



## Board Report

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**File #: 13-0026, Version: 1**

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- a. Receive an oral update on the status of the Low Income Health Program application; and
- b. Receive an oral update on the development of Access Point for Health Care Services, a local program for uninsured in Monterey County; and
- c. Receive an oral summary overview of the County's preparation for implementation of Affordable Care Act in January 2014; and
- d. Provide direction to staff on options delineated in Board Report. (ADDED VIA ADDENDUM)

### RECOMMENDATION

It is recommended that the Board of Supervisors:

- a. Receive an oral update on the status of the Low Income Health Program application; and
- b. Receive an oral update on the development of Access Point for Health Care Services, a local program for uninsured in Monterey County; and
- c. Receive an oral summary overview of the County's preparation for implementation of Affordable Care Act in January 2014; and
- d. Provide direction to staff on options delineated in Board Report.

### SUMMARY/DISCUSSION

#### Low Income Health Program

On December 12, 2012, staff held a conference call with representatives of the California Department of Health Care Services (DHCS) to discuss our Low Income Health Program (LIHP) application modifications submitted at the direction of your Board on November 6, 2012.

- Maintenance of Effort (MOE) dollar amount was reduced to current statutory requirement of \$3.37 million. Additional documentation was re-submitted to the State on December 21, 2012 and on January 7, 2013 resulting in a revised MOE of approximately \$3.34 million.
- On December 21, 2012, DHCS notified staff that your Board's request to incorporate language to minimize future year erosion of realignment funding was denied.
- On January 7, 2013, DHCS notified staff that revised MOE of \$3.3 million was approved.

#### Access Point for Health Care Services

On December 11, 2012, Health, NMC and Social Services Department staff presented to your Board a potential strategy to improve access to health care for uninsured and plans for transitioning individuals to insurance products on January 1, 2014. Staff has been meeting to address pending issues discussed:

- Eligibility Determination and Enrollment Process (Requires additional resources.)
- Fee Schedule and Co-Payments
- Provider Network (All participating providers will need to do so without any additional revenue.)
- Legal review of the concept to ensure these efforts are in compliance with Knox-Keene and all relevant regulations.
- Work with United Way to facilitate participation in the County discount pharmacy program.

Attached is a comparison of the Medically Indigent Adult Program, Access Point for Health Care Services, and LIHP (Attachment A).

#### Options for Consideration:

1. Move forward with LIHP only at reduced MOE of \$3,341,033 without amended contract language to minimize future year erosion of realignment funding

- Full Scope of physical and mental health benefits
  - Enrollees transition to Medi-Cal in 2014
  - Limited general fund exposure due to reduced Federal Poverty Level eligibility
  - Lack of protective language of realignment funding
2. Or move forward with LIHP only at original MOE of \$13,420,919 without amended language to minimize future year erosion of realignment funding
    - Exceeds statutorily established County MOE for health services
    - General Fund commitment is \$10 million greater than current MOE for health services
  3. Or move forward with Access Point only
    - Limited to total current operational expenditure authority with no additional General Fund Contribution
    - Limited scope of service
    - Limited enrollment
    - Requires additional systems to be developed to conduct eligibility, enrollment, management, and utilization review
  4. Or move forward with Access Point and LIHP at reduced MOE
    - Requires additional resources to implement both programs
  5. Or move forward with Access Point and LIHP at original MOE
    - Requires additional resources to implement both programs

Staff recommends moving forward with Option 1.

#### Preparation for Affordable Care Act (ACA)

Staff will provide an oral summary of preparation efforts underway to transition the approximate 20,000 Medicaid eligible residents and 40,000 Health Insurance Exchange eligible residents to health care coverage through managed care insurance products available January 1, 2014.

Discussion will focus on:

- Development of seamless systems of care across all County of Monterey provided inpatient and outpatient healthcare service providers
- Accept multiple new payment structures such as bundled payments, capitation, block grants, and fee for service
- Planning of outreach and enrollment efforts
- Establishment of eligibility and determination process
- Establishment of Primary Care Medical Homes
- Assessment of Provider Capacity
- Development of Electronic Health Record

#### OTHER AGENCY INVOLVEMENT:

Natividad Medical Center, Health Department, Department of Social Services, County Counsel are participating in concept development and planning for implementation of Affordable Care Act.

Attachment A. Matrix MIA-Access Pt. LIHP on file with the Clerk of the Board.

#### FINANCING:

The cost of services under the Access Point Proposal is anticipated to remain consistent with Natividad Medical Center's and Health Department's current expenditures on uninsured and is included in their Fiscal Year 2012-13 Adopted Budgets. Under the Low Income Health Program/ViaCare, costs are not to exceed \$3,341,033. These services are funded with Health Realignment monies. Requested action will not result in an impact to the General Fund.

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Ray Bullick  
Director of Health

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Harry Weis  
CEO, Natividad Medical Center

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Date

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Date

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Elliott Robinson  
Director of Social Services

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Date

Attachment: Attachment A Matrix MIA-Access Pt. LIHP  
Attachment on file at the Clerk of the Board