



County of Monterey

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

Board Report

File #: A 17-287, Version: 1

- a. Approve and authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an Agreement with Pacific Health Alliance (PHA) for Third Party Administrator (TPA) Services for the County of Monterey's Pilot Project for the Remaining Uninsured, in an amount up to \$200,000, effective July 1, 2017 through June 30, 2018, subject to further review and approval of County Counsel, County Risk Manager, and County-Auditor Controller;
- b. Approve and authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) one-year amendments that do not exceed ten percent (10%) (\$20,000) of the original Agreement amount and do not significantly alter the scope of services.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Deputy Purchasing Agent for Natividad Medical Center (NMC) or his designee to execute an Agreement with Pacific Health Alliance (PHA) for Third Party Administrator (TPA) Services for the County of Monterey's Pilot Project for the Remaining Uninsured, in an amount up to \$200,000, effective July 1, 2017 through June 30, 2018, subject to further review and approval of County Counsel, County Risk Manager, and County-Auditor Controller;
- b. Approve and authorize the Deputy Purchasing Agent for NMC or his designee to sign up to three (3) one-year amendments that do not exceed ten percent (10%) (\$20,000) of the original Agreement amount and do not significantly alter the scope of services.

SUMMARY/DISCUSSION:

The Affordable Care (ACA) was enacted to provide Medicaid (Medi-Cal) and other coverage options through the exchange to many low-income individuals with the goal of decreasing the number of uninsured individuals. However, many Monterey County residents remain uninsured and unable to pay for costly medical care, procedures and prescription medications. Of those uninsured, it is estimated that there are approximately 30,000 to 50,000 residents without any medical insurance living in Monterey County due to their documentation status. In order to address similar uninsured gaps state-wide, the Governor and the State Legislature agreed upon a Budget that funds full scope Medi-Cal coverage for eligible undocumented California residents from age 0 - 19 which took effect May 2016. In Monterey County about 6,000 children were enrolled in managed Medi-Cal at that time still leaving many uninsured adult individuals in the County.

In response to this need, the Board of Supervisors approved an allocation of \$500,000 of General Fund dollars in August 2016 establishing the County's Pilot Project for the Remaining Uninsured to provide limited scope pharmaceuticals, laboratory tests, and radiology services as presented by staff in collaboration with COPA (Communities Organized for Relational Power and Action). These services are provided by the Health Department's Federally Qualified look-alike health clinics which are mandated, by HRSA (Health Resources and Services Administration), to provide medical care to all patients regardless of ability to pay and by Natividad Medical Center (NMC). The County's Pilot Project for the Remaining Uninsured was implemented in November 2015 and through March 2017 has served 2,005 individuals.

At the Board of Supervisor's meeting on May 23, 2017, staff was directed to proceed with implementation of

an expanded Pilot Project allowing for the provision of primary and specialty care ambulatory services. Also on May 23, 2017 staff presented their plan to contract with a Third Party Administrator (Pacific Health Alliance) to assist with program management and reporting.

Natividad Medical Center, County Administrative Office and the Health Department have been working on an agreement with Pacific Health Alliance which is undergoing final negotiations. To ensure expedient implementation of the Pilot Program we are seeking authorization to execute an agreement with Pacific health Alliance effective 07/01/2017 subject to further review and approval of County Counsel, County Risk Manager and County Auditor Controller. This County wide project has not been reviewed by the NMC Finance Committee and the NMC Board of Trustees.

OTHER AGENCY INVOLVEMENT:

The CAO-Office of Community Engagement & Strategic Advocacy, Natividad Medical Center and the Health Department prepared this report.

FINANCING:

As presented, the expansion of the Pilot Project is estimated to be \$2.0 million, \$1.8 million for direct services and \$200,000 for administering the Project. Project funding will come from Natividad Medical Center's operational revenues residing in fund 451.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

- ☐ Economic Development
- ☐ Administration
- ☒ Health & Human Services

The County's Pilot Project for the Remaining Uninsured will help to serve the uninsured adult population of Monterey County by offering equitable opportunities for health choices and healthcare which will improve the health and quality of life for this demographic. The agreement with PHA for third party administrative services is needed to support the success of the pilot project.

- ☐ Infrastructure
- ☐ Public Safety

Prepared by and Approved by: Elsa Jimenez, Director of Health
Gary R. Gray, DO, NMC CEO
Manny Gonzalez, Assistant CAO

Attachments: No attachments