



Board Report

File #: A 19-352, **Version:** 1

Authorize the Deputy Purchasing Agent of NMC to execute a Health Plan-Provider Agreement with the Fresno-Kings-Madera Regional Health Authority dba CalViva Health, a Medi-Cal Managed Care Plan ("CalViva") to provide for Medi-Cal managed care rate payment increases to NMC for healthcare services rendered in the period of July 1, 2018 to June 30, 2019, to CalViva's Medi-Cal managed care enrollees.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Authorize the Deputy Purchasing Agent of NMC to execute a Health Plan-Provider Agreement with the Fresno-Kings-Madera Regional Health Authority dba CalViva Health, a Medi-Cal Managed Care Plan ("CalViva") to provide for Medi-Cal managed care rate payment increases to NMC for healthcare services rendered in the period of July 1, 2018 to June 30, 2019, to CalViva's Medi-Cal managed care enrollees.

SUMMARY/DISCUSSION:

DHCS administers the Medi-Cal program, under which health care services are provided to qualified low-income persons. Inpatient and outpatient hospital services are a covered benefit under the Medi-Cal program, subject to utilization controls. Existing law provides for Medi-Cal payments to hospitals.

An IGT is an elective transfer of eligible local dollars to the State DHCS in support of the Medi-Cal program, which is authorized in accordance with Section 14164 and other provisions of the Welfare and Institutions Code that are typically program specific. If the State accepts the transfer, the State shall obtain Federal Financial Participation ("FFP") to the full extent permitted by federal law.

In the past, NMC has voluntarily provided IGTs to DHCS in support of the Medi-Cal managed care program as authorized pursuant to Section 14301.4 of the Welfare and Institutions Code. The local fund transfers are effectuated pursuant to an IGT agreement (and an IGT fee assessment agreement if applicable) between the State DHCS and the participating public provider/entity. The opportunity to participate in providing such voluntary IGTs allows for the use of local dollars to make increased payments from plans available to public providers such as NMC to preserve and strengthen the availability and quality of services provided by such providers.

In Monterey County, the Monterey-Santa Cruz-Merced Managed Medical Care Commission d/b/a Central California Alliance for Health ("CCAH") is the local County Organized Health System, which has an existing agreement with NMC to provide clinical and other medical care services covered by Medi-Cal to enrollees of the Plan. NMC participated in the voluntary Rate Range IGT program for the 2017-18 rate year, and has received approximately 82.55% of the available rate increases from CCAH. On June 18, 2019, the Board of Supervisors authorized Board Order A-14351 for the agreement with State DHCS and the local Medi-Cal Plan CCAH.

Natividad also provides services to Medi-Cal managed care enrollees of the Fresno-Kings-Madera Regional Health Authority, dba CalViva Health ("CalViva"). Due to additional funds availability from CalViva, Natividad requests board approval of an agreement with CalViva for payment increases with respect to the services provided ("Health Plan-Provider Agreement"). It is estimated that approximately \$1,300,000 to \$1,400,000 would be available to Natividad as payment increases. The total amount that is actually available will vary, based, among other factors, the number of the particular health plan's Medi-Cal managed care enrollees.

The Board could choose not to participate, in which case NMC and the County would be precluded from participating in this portion of the IGT program for the period of July 1, 2018 to June 30, 2019.

OTHER AGENCY INVOLVMENT:

County Counsel has reviewed and approved the Health Plan-Provider Agreement as to legal form. The Auditor-Controller has reviewed and approved the Health Plan-Provider Agreement as to fiscal provisions. The Health Plan-Provider Agreement has been reviewed and approved by the NMC Finance Committee on August 22, 2019 and the Board of Trustees on September 6, 2019.

FINANCING:

The expected IGT transfer will be financed by NMC. There is no impact to the General Fund.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The opportunity to participate in an IGT allows for the use of local dollars to obtain the federal matching in payments available for public providers such as Natividad and preserve and strengthen the safety net services in Monterey County.

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

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

Attachment:

Health Plan-Provider Agreement