

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

May 19, 2020

FROM

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center
JOHN McMAHON, Sheriff/Coroner/Public Administrator**

SUBJECT

Provider Participation Agreement with the California Department of Health Care Services for the Medi-Cal County Inmate Program

RECOMMENDATION(S)

1. Approve the Provider Participation **Agreement No. 20-283** (State Agreement 20-MCIPSANBERNARDINO-36), with the California Department of Health Care Services for the Medi-Cal County Inmate Program effective July 1, 2020.
2. Approve the indefinite duration of the Provider Participation Agreement with the California Department of Health Care Services for the Medi-Cal County Inmate Program, as an exception to the Standard County contract term of five years established in County Policy 11-06 SP1.

(Presenter: William L. Gilbert, Director, 580-6150)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Provide for the Safety, Health and Social Service Needs of County Residents.

Pursue County Goals and Objectives by Working with Other Agencies.

FINANCIAL IMPACT

Approval of the Provider Participation Agreement will allow the County of San Bernardino, through Arrowhead Regional Medical Center (ARMC) and the Sheriff/Coroner/Public Administrator (Sheriff), to continue to contract with the California Department of Health Care Services (DHCS) to provide the Medi-Cal County Inmate Program (MCIP) for an indefinite term effective July 1, 2020. With respect to ARMC, this agreement will not result in the use of Discretionary General Funding (Net County Cost). ARMC will present to the Board of Supervisors (Board) the financial details, once they are made available by DHCS. With respect to the Sheriff, the MCIP will allow for the continuation of cost avoidance for inpatient services provided by non-county facilities by an estimated \$1,000,000 and will not result in the use of Discretionary General Funding (Net County Cost), as ARMC will not be requesting reimbursement for the non-federal share. Adequate appropriation and revenue will be included in the ARMC 2020-21 and future recommended budgets.

BACKGROUND INFORMATION

ARMC provides inpatient care to inmates incarcerated in correctional facilities throughout the County, as needed. Federal law prohibits claiming Medi-Cal funds for healthcare services provided to inmates residing in correctional facilities. There is an exception to this federal law

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when an inmate, who is found to be Medi-Cal enrolled, receives inpatient services at a medical facility located off the grounds of the correctional facility for an expected stay of more than 24 hours. Payment is dependent on the number of qualified acute patient days. The recommended agreement supports a fiscally-responsible and business-like operation as it will result in reimbursement to ARMC for the acute inpatient medical care services provided to Medi-Cal enrolled inmates. DHCS' ability to draw federal funds for allowable services, consistent with federal law, allows ARMC to receive reimbursement of costs that would have otherwise been incurred and not billable. In addition, the MCIP allows the Sheriff to reduce the amount paid for inpatient services at non-county facilities. The MCIP will only pay the federal share of the Medi-Cal payment.

The MCIP occurs at both a state and county level and allows Medi-Cal coverage for allowable inpatient hospital services, including inpatient psychiatric services, and physician services provided during the inpatient hospital stay of inmates who are determined eligible for Medi-Cal. The MCIP eligible inmate refers to an individual who is eligible to receive MCIP services under the Adult County Inmate Program, the Juvenile Ward Program, the County Compassionate Release Program and the County Medical Probation Program. Under the MCIP, Medi-Cal providers receive federal reimbursement at the applicable Medi-Cal Fee-For-Service (FFS) rate using the same claiming process for non-inmate FFS Medi-Cal beneficiaries. After an inmate has met the requirements, a claim is submitted to DHCS for reimbursement. DHCS will review the claim for approval and, if approved, will reimburse the inpatient provider at the Medi-Cal fee for service rate. The Sheriff is normally responsible for reimbursing the non-county inpatient facility for the non-federal share of MCIP services paid by DHCS but ARMC does not intend to seek reimbursement from Sheriff for the non-federal share of MCIP services.

The County has participated in the MCIP since July 2018 as approved by the Board on May 18, 2018 (Item No.21), and more recently, on September 10, 2019 (Item No. 21). Participation in the MCIP is voluntary and counties have the option to participate in this program by entering into a Provider Participation Agreement (PPA) with the DHCS yearly. The purpose of the PPA is to set forth the terms the County must abide by while in the MCIP. Beginning fiscal year 2020-21, DHCS will require the counties to execute a PPA effective July 1, 2020, that shall continue indefinitely. However, either party may terminate the PPA with 30 days' notice, or DHCS may terminate for cause effective immediately if the County fails to comply with the terms of the PPA.

The indefinite duration of this PPA exceeds the County's standard maximum contract term of five years, per County Policy 11-06 Standard Practice 1 (SP1). Approval of Recommendation No. 2 will provide an exception to the County Policy 11-06, SP1. If a county does not participate in the MCIP or does not abide by the terms of this agreement, the county remains responsible for arranging and paying for inpatient medical services of its inmates.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Scott Runyan, Deputy County Counsel, and Richard D. Luczak, Deputy County Counsel, 387-5455) on May 05, 2020; ARMC Finance (Chen Wu, Finance Budget Officer, 580-3165) on May 05, 2020; Finance (Yael Verduzco, Administrative Analyst, 387-5285) on May 05, 2020; and County Finance and Administration (Matthew Erickson, Co. Chief Financial Officer, 387-5423) on May 11, 2020.

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Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Robert A. Lovingood Seconded: Josie Gonzales
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: May 19, 2020



cc: ARMC- Gilbert w/agree for sign
Contractor- C/O ARMC w/agree
File- w/agree
la 05/22/2020