

# COUNTY OF NEVADA HEALTH & HUMAN SERVICES AGENCY

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# NEVADA COUNTY BOARD OF SUPERVISORS

**Board Agenda Memo** 

## **MEETING DATE:**

**TO:** Board of Supervisors

**FROM:** Ryan Gruver

**SUBJECT:** An Ordinance authorizing County of Nevada to join Partnership HealthPlan of

California Commission

**RECOMMENDATION:** Introduce and waive reading of an Ordinance authorizing County of Nevada to join Partnership HealthPlan of California Commission.

**FUNDING:** This Ordinance has no fiscal provisions, and no impact to the General Fund.

### **BACKGROUND:**

Over the past several decades, California has implemented a variety of Medicaid (in California called "Medi-Cal") managed care models, including the County Organized Health System (COHS), the Two-Plan Model and the Geographic Model. In 2013 Medi-Cal managed care was expanded to 28 California counties, including Nevada County. Many counties in Northern California sought to enter the COHS model. The COHS model is generally regarded as offering counties the greatest amount of local control, with counties being directly responsible for governance of their respective plans, either alone or in combination with other counties. One specific COHS model is the Partnership Health Plan which currently serves several Northern California counties, and has a strong reputation for high quality, access, and collaboration with counties and medical providers. Prior to the 2013 managed care expansion, many Northern California counties sought to join the COHS model under Partnership Health Plan. However, at the time Department of Health Care Services (DHCS) restricted the number of counties allowed to enter into a COHS model, and assigned the remaining counties to the Regional Model, in which the state contracts with two for-profit plans to administer Medi-Cal benefits in a county. Nevada County, along with most other counties in our region, was assigned to the Regional Model and Anthem Blue Cross and California Health and Wellness were selected as our two Medi-Cal managed care plans. Nevada County was not consulted by DHCS on its assignment to the Regional Model or on the procurement process that led to the selection of our two Medi-Cal managed care plans.

In 2018, Senator Jim Nielsen requested, and the Joint Legislative Audit Committee approved, a state audit of DHCS's oversight of managed health care in the 18 small and rural counties under the Regional Model. In August of 2019, the State Auditor released a report entitled "Department of

Health Care Services: It Has Not Ensured That Medi-Cal Beneficiaries in Some Rural Counties Have Reasonable Access to Care" that found a number of shortcomings in the provision of healthcare services to Medi-Cal recipients in rural counties, and recommending that DHCS assist counties in transitioning to the COHS Model.

Pursuant to the State Auditor's recommendations, DHCS released information on the upcoming statewide procurement of commercial Medi-Cal MCPs and issued an instruction that all counties wishing to transition to a COHS should submit a letter of intent to DHCS by March 31, 2021. The Nevada County Board of Supervisors approved the required letter of intent on March 23, 2021 (Res 21-066). Nevada County is one of ten counties currently in the regional model who are eligible to switch to the COHS model with Partnership HealthPlan. All ten counties approved letters of intent to join Partnership HealthPlan of California Commission.

The next step in the process of transitioning health plans is to pass the attached Ordinance formalizing the County's choice. Staff recommends the Board introduce and waive reading of an Ordinance authorizing County of Nevada to join Partnership HealthPlan of California Commission.

**Approved by:** Ryan Gruver, Health & Human Services Agency Director