



COUNTY OF NEVADA COUNTY EXECUTIVE OFFICE

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NEVADA COUNTY BOARD OF SUPERVISORS Board Agenda Memo

MEETING DATE: June 23, 2020

TO: Board of Supervisors

FROM: County Executive Office

SUBJECT: Resolution authorizing the Chair of the Board of Supervisors to Execute a three-year Administrative Agreement with the California Department of Healthcare Services (DHCS), specifying reimbursement amounts for fiscal years 20/21 through 22/23 in a total amount not to exceed \$8,468.06 as a condition of participation in the Medi-Cal Inmate Program (MCIP).

RECOMMENDATION: Adopt the Resolution.

FUNDING: The Administrative Agreement specifies the administrative cost paid by the County to DHCS to participate in the MCIP over the next three fiscal years for a total not to exceed amount of \$8,468.06 (FY 20/21 - \$2,686.14, FY 21/22 - \$2,820.45, FY 22/23 \$2,961.47). Since the program's inception in 2017, the County has saved approximately \$233,077 via federal Medi-Cal reimbursements through the second quarter of 2019-20. Expenditures for the Agreement are in the Sheriff's Corrections budget for FY 20/21; no budget amendment is needed and there are no additional General Fund dollars required.

BACKGROUND: The County is responsible for the cost of medical services provided to individuals incarcerated at jail facilities and the Juvenile Hall. Currently these services are largely provided through contract with the California Medical Forensics Group (CFMG). When an inmate needs inpatient treatment at a hospital or other medical facility, CFMG pays the first \$15,000, and the County directly pays any amounts above \$15,000.

A significant portion of this treatment is for inmates who meet the income requirements to be covered by Medi-Cal. However, Federal law prohibits claiming Medi-Cal funding for incarcerated and/or detained individuals, except for inpatient services rendered off the grounds of the incarceration institution.

In 2010 with AB 1628, California amended a statute to allow Medi-Cal claims for eligible treatment of inmates admitted to inpatient facilities.

In December of 2016 the Department of Health Care Services (DHCS) implemented the Medi-Cal Inmate Participation Program (MCIP), which was effective April 1, 2017. With the MCIP program, services for Medi-Cal eligible inmates are billed to the Department of Health Care Services, and CMFG receives the federal portion of reimbursement for those services and does not bill the County for those services. As a result, costs are reduced for both the County and CFMG for Medi-Cal eligible inmate services.

In the past, the DHCS required the County to enter into only one agreement to participate in the MCIP. The County previously opted into the MCIP and authorized administrative payments with Resolution 17-062 for fiscal year 2016/17, Resolution 17-063 for fiscal year 2017/18, Resolution 18-179 for fiscal year 2018/19, and Resolution 19-490 for fiscal year 2019/20.

For the coming fiscal year, we are required to enter into two separate agreements—the Participation and the Administrative Agreements. The Board of Supervisors approved the evergreen Participation Agreement on May 26, 2020 (Resolution 20-187), which will allow the County to participate in the MCIP on an on-going basis, unless terminated by either party. The Administrative Agreement now before the Board specifies the administrative costs to be paid or reimbursed by the County over the next three years (FY 20/21, 21/22, and 22/23) in a total, not to exceed amount of \$8,468.06. The administrative costs are based on the non-federal share of DHCS costs to administer the program for participating counties and includes a 5 percent cost adjustment factor for FYs 21/22 and 22/23.

Item Initiated by: Georgette Aronow, Sr. Management Analyst

Approved by: Martin Polt, Deputy County Executive Officer