



# Board Agenda Item 49

DATE: August 19, 2025

TO: Board of Supervisors

SUBMITTED BY: Joe Prado, Interim Director, Department of Public Health

SUBJECT: Revenue and Coordination of Care Memorandum of Understanding with Managed Care Plans Blue Cross of California, CalViva Health, and Kaiser Permanente

## RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute a Memorandum of Understanding (MOU) with Blue Cross of California Partnership Plan, Inc. dba Anthem (Anthem), Fresno-Kings-Madera Regional Health Authority dba CalViva Health (CalViva) and Kaiser Foundation Health Plan, Inc. (Kaiser), for the coordination of and compensation for services provided by the Department of Public Health to Anthem, CalViva, and Kaiser Medi-Cal Managed Care members effective upon execution by all parties with unlimited 12 month auto-renewals unless terminated by any party, for an annual estimated amount of \$99,700.**

Approval of the recommended action will allow the Department of Public Health (DPH) to seek claims reimbursement from the California Department of Health Care Services (DHCS) Medi-Cal program and to coordinate care with the Medi-Cal Managed Care Plans (MCPs) for Medi-Cal Managed Care (MCMC) beneficiaries who receive DPH services. It is anticipated that MCMC claims will generate approximately \$99,700 in FY 2025-26 with no Net County Cost. Estimated reimbursements for subsequent years will be budgeted annually. This item is countywide.

## ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, DPH would be unable to bill the MCPs for services provided as outlined in this MOU; however, DPH would retain responsibility to provide these services to low-income Fresno County residents. Entering into this MOU allows for DPH to bill for services that would otherwise be uncompensated.

## FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The MOU will allow reimbursement to the County for public health services provided to Anthem, CalViva, and Kaiser MCMC members at existing Medi-Cal Fee-For-Service (FFS) rates which is estimated will generate revenue of approximately \$99,700 annually. Sufficient appropriations and estimated revenues are included in the Department's Org 5620 FY 2025-26 Recommended Budget. The portion of Medi-Cal reimbursement that covers direct and indirect costs is unknown; Medi-Cal typically provides only partial cost reimbursement. The County's current indirect cost rate is 24.426 percent. Any portion of services rendered that is not reimbursed by Medi-Cal will be covered by Health Realignment.

DISCUSSION:

MCMC is the system of health care for the Medi-Cal eligible population, which contracts for health care services through established networks of organized systems of care. Managed care plans are intended to be a cost-effective use of the health care resources that improve health care access and quality of care.

On October 11, 2023, the California Department of Health Care Services (DHCS) released All Plan Letter 23-029 which requires the County and MCPs to enter into this MOU. The purpose of this MOU is to clarify the roles and responsibilities for coordination of the delivery of care and services to all MCMC plan members, to establish agreed upon processes for how the parties will collaborate and coordinate on population health and/or other programs and memorialize what data will be shared between the parties, in addition to setting FFS as the rate for services covered under this MOU. The MOU does not impose new requirements on the Department but restates or cross-references existing requirements.

The County has two separate MOUs in place with Anthem Blue Cross (06-072) and CalViva (11-058) and, should this action be approved, this MOU will supersede those MOUs. Traditionally, Kaiser has not been part of the traditional MCPs in Fresno County; however effective January 1, 2024, DHCS contracted with Kaiser to operate as a MCP in 32 California counties to include Fresno County. All three MCPs are included in one single MOU as the DHCS requirements apply to all three MCPs.

Fresno County Board of Supervisor Garry Bredefeld (District 2 Supervisor) sits on the Board of the Fresno-Kings-Madera Reginal Health Authority's CalViva Health, which is a party of this MOU and is a non-profit managed care plan. The Department is requesting this MOU be executed as an "evergreen" agreement due to the MOU between the County and MCPs being a requirement by DHCS for the foreseeable future. Anthem, CalViva Health and Kaiser are the only MCPs in Fresno County as well as surrounding counties. This MOU shall become effective upon execution and shall automatically be extended for an unlimited number of years upon the same terms and conditions unless written notice of non-renewal is given by the MCPs or the Department's director, or designee, not later than sixty (60) days prior.

REFERENCE MATERIAL:

BAI #44, May 16, 2017  
BAI #26, February 8, 2011  
BAI #9, March 3, 2009  
BAI #22, March 28, 2006

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - MOU with Anthem, CalViva, and Kaiser  
On file with Clerk - DHCS All Plan Letter 23-029

CAO ANALYST:

Ronald Alexander