



# County of Monterey

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

## Board Report

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**File #:** RES 16-027, **Version:** 1

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Adopt a Resolution amending Article I.d. of the Monterey County Master Fee Resolution effective July 1, 2016, to adjust certain fees related to the Health Department's Clinic Services Bureau pursuant to the attached Fee Schedule.

### RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt a Resolution amending Article I.d. of the Monterey County Master Fee Resolution effective July 1, 2016, to adjust certain fees related to the Health Department's Clinic Services Bureau pursuant to the attached Fee Schedule.

### SUMMARY/DISCUSSION:

The Health Department's Clinic Services Bureau (Clinic Services) operates Federally Qualified Health Center Look-Alike (FQHC-LA) clinics that are required, by the Health Resources and Services Administration (HRSA), to periodically review its fee schedule to ensure that it accurately reflects the costs of services provided and that fees are consistent with local prevailing rates or charges. Despite the Health Department's Clinic Services implementing fee increases over two consecutive years to be in compliance with the Policy Information Notice set by HRSA on Sliding Fee Discount and Related Billing and Collections Program Requirements issued in 2014, Calendar Year 2015 Uniform Data System (UDS) data to HRSA indicates our fees are still lower than the average in the State and still do not result in 100% cost recovery for services performed. At this time, the Health Department's Clinic Services Bureau is proposing that, starting with FY 2016-17 and following, that fees be adjusted, in most cases, with an increase by an average of 10.91% to facilitate a closer approach to full recovery and the market rate of the services performed. In some cases, though, new procedures and procedure billing numbers are implemented, which has resulted in a new fee collection indicated in the attached spreadsheet, and, in some cases, a greater than 10% is indicated to reflect an adjustment to the current market rate of services. In some cases, no adjustment is indicated.

To prevent the increase in fees being a barrier to patients accessing primary care services, Clinic Services is also adjusting its existing fee sliding scale discount levels by 1.3% for eligible patients. The cost per visit will range from \$0 to \$120 if a patient's income is at or below 200% of the Federal Poverty Level (FPL). FQHC-LA is not allowed to provide discounts to individuals and families with annual incomes above 200% of the FPL.

The new flat fee sliding scale discount chart and calculations and documents in support of all fee adjustments recommended herein are attached and/or are on file with the Clerk of the Board. In all cases, 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).

### OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed, and approved as to legal form, the proposed amendment to Article I.d. of the Monterey County Master Fee Resolution.

**FINANCING:**

The recommended fee adjustments are intended to recapture a portion of the services costs, without generating additional revenue, to assure that the programs remain as close to revenue neutral with no additional impact on the County's General Fund Contribution to the Department as well as addressing HRSA's finding that the fees are lower than state average.

Currently, all patients visiting Clinic Services clinics are prescreened 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 under the 200% Federal Poverty Level can apply for the discounts as approved by FQHC regulations.

Prepared by: Nan Kyung Kim, Finance Manager, 1308

Approved by: Elsa Jimenez, Interim Director of Health, 4526

Attachments:

Proposed Resolution, on file with the Clerk of the Board

Proposed Article I.d. fee schedule on file with the Clerk of the Board

Final Article I.d fee schedule on file with the Clerk of the Board

Sliding Scale Discount Chart, Effective July 1, 2016

Clinic Services fee schedule calculations justification