



Monterey County

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Board Report

Legistar File Number: A 14-265

December 02, 2014

Introduced: 11/19/2014

Version: 1

Current Status: Consent Agenda

Matter Type: BoS Agreement

Approve and authorize the Chair of the Board of Supervisors to sign Amendment #5 to Agreement #A-11489 for July 1, 2011 through June 30, 2015 with Central California Alliance for Health (CCAH) for a change in premium amounts for the provision of health plan benefits for In-Home Supportive Service (IHSS) providers.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve and authorize the Chair of the Board of Supervisors to sign Amendment #5 to Agreement #A-11489 for July 1, 2011 through June 30, 2015 with Central California Alliance for Health (CCAH) for a change in premium amounts for the provision of health plan benefits for In-Home Supportive Service (IHSS) providers.

SUMMARY/DISCUSSION:

The Central California Alliance for Health has offered the Alliance Care IHSS health plan since July 1, 2005, providing comprehensive and high quality coverage including hospital, outpatient, primary and specialized care, prescription drugs, mental health services, etc. for IHSS providers who meet eligibility criteria.

The Affordable Care Act requires that CCAH rebate part of the premiums if it does not spend at least 85% of the premiums received on health care services and no more than 15% of the premiums may be spent on administrative costs. This is referred to as the "Medical Loss Ratio" standard of the 85/15 rule. In 2013, CCAH spent only 75.2% on health care services, consequently, CCAH provided a rebate to the County and the premiums for the current year have been reduced. Effective 8/1/14 thru December 31, 2014 the monthly member premiums will be \$275 and effective January 1, 2015 thru June 30, 2015, the monthly member premiums will be \$409. Monterey County Public Authority is working on the process by which they will reimburse IHSS Providers for their share of the rebate savings.

The agreement total was kept the same so that it is in line with the negotiated rate of \$0.69 per hours worked from IHSS Providers, therefore serving additional providers with the savings caused by the reduced rate. The Monterey County Public Authority is recommending the Board authorizes and approves the contract amendment for the rate changes.

OTHER AGENCY INVOLVEMENT:

The Auditor-Controller and Purchasing have reviewed and approved this amendment. County Counsel has approved the amendment as to form.

FINANCING:

There is no change to the contract amount. However, the reduction in premiums will allow the plan to cover more IHSS provider premiums and substantially reduce the wait list, if not eliminate it altogether. There are sufficient appropriations and estimated revenues included in SOC001 of the FY 2014-15 Adopted Budget. There is no additional impact to the County General Fund.

Prepared by: Bertha Gonzalez, MA II, x4904



Approved by: Elliott Robinson, Director, x4434

Attachments: Central California Alliance for Health Original Agreement and Amendments #1-#5.
Proposed amendment is on file with Clerk of the Board as an attachment to this Board Report.