



Monterey County

Item No.

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legistar File Number: RES 22-089

May 24, 2022

Introduced: 4/22/2022

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Resolution

Adopt a Resolution to:

Amend Article I.d. of the Monterey County Master Fee Resolution effective July 1, 2022, to adjust certain fees related to the Health Department's Clinic Services Bureau (Clinic Services) pursuant to the attached Fee Schedule.

RECOMMENDATION:

It is recommended that the Board of Supervisors Adopt a Resolution to:

Amend Article I.d. of the Monterey County Master Fee Resolution effective July 1, 2022, to adjust certain fees related to the Health Department's Clinic Services Bureau (Clinic Services) pursuant to the attached Fee Schedule.

SUMMARY/DISCUSSION:

The Health Department's Clinic Services Bureau (Clinic Services) operates Federally Qualified Health Center Look (FQHC) clinics that are required, by the Health Resources and Services Administration (HRSA), to periodically review its fee schedule to ensure that it accurately reflects costs of services rendered and that fees are consistent with local prevailing rates or charges. In compliance with the requirements, Clinic Services has been reviewing and adjusting its fee schedules annually.

Clinic Services engaged the services of Greg Faktor & Associates (GFA), to assist with the analysis and fee adjustment proposal to FY 2022-23 Fee Schedule. Proposed adjustments were based on Local Prevailing Rate and Cost Based Rate methodologies obtained from data collected from Center for Medicare & Medicaid Services (CMS), in compliance with HRSA requirements.

The proposed FY 22-23 Fee Schedule reflects an average increase of 4.7% to fees compared to the FY21-22 Fee Schedule. The recommended increase applies to 34 existing Fees based on health center costs and locally prevailing rates and is applicable to existing Fees that did not adequately account for health center costs based on an analysis of the distribution of health center costs across Relative Value Units (RVU) used in the past year. GFA's recommendations are for a capped increase in costs based on this analysis.

Additionally, Clinic Services is mandated by HRSA to offer Sliding Fee Discount Program (SFDP) for patients whose income is at or below 200% of the Federal Poverty Level (FPL). For FY22-23, Clinic Services proposes no change to the SFDP discount schedule. Continuing the current level of the SFDP discount schedule would keep services in Clinic Services affordable for patients as well as comply with HRSA's requirements of reflecting costs of services in charges and increased efforts in maximizing revenue.

The proposed fees reflect no more than the actual, reasonable, fully loaded costs of the services provided

to the payor/applicant. By definition, these service charges are not a 'tax' and are exempt from voter approval pursuant to Article XIII C section 1(e)(1)-(2) of the California Constitution ('Prop. 26': charge imposed for specific benefit conferred/ privilege/ service or product provided or granted to the payor).

This work supports the Monterey County Health Department's 2018-2022 Strategic Plan Goals: 1. Empower the community to improve health; and 3. Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports the following of the ten essential public health services, specifically: 5. Develop policies and plans that support individual and community health efforts; and 7. Link people to needed personal health services and assure the provision of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:

The office of the County Counsel and Auditor-Controller have reviewed and approved as to legal form and fiscal provisions, respectively.

FINANCING:

The recommended fee adjustments are intended to recapture service costs with considerations of operation cost, payor reimbursements and prevailing local charges, without generating additional revenue. It is to assure that the programs remain revenue neutral with no additional impact on the County's General Fund Contribution to the Department. The fee increase is also intended to stay compliant with HRSA's requirements. FQHCs reimbursements by Medi-Cal and Medicare is Perspective Payment System (PPS), which will not be affected by the proposed fee schedule. Similarly, Clinic Services does not expect significant increase in revenue from patients resulting from the fee increases.

Currently, all patients visiting Clinic Services clinics are screened for eligibility into State and Federal programs to ensure that all patients eligible for a third-party payor source are enrolled in appropriate programs. All patients can apply for the SFDP and eligible for the discounts if they are under the 200% Federal Poverty Level, as approved by FQHC regulations.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and

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communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Prashant Shinde, Bureau Chief, 796-1370

Approved by:

DocuSigned by:

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Date: 5/2/2022 | 3:02 PM PDT

Elsa Mendoza Jimenez, Director of Health, 755-4526

Attachments:

Proposed Board Resolution

Proposed Article I.d. Fee Schedule

Sliding Scale Discount Chart

Clinic Services 2022 Fee Analysis Methodology



Monterey County Board of Supervisors

Board Order

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066
www.co.monterey.ca.us

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Luis A. Alejo to:

Adopt Resolution No.: 22-181

Amend Article I.d. of the Monterey County Master Fee Resolution effective July 1, 2022, to adjust certain fees related to the Health Department's Clinic Services Bureau (Clinic Services) pursuant to the attached Fee Schedule.

PASSED AND ADOPTED on this 24th day of May 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams

NOES: None

ABSENT: None

(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting May 24, 2022.

Dated: May 27, 2022
File ID: RES 22-089
Agenda Item No.: 26

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Julian Lorenzana, Deputy

*Before the Board of Supervisors in and for the
County of Monterey, State of California*

Adopt Resolution No.: 22-181

amending Article I.d. of the Monterey County Master)
Fee Resolution effective July 1, 2022, to adjust certain)
fees related to the Health Department’s Clinic)
Services Bureau pursuant to the attached Fee)
Schedule.)

THE MONTEREY COUNTY BOARD OF SUPERVISORS FINDS:

- A. Section 1.40.010 of Chapter 1.40 of Monterey County Code provides that all fees, penalties, refunds, reimbursements and charges of any kind by the County may be specified in the Monterey County Fee Resolution.
- B. The Health Department’s Clinic Services Bureau has service fees which are appropriate to specify in the Monterey County Master Fee Resolution, Article I.d effective July 1, 2022.
- C. This action to modify charges to meet operational expenses is statutorily exempt from environmental review [Pub Res. Code sec. 21080 subd. (b)(8)].
- D. Any and all adjustments to fees for services reflect no more than the actual, reasonable, fully loaded cost of the service or benefit received by the payor. Any nominal discount offered has a zero impact to the departmental budget, resulting in a zero impact on General Fund Contribution and implementation of that discount does not result in increased charges to other patients.
- E. By definition, these service fees are not a ‘tax’ and are exempt from voter approval pursuant to Article XIII C section 1(e)(1)-(2) of the California Constitution (‘Prop. 26’; charges imposed for specific benefit conferred/privilege/service or product provided or granted to the payor).

THE MONTEREY COUNTY BOARD OF SUPERVISORS RESOLVES:

- I. Article I.d. of the Monterey County Fee Resolution is amended effective July 1, 2022 and thereafter with all schedules, tables, fees, taxes, penalties, and charges contained therein are hereby adopted as described in the attachment to this resolution.
- II. All prior resolutions regarding such fees are hereby repealed.

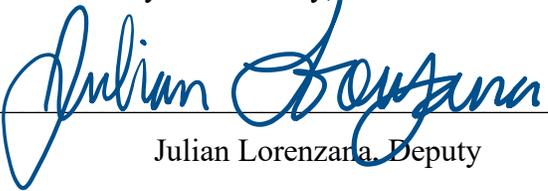
PASSED AND ADOPTED on this 24th day of May 2022, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams
NOES: None
ABSENT: None
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting May 24, 2022.

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