



# County of Monterey

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

## Board Report

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**File #:** 16-869, **Version:** 1

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Ratify the County Administrative Officer's execution of a Tolling Agreement between the Department of Health Care Services (DHCS) and the County of Monterey effective June 30, 2016 extending the review time of the final Health Realignment calculations of Assembly Bill 85 (AB85) FY 2013-14 by 30 days to July 31, 2016.

### RECOMMENDATION:

It is recommended that the Board of Supervisors ratify the County Administrative Officer's execution of a Tolling Agreement between the Department of Health Care Services (DHCS) and the County of Monterey effective June 30, 2016 extending the review time of the Health Realignment final calculations of AB85 FY 2013-14 by 30 days to July 31, 2016.

### SUMMARY/DISCUSSION:

Pursuant to Welfare and Institutions Code Section 1700, California counties must provide medical care to indigent residents legally residing in the County. Previously counties provided care by relying on local, State and Federal funds via the realignment of health and social services programs. When California elected to implement a State-run Medicaid Expansion under the Affordable Care Act, the State anticipated a reduction of costs to counties. Assembly Bill 85 (AB85) was soon signed allowing for the redirection of State Health Realignment funding. The County must submit annual reports to the State beginning with FY 2013-14 to determine how much Health Realignment funding if any should have been redirected each year.

On June 29, 2016, the County received a request from the California Association of Public Hospitals and Health Systems (CAPH) to join other public hospitals in California in entering into agreements with the Department of Health Care Services tolling time for pursuing certain judicial review of the FY 2013-14 final Realignment.

Due to the finalization of the first AB85 year (FY 2013-14) on June 30, 2016 and the negotiated terms under the AB85 agreement, the participating counties were left without the necessary time to contest negative determinations made during the review process. For this reason and to avoid litigation, all members were asked to sign an agreement which tolls/extends the time frame to review and work with DHCS on the final AB85 FY 2013-14 calculations should a member be in such situation. Monterey County is not contesting DHCS determination for FY 2013-14, but in support of all members was required to participate since it was a collective offer granted by DHCS. Attached is the tolling agreement extending the time until July 31, 2016.

The tolling agreement had to be submitted to DHCS by noon on June 30, 2016 and could not be brought before the Board prior to execution by County Administrative Officer and submittal to DHCS.

### OTHER AGENCY INVOLVEMENT:

County Counsel reviewed the agreement as to form prior to execution. Natividad Medical Center worked together with the County Administrative Office in submitting the agreement.

### FINANCING:

There is no financial impact.

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Approved by, Lew Bauman, County Administrative Officer

Attachment: DHCS Tolling Agreement

(Attachments are on file with the Clerk of the Board.)