



# San Bernardino County

## Legislation Text

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**File #: 2301, Agenda Item #: 4**

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

**June 9, 2020**

#### **FROM**

**WILLIAM L. GILBERT, Director, Arrowhead Regional Medical Center**

#### **SUBJECT**

**Amendment to Hospital Per Diem Agreement with Inland Empire Health Plan and Health Access**

#### **RECOMMENDATION(S)**

1. Approve Amendment No. 31 to Agreement No. 08-64 with Inland Empire Health Plan and Health Access, to extend the expiration date by three months, from June 30, 2020, through September 30, 2020, to ensure continued reimbursement by Inland Empire Health Plan and Health Access for certain Medi-Cal and Medicare member patients provided at Arrowhead Regional Medical Center.
2. Direct the Clerk of the Board to maintain confidentiality of the Agreement pursuant to Health and Safety Code section 1457(c)(1).

(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.**

#### **FINANCIAL IMPACT**

Approval of the recommended Amendment with Inland Empire Health Plan and Health Access (collectively referred to as "IEHP") will not result in the use of Discretionary General Funding (Net County Cost). Expenditures for these services are funded through reimbursements by IEHP. Funding sources may change in the future pending any legislative activity related to the repeal and/or replacement of the Affordable Care Act. Sufficient appropriation and revenue has been included in the Arrowhead Regional Medical Center (ARMC) 2020-21 Recommended Budget.

#### **BACKGROUND INFORMATION**

On January 29, 2008 (Item No. 66), the Board of Supervisors (Board) approved Agreement No. 08-64 with IEHP for the provision of healthcare services to eligible IEHP members. The Board has since approved 30 amendments to this Agreement that include: extending the term, expanding medical services to additional IEHP participants, receiving supplemental payments for IEHP for Medi-Cal managed care capitation rate increases from the California Department of Health Care Services (State), updating language regarding local Medi-Cal Management Care Supplemental Payments as required by the State for continued intergovernmental transfer funding, and implementing a capitation feature to ensure revenues during the COVID-19 pandemic.

Approval of Amendment No. 31 with IEHP will ensure proper reimbursement to the County for medical services provided at ARMC to certain IEHP Medi-Cal and Medicare participants for the time period of July 1, 2020 through September 30, 2020, during which the County and IEHP will actively negotiate a new agreement for IEHP's payment for medical services rendered to IEHP members at ARMC. IEHP is a public initiative Healthcare Maintenance Organization (HMO) providing services to residents eligible for benefits of the Managed Care Medi-Cal and Medicare programs. ARMC provides for the safety, health and social service needs of County residents by providing healthcare services to IEHP members.

All other terms of the Agreement will remain the same, including all non-standard provisions of the contract previously agreed upon by the parties. ARMC recommends that these non-standard terms remain in place during the term of this Amendment No. 31 so that there is no loss in reimbursements from July 1, 2020, through September 30, 2020 while ARMC continues its negotiations with IEHP for a new contract.

ARMC recommends approval of this amendment to ensure reimbursement for eligible Medi-Cal and Medicare patient charges through IEHP. Pursuant to Health and Safety Code section 1457(c)(1) specific terms related to the rates of payment for health care services are not immediately subject to laws related to public records; therefore, the Clerk of the Board is directed to maintain confidentiality of this amendment.

#### **PROCUREMENT**

Not applicable.

#### **REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Charles Phan, Deputy County Counsel, 387-5455) on May 22, 2020; Finance (Yael Verduzco, Administrative Analyst, 387-5285) on May 25, 2020; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on May 25, 2020.