# Legislation Text

**File #:** 19-0645, **Version:** 1

DATE: October 8, 2019

TO: Board of Supervisors

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

SUBJECT: Retroactive FY 2019-20 Medi-Cal County Inmate Program Agreement

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute a retroactive Agreement with California Department of Health Care Services for the FY 2019-20 Medi-Cal County Inmate Program, effective July 1, 2019 through June 30, 2020 ($2,306,967).**

Approval of the recommended action will allow medical providers to seek reimbursement from the California Department of Health Care Services (DHCS) Medi-Cal County Inmate Program (MCIP) for covered inpatient hospital services (covered services) rendered to eligible County adult inmates and juvenile wards (eligible inmates) for FY 2019-20. The agreement must be entered into annually in order to allow providers to seek reimbursement for MCIP services to eligible inmates, with no increase in Net County Cost. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, providers would not be reimbursed by DHCS for covered services provided to eligible inmates who are incarcerated at Fresno County Detention Facilities and the Juvenile Justice Campus. Furthermore, the County would retain responsibility for payment to providers for these services.

RETROACTIVE AGREEMENT:

The recommended agreement is retroactive to July 1, 2019 and was not presented to your Board earlier due to the delay in receiving the agreement from DHCS. The Department received the agreement from DHCS on August 6, 2019. The prior agreement expired June 30, 2019.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum compensation is $2,306,967 ($126 more than the FY 2018-19 maximum). DHCS will charge the County an annual administrative fee of $6,967, which is based on a methodology specified in the proposed agreement. DHCS will charge the County for the Non-Federal Share of the Medi-Cal fee-for-service reimbursed to medical providers not to exceed $2,300,000. Sufficient appropriations and estimated revenues are included in the Department's Org 5620 FY 2019-20 Adopted Budget.

DISCUSSION:

Federal law generally prohibits claiming Medicaid funds to reimburse for health care services provided to inmates residing in correctional facilities. However, this prohibition does not apply to inpatient hospital

services, including inpatient psychiatric services and physician services provided to an eligible inmate at a medical facility that is located off the grounds of the correctional facility and when the inpatient hospitalization is expected to be for at least 24 hours. Assembly Bill 1628 (Chapter 729, Statutes of 2010) and Assembly Bill 396 (Chapter 394, Statutes of 2011) authorized DHCS and counties to claim Federal Financial Participation (FFP) for medical and psychiatric inpatient hospital services provided to County Medi-Cal eligible inmates housed in county correctional facilities.

On April 3, 2018, the Board approved Agreement Nos. 18-169 and 18-170 with California Forensic Medical Group, Inc., (now Wellpath), which provide for participation in MCIP for inpatient hospitalization services.

On May 8, 2018, the Board approved the designation of the Sheriff's Office as an entity to assist County Jail inmates with their health care applications to include MCIP applications. The designation allowed the Sheriff's Office to assist and act on behalf of those inmates who are unwilling to cooperate and/or incapacitated and/or unable to cooperate in the application process under the MCIP.

In order for providers to be able to send claims directly to DHCS for MCIP services provided to eligible inmates during FY 2019-20, the County must enter into the MCIP agreement with DHCS on an annual basis. The agreement sets forth the terms that the County must abide by in order to participate in MCIP, including that DHCS will reimburse providers at the applicable Medi-Cal rate for the services rendered to the extent FFP is available.

As part of the MCIP Agreement, on April 5, 2019, the Department submitted to DHCS the MCIP Participation Form for FY 2019-20, included as Attachment A. The form allowed DHCS to determine the County's administrative costs, which have been included in the recommended agreement. The County shall retain financial responsibility for inpatient hospital services provided to inmates and wards who are not eligible for MCIP. Generally, these are inmates and wards receiving pension or whom have a source of income that is above the allowable Medi-Cal limit.

The recommended agreement contains language stating that the County agrees to indemnify DHCS and although it does not contain the standard County indemnification language and insurance requirements, given the nature of this agreement, County Risk Management has approved of the agreement as being in the County's best interest. The recommended agreement allows DHCS to draw Federal funds for allowable services, which in turn allows the County to realize a savings for costs that would have otherwise been incurred. The recommended agreement may be terminated without cause by either party upon 30-day written notice.

REFERENCE MATERIAL:

BAI #36, May 8, 2018
BAI #8.1, April 3, 2018
BAI #26, February 7, 2017
BAI #36.1, December 6, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachment A
On file with Clerk -Agreement with DHCS

CAO ANALYST:

Sonia M. De La Rosa