



County of Monterey

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

Board Report

File #: A 18-376, **Version:** 1

Authorize the Chief Executive Officer of Natividad to sign Amendment No. 1 (“Amendment”) to the Pacific Health Alliance Pilot Project Agreement to extend the provision of program administration (“PA”) services for the County of Monterey’s Pilot Project for the Remaining Uninsured for an additional year and to add \$300,000 for a total not to exceed contract amount of \$500,000, retroactive to July 1, 2018 through a run out period of December 31, 2019.

RECOMMENDATION:

It is recommended the Board of Supervisors:

Authorize the Chief Executive Officer of Natividad to sign Amendment No. 1 (“Amendment”) to the Pacific Health Alliance Pilot Project Agreement to extend the provision of program administration (“PA”) services for the County of Monterey’s Pilot Project for the Remaining Uninsured for an additional year and to add \$300,000 for a total not to exceed contract amount of \$500,000, effective July 1, 2018 through a run out period of December 31, 2019.

SUMMARY/DISCUSSION:

The Affordable Care Act (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 the uninsured, it is estimated that there are approximately 30,000 to 50,000 adult residents over the age of 18 living in Monterey County without any medical insurance due to their documentation status.

In response to this need, the Board of Supervisors approved an allocation of \$500,000 of General Fund dollars in August 2015 establishing the County’s Pilot Project for the Remaining Uninsured to provide limited scope pharmaceuticals, laboratory tests and radiology services. These services were provided by the Health Department’s Federally Qualified look-alike health clinics, which serve designated medically underserved populations under the applicable Scope of Project with HRSA (Health Resources and Services Administration), and by Natividad. The County’s Pilot Project for the Remaining Uninsured was implemented in November 2015 through September 2017 and served approximately 2,005 individuals.

In May 2017, the Board of Supervisors directed staff to proceed with implementation of an expanded Pilot Project allowing for the provision of primary and specialty care ambulatory services for fiscal year 2017/2018 with the Natividad enterprise funds of \$1.8 million, and \$200,000 for PA services.

On June 27, 2017, the Board of Supervisors approved and authorized the current Agreement with Pacific Health Alliance (PHA) for the County of Monterey’s Pilot Project for the Remaining Uninsured, for up to \$200,000, effective July 1, 2017 through June 30, 2018 to assist with the program management and reporting. The project, named Esperanza Care, became effective October 1, 2017. The enrollment cap of 2,500 individuals was raised to 3,500 by the Board of Supervisors effective April 1, 2018. This amendment extends the term to June 30, 2019, with a run out period until December 31, 2019, replaces the current Exhibit A with a new Exhibit A-1 and adds an additional \$300,000 to the Agreement for a total of \$500,000 for the fees including the

increased enrollment cap.

The Esperanza Care project will roll over to fiscal year 2018/2019 with the same scope of services and an additional expenditure of \$2 million from the Natividad enterprise fund. Enrollees in the project will be required to re-apply for the project at least annually.

OTHER AGENCY INVOLVEMENT:

County Counsel has been approved as to legal form. County Auditor Controller has approved the financial terms. The Amendment has been reviewed and approved by the Natividad Finance Committee on July 26, 2018 and by the Natividad Board of Trustees on August 3, 2018.

FINANCING:

There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This amendment provides for the smooth transition of the existing Pilot Project for the Remaining Uninsured for fiscal year 2018/2019. It offers equitable opportunities for health choices and healthcare which will improve the health and quality of life for Monterey County residents.

- ☐ Economic Development
- ☐ Administration
- ☒ Health and Human Services
- ☐ Infrastructure
- ☐ Public Safety

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

Approved by: Gary R. Gray, DO, Chief Executive Officer, 783-2504

Attachments:

Pacific Health Alliance PILOT Program Amendment No. 1

Pacific Health Alliance PILOT Program Agreement

Attachments on file with the Clerk of the Board