



Legislation Details (With Board Report)

File #: A 14-143 **Name:** County of Los Angeles (LIHP Program)

Type: BoS Agreement **Status:** Passed

File created: 6/10/2014 **In control:** Board of Supervisors

On agenda: 6/24/2014 **Final action:** 6/24/2014

Title: Approve and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute an Agreement with the County of Los Angeles (“Host County”) for the California Department of Health Care Services (“DHCS”) Medicaid administrative costs related to administering the Low Income Health Program (“LIHP”) in an amount not to exceed \$24,367 for the period May 1, 2014 to June 30, 2015.

Sponsors: Sid Cato

Indexes:

Code sections:

Attachments: 1. County of Los Angeles (LIHP Program), 2. Completed Board Order

Date	Ver.	Action By	Action	Result
6/24/2014	1	Board of Supervisors	approved	

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RECOMMENDATION:

It is recommended that the Board of Supervisors approve and direct the Purchasing Manager for Natividad Medical Center (NMC) to execute an Agreement with the County of Los Angeles (“Host County”) for the California Department of Health Care Services (“DHCS”) Medicaid administrative costs related to administering the Low Income Health Program (“LIHP”) in an amount not to exceed \$24,367 for the period May 1, 2014 to June 30, 2015.

SUMMARY/DISCUSSION:

On November 2, 2010, the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (“CMS”), approved the State of California’s Section 1115 Medicaid Waiver Proposal, Bridge to Reform Demonstration Project (“Demonstration”), as a transition to federal health care reform. Pursuant to the Special Terms and Conditions (STCs”) of the Demonstration and Section 15909, et seq., of the Welfare and Institutions Code, the County contracted with the State Department of Health Services (“DHCS”) to operate a Low Income Health Program known as ViaCare Monterey County (“ViaCare”).

Pursuant to the LIHP agreement between the County of Monterey and DHCS, the County of Monterey agreed to pay a portion of the State’s costs of administering the program. An agreement was reached with DHCS that it would deal only with one county, known as the Host County, for purposes of invoicing, payment and appeals associated with those administrative

expenses. Los Angeles County agreed to act as the Host County. The Host County is entering into an agreement with all of the counties which participated in the LIHP. Exhibit 1 (attached) is the distribution formula used to determine each participating entity's share of allowable state administrative expenses. Exhibit 2 (attached) is the Annual Compensation Payment to the Host County. The Department of Health Care Services Amended Invoice for Demonstration Year 8 (attached) lists the County of Monterey payment amount due of \$24,367.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed and approved this Agreement as to legal form and risk provisions. Auditor-Controller has reviewed and approved this Agreement as to fiscal provisions. The CAO-Budget and Analysis Division has advised NMC to inform the BOS that the spending authority (appropriations) associated with NMC's FY 2014 Adopted Budget has been exceeded and approval and authorization for modification of NMC's appropriation budget should be presented to the BOS. Since NMC is an Enterprise Fund, this does not prevent continued expenditures, but it is considered good public policy, transparency and fiscal management. The Agreement has also been reviewed and approved by Natividad Medical Center's Finance Committee (5-29-2014) and Board of Trustees (6-6-2014).

FINANCING:

The cost for this Agreement is \$24,367 and is included in the Fiscal Year 2013/2014 Adopted Budget and may be paid in FY 2014-2015. The invoice has been received and the requirement is to pay within 60 days. NMC is confirming its appropriations position and if its spending authority has been exceeded will return to the Board. There is no impact to the General Fund.

Prepared by: Nancy Majewski, Managed Care Operations Manager, 783-2385

Approved by: Daniel Leon, Chief Financial Officer, 783-2551

Attachments: Agreement

Exhibit 1: Distribution Formula

Exhibit 2: Annual Compensation Payment to Host County

Attachment A: Agreement with the California DHCS for Administrative Services
Related to the LIHP

Attachment B: Department of Health Care Services Administrative Positions Policy
Department of Health Care Services Amended Invoice