



County of Monterey

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

Board Report

File #: 20-128, **Version:** 1

Approve the Agreement with the California State Department of Health Care Services (DHCS), retroactive to July 1, 2019 through June 30, 2020, for reimbursement of eligible inpatient medical expenses for inmates at the Monterey County Jail through the Medi-Cal for Inmate Program (MCIP).

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Approve the Agreement with the California State Department of Health Care Services (DHCS), retroactive to July 1, 2019 through June 30, 2020, for reimbursement of eligible inpatient medical expenses for inmates at the Monterey County Jail through the Medi-Cal for Inmate Program (MCIP).

SUMMARY/DISCUSSION:

The Monterey County Sheriff's Office (MCSO) requests approval of this agreement. This agreement was previously done by the County Administrative Office and therefore was not listed as a MCSO agreement. The expiration of the previous agreement was realized when MCSO was notified by Natividad that Medi-Cal claims were being denied.

On October 8, 2013 California Assembly Bill No. 720, Chapter 646 was passed, adding Section 4011.11 to the Penal Code and amending Section 14011.10 of the Welfare and Institutions Code relating to inmates. These legislative actions created the Medi-Cal for Inmates program (MCIP), with a start date of January 1, 2014. Prior to the creation of this program, all medical care costs of inmates were borne by the County where inmate was incarcerated.

The program has three sections covering Adults, Juvenile Wards and the compassionate release of terminally ill inmates. Adult prisoners meeting Medi-Cal eligibility guidelines are eligible to have inpatient hospital stays, in a non-correctional care facility, of 24 hours or more covered by Medi-Cal. The Adult eligibility piece of the program serves as the main focus of this board report, as Probation has had few claims in recent history.

One of the action items deemed necessary to enable the enrollment of these inpatient prisoners into Medi-Cal was a Board Order passed on 09/16/2014. The Board Order delineated that the Department of Social Services (DSS) would designate staff members to complete applications and to determine eligibility for inmates and designated the Department of Social Services status to sign a Medi-Cal application for an inmate only if the inmate was unwilling or unable to sign the application.

Since that time, the strategic partners in this plan (DSS, MCSO, Probation, Natividad, and Health) have coordinated on a regular basis to evaluate enrollment strategies, based on the MCIP program language disseminated in 2014.

Prior to implementation of this program, MCSO reimbursed Natividad Medical Center (NMC) and Salinas Valley Memorial Hospital (SVMH) and other hospitals at their Medicare Cost to Charge Ratio, plus ten percent (10%) as a maximum cap cost for hospitalizations. Even at this discounted rate, there were years MCSO paid out over a million dollars a year in inpatient medical costs.

The implementation of this program requires MCSO to reimburse DHCS five percent (5%) of what Medi Cal paid the hospital for documented inmates, and up to ninety-five percent (95%) of what Medi Cal paid the hospitals for billings on undocumented inmates. This expenditure is estimated to be one hundred ninety-five thousand dollars (\$195,000) for FY 2019-2020. It is difficult to accurately determine how many inpatient hospitalizations of twenty-four hours or more will occur, and what the mix between documented/undocumented inmates will be.

The agreement requires MCSO to reimburse DHCS for a pro rata share of administrative costs for the program. This liability is estimated at five thousand dollars (\$5000.00) for Fiscal Year 2019-2020. The total liability for claims reimbursement and state program administration under this contract is estimated at two hundred thousand dollars (\$200,000). This amount was included in the FY 2019-2020 budget.

Implementation of this contract can result in savings of up to \$500,000 per year, based on pre-program costs.

OTHER AGENCY INVOLVEMENT:

Department staff involved in working through this state reimbursement process included MCSO Probation, DSS, Natividad, Health and the County Administrative Office.

FINANCING:

There are no General Fund Impacts resulting from this Board Action.

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Approved by: Steve Bernal, Sheriff/Coroner, Ext #3750

Attachments: Attachment A - DHCS MCIP Agreement for FY 19-20
Attachment B - Summary of Claims Submitted