



County of Monterey

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

Board Report

File #: RES 21-088, **Version:** 1

Adopt a further Resolution amending Article I.d. of the Monterey County Master Fee Resolution effective July 1, 2021, as corrected, to adjust certain fees related to the Health Department's Clinic Services Bureau (Clinic Services) pursuant to the attached Fee Schedule.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt a further Resolution amending Article I.d. of the Monterey County Master Fee Resolution effective July 1, 2021, as corrected, to adjust certain fees related to the Health Department's Clinic Services Bureau (Clinic Services) pursuant to the attached Fee Schedule.

SUMMARY/DISCUSSION:

On May 4, 2021 the Board of Supervisors approved Resolution No. 21-127, amending Article I.d. of the Monterey County Master Fee Resolution effective July 1, 2021, to adjust certain fees related to the Health Department's Clinic Services Bureau (Clinic Services) pursuant to the attached Fee Schedule. Clinic Services inadvertently attached the FY 2020 Fees when Clinic Services intended to attach the FY 2021 Fees. Clinic Services has returned with this item for issuance of a Board resolution with the correct associated FY 2021 Fees effective July 1, 2021.

The Health Department's Clinic Services Bureau (Clinic Services) operates Federally Qualified Health Center Look (FQHC) clinics that are required, by the Health Resources and Services Administration (HRSA), to periodically review its fee schedule to ensure that it accurately reflects costs of services rendered and that fees are consistent with local prevailing rates or charges. In compliance with the requirements, Clinic Services has been reviewing and adjusting its fee schedules annually.

Compared to the fees of FY20-21, the proposed fees for FY21-22 contain an average 6.7% increase to evaluation and management services, psychiatric evaluation and management services, education and self-management services, and comprehensive perinatal service. No increase was made to procedures and other testing services.

Clinic Services has adopted telehealth services as the main venue to deliver primary care services during the Covid Public Health Emergency and has limited face-to-face visits and postponed procedures and other testing services if applicable. This resulted in lower frequencies in testing and procedural services and made it difficult to apply existing methods of assessing fee schedules. Therefore, Clinic Services proposes no changes to current fees for procedural services and other testing services. The proposed increase of 6.7% to evaluation and management services, psychiatric evaluation and management services, education and self-management services, and comprehensive perinatal service reflect average salaries and benefit increase in FY21-22 from FY20-21.

Additionally, Clinic Services is mandated by HRSA to offer Sliding Fee Discount Program (SFDP) for patients whose income is at or below 200% of the Federal Poverty Level (FPL). For FY21-22, Clinic Services proposes no change to the SFDP discount schedule by continuing the SFDP fees at \$0, \$45, \$75, \$110 and \$130, respectively for those who were eligible if a patient's income is at 100% or below, under 120%, under 133%,

under 185% and at 200% or below of the FPL. The current level of the SFDP discount schedule would keep services of Clinic Services affordable for the patients as well as comply with HRSA's requirements of reflecting costs of services in charges and increased efforts in maximizing revenue.

The proposed fees reflect no more than the actual, reasonable, fully loaded costs of the services provided to the payor/applicant. By definition, these service charges are not a 'tax' and are exempt from voter approval pursuant to Article XIII C section 1(e)(1)-(2) of the California Constitution ('Prop. 26': charge imposed for specific benefit conferred/ privilege/ service or product provided or granted to the payor).

This work supports the Monterey County Health Department's 2018-2022 Strategic Plan Initiatives: 1. Empower the community to improve health; and 3. Ensure access to culturally and linguistically appropriate, customer-friendly, quality health services. It also supports the following of the ten essential public health services, specifically: 5. Develop policies and plans that support individual and community health efforts; and 7. Link people to needed personal health services and assure the provision of health care when otherwise unavailable.

OTHER AGENCY INVOLVEMENT:

County Counsel and Auditor-Controller have reviewed and approved this Agreement as to legal form and fiscal provisions, respectively.

FINANCING:

The recommended fee adjustments are intended to recapture service costs with considerations of operation cost, payor reimbursements and prevailing local charges, without generating additional revenue. It is to assure that the programs remain revenue neutral with no additional impact on the County's General Fund Contribution to the Department. The fee increase is also intended to stay compliant with HRSA's requirements. FQHCs reimbursements by Medi-Cal and Medicare is Perspective Payment System (PPS), which will not be affected by the proposed fee schedules. Similarly, Clinic Services does not expect significant increase in revenue from patients resulting from the fee increases.

Currently, all patients visiting Clinic Services clinics are screened for eligibility into State and Federal programs to ensure that all patients eligible for a third-party payor source are enrolled in appropriate programs. All patients can apply for the SFDP and eligible for the discounts if they are under the 200% Federal Poverty Level, as approved by FQHC regulations.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

☐Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

☐Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☒Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services, promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☐Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Nan Kyung Kim, Finance Manager, 796-1308

Approved by:

Date: _____

Elsa Mendoza Jimenez, Director of Health, 755-4526

Attachments:

Resolution

Resolution No. 21-127 approved May 4, 2021

Proposed Article I.d. Fee Schedule, effective July 1, 2021

Sliding Scale Discount Chart, Effective July 1, 2021

Sliding Scale Discount Policy