximum compensation of \$5,569,392 is reached. As of October 15, 2018, the expenditures since April 20, 2015 have totaled \$769,790. This agreement is funded with Health Realignment. Sufficient appropriations and estimated revenues are included in the Department's Org 5240 FY 2018-19 Adopted Budget.

DISCUSSION:

On April 7, 2015, the Board approved Agreement No. 15-130 with Advantek to administer Assembly Bill (AB) 2731 (Chapter 743, Statutes of 2014) funds and 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 agreement resulted from a waiver of the competitive bidding process as Advantek, through its relationship with Santé Health System network of physicians and the Central California Faculty Medical Group, was uniquely positioned to continue to provide services through an existing business process that was established to serve this population.

On September 26, 2017, the Board approved the First Amended and Restated Agreement changing AB 2731 reimbursement funding to Health Realignment funding for Non-Resident Specialty Care (NRSC) utilized by Advantek to administer for specialty medical services for indigent residents that do not qualify for other health care options.

Agreement No. 15-130 provided for two optional 12-month periods following the initial three years, if authorized by the Director, with written approval on behalf of the County. The written approval process was not completed and the agreement ended on April 19, 2018. However, services by Advantek continued and payments were made by the County with approval by the Director of the Department and the County Purchasing Manager. On September 17, 2018 while processing for payment the September 2018 invoice, the Department was notified by the Auditor-Controller Treasurer Tax Collector's Office that the agreement had expired. A request was made of the County Purchasing Manager to approve for payment the September invoice. Upon confirming the expiration, the Department consulted with County Counsel and confirmed that a new agreement for the remaining two years would be appropriate along with a request to ratify the payment of invoices received from Advantek during the lapsed period, April 20, 2018 to November 6, 2018, for services performed. Upon execution of the recommended agreement, the Department will continue to monitor the services performed by Advantek, and upon confirming satisfactory performance, will start the written approval letter for the optional 12-month extension thru April 19, 2020, in early 2019.

With your Board's approval, the recommended agreement will be retroactive to April 20, 2018. The recommended agreement authorizes the Director, or designee, to execute written approval on behalf of the County to extend the agreement through April 19, 2020 if the maximum compensation limit is not reached following the one-year base contract, upon satisfactory performance by Advantek. The agreement may be terminated by either party without cause upon issuance of a 30-day written notice of termination of the other party.

REFERENCE MATERIAL:

BAI #50, September 26, 2017
BAI #12, April 7, 2015

File #: 18-1245, **Version:** 1

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Santé Health Systems d.b.a. Advantek Benefit Administrators

CAO ANALYST:

Sonia M. De La Rosa