



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: May 25, 2016
Board Meeting Date: June 28, 2016
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, Health System
Carlos Morales, Interim Director, Correctional Health

Subject: Resolution Authorizing the Controller to Pay Non-Contract Medical Service Providers at Non-County Facilities to Provide Services to County Inmates

RECOMMENDATION:

Adopt a resolution authorizing the Controller to pay non-contract medical service providers at non-County facilities to provide services to County inmates not available at a County site, for the term July 1, 2015 through to June 30, 2018, in an amount not to exceed \$1,500,000.

BACKGROUND:

Since 1980, your Board has authorized the Controller to pay non-contract medical service providers at non-County facilities to provide services to County inmates when San Mateo Medical Center (SMMC) or a contracted medical care provider is unable to provide the necessary level of care.

In May 2015, your Board approved a Resolution authorizing the Controller to pay non-contract providers at the Medicare participating fee schedule rate for San Mateo County, in an amount not to exceed \$200,000 for the term of July 1, 2015 through June 30, 2017.

Specific to Correctional Health Services, California Assembly Bill 658 (AB658) enacted July 16, 2015, authorizes hospitals that do not contract with the county sheriffs, police chief, or other public agency to provide emergency health care services to local law enforcement patients at a rate equal to 110 percent of the hospital's actual costs, according to the most recent Hospital Annual Financial Data report issued by the Office of Statewide Health Planning and Development, as calculated using a cost-to-charge ratio.

DISCUSSION:

Medical costs have exceeded the current Resolution limit of \$200,000. As a result of criminal justice realignment and changes in sentencing laws, inmates are staying in correctional facilities longer, requiring more medical care for which the County is responsible. Additionally, due to these same factors, we are seeing an increase in acuity of the patients seen. For example, in FY2015-16, three out of the four high utilization patients from the County jail were stroke and neurological cases. As SMMC is not a stroke designated center, first responders either transport the inmates directly to a stroke certified center or SMMC sends these patients out upon evaluation.

Due to the trending medical needs of the inmate population that are serving longer sentences at the County jail and in accordance with AB658 billing rates, it is estimated that outside hospital costs for Correctional Health may range from \$200,000 to \$500,000 per year.

The Resolution has been reviewed and approved by County Counsel as to form.

The agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by addressing the need for highly specialized medical services for County inmates. It is anticipated that less than one percent of County inmate patients will be referred to non-contract medical service providers for specialty care services.

PERFORMANCE MEASURE(S):

Measure	FY 2015-16 Actual	FY 2016-17 Projected
Percentage of patients referred to non-contract medical services providers for specialty care services	<1.0%	<1.0%

FISCAL IMPACT:

Total authorized expenditure under the Resolution is not to exceed \$1,500,000 for the period of July 1, 2015 through June 30, 2018. Inmate medical costs are funded by a combination of Miscellaneous Revenue at 5%, Realignment funds at 16%, and Net County Costs at 79%.