



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Health System



**Date:** July 18, 2013  
**Board Meeting Date:** August 6, 2013  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Jean S. Fraser, Chief, Health System  
Susan Ehrlich, MD, MPP, Chief Executive Officer, San Mateo Medical Center

**Subject:** San Mateo County Health Care for the Homeless & Farm Worker Health Program Co-Applicant Board

**RECOMMENDATION:**

Introduction of an Ordinance establishing the San Mateo County Health Care for the Homeless & Farm Worker Health Program Co-Applicant Board and waiver of reading the Ordinance in its entirety.

**BACKGROUND:**

In 2009, San Mateo Medical Center (SMMC) submitted a grant application and related Change in Scope request to the United States Health Resources and Services Administration (HRSA) to expand the federal grant funding of the County's Health Care for the Homeless & Farm Worker Health Program (the Program). Prior to that point, federal grant funds supported the Health Care for the Homeless portion of the Program. Under the 2009 Change in Scope, SMMC sought to expand funding to include services to migrant seasonal farm workers. The Program's receipt of this grant qualifies SMMC as a Federally Qualified Health Center (FQHC), which in turn permits SMMC to receive an enhanced Medi-Cal reimbursement rate for care provided through SMMC's clinics. For FY 2012-13, SMMC received more than \$18 million in FQHC-related reimbursement.

In November 2012, HRSA issued a Notice of Award for the annual renewal of the Program's grant funds in the amount of \$1.59 million for the current program year (November 1, 2012, through October 31, 2013). A recent supplemental award brings the total amount for the current year to \$1.69 million. However, the most recent Notice of Award imposes various conditions which SMMC is required to meet.

Two of these conditions relate to the governance structure for the Program. Specifically, under Federal regulations, the expansion of the Program to include the migrant and seasonal farm worker population requires that the Program be overseen by an independent advisory board (the Co-Applicant Board) and that the Co-Applicant Board include members of the populations served by the Program (unless waived by HRSA) and members of the community. The Co-Applicant Board also: cannot include as voting members any employees of SMMC; must have authority to set and control the Program's budget (to the extent the budget comes from the Federal grant); must have authority to determine services to be provided and hours of operation for the Program; must measure and evaluate the Program's progress in meeting its annual and long-term programmatic and financial goals; must generally exert supervisory control over the Program; and must meet certain other requirements.

The Program's direct funding comes solely from the annual Federal grant, and this includes the salary for the Program Director, a County employee. The County does not currently provide direct financial support for the Program, although the County provides financial and programmatic support in the form of certain overhead and other SMMC-related services (for example, providing space for the Program's administration and having the Program's population served through SMMC's clinics). In addition, SMMC may in the near future request minor funding to support incidental Program expenses not permitted to be supported by grant funds—such request, if made, will occur within the normal budget process.

In order for the County to keep the funding for the current program year and continue operation of the Program, as well as for SMMC to maintain its FQHC status, a Co-Applicant Board must be established by the County. The Co-Applicant Board would be established pursuant to the County's Charter, which requires that County boards be established by ordinance and that members of such boards be County residents.

#### **DISCUSSION:**

The attached ordinance will establish the Co-Applicant Board in a manner that will address HRSA's requirements. The ordinance establishes the Co-Applicant Board as a formal County board subject to the Ralph M. Brown Act, with members initially to be appointed by the SMMC Board of Directors and thereafter to be selected by the Co-Applicant Board itself. Voting members, who will serve a term of four years, may be nominated by anyone, but members of the public may also apply. Members will be subject to the County's rules on conflicts of interest, and membership is unpaid.

Federal regulations require the Co-Applicant Board to have between nine and 25 voting members, and the ordinance permits the Co-Applicant Board to decide how many members will best serve its purposes within this range. The Program's Director will be a non-voting member of the Co-Applicant Board and will serve as the board's secretary, and both the Board of Supervisors and the Medical Center Board of Directors may appoint additional non-voting members. Meetings will be monthly unless HRSA permits fewer meetings each year, and the County will provide resources (space, keeping of minutes, posting of agendas) to support the board in its operation.

The County will retain all authority over hiring and firing decisions of County employees, including the current Program Director, although the Co-Applicant Board will have the power to replace the Program Director with a non-County employee. The County will also retain authority over general SMMC policies and budgetary and policy control over any County-provided funds or resources, although the Co-Applicant Board has the authority to change the Program's direction, including to utilize facilities and resources outside the SMMC system. The Board of Supervisors will retain the ability to remove members of the Co-Applicant Board if necessary for cause (by majority vote) or without cause (by four-fifths vote). The Co-Applicant Board will have authority to provide input on the performance of the Program's Director as well as regarding other SMMC policies and quality control procedures that impact the Program.

Also attached is the initial set of bylaws that will govern the Co-Applicant Board. These bylaws set forth in more detail the procedures that govern meetings and the operation of the board. Although the Co-Applicant Board will have the power to amend its bylaws, any such changes must be consistent with this ordinance and the County's Charter.

If federal grant funding for the Program ends at a future point, the Co-Applicant Board will end operation unless the Board of Supervisors decides to keep the board for any reason. The Board of Supervisors also retains the power to terminate the Co-Applicant Board at any time, although doing so may end Program funding and certain other benefits that SMMC enjoys as an FQHC.

The proposed ordinance and bylaws have been approved by the SMMC Board of Directors and the Program's current community advisory board. In addition, these materials have been submitted to HRSA for its review, and this matter will continue to the Board of Supervisors only if HRSA does not object to the planned approach. County Counsel has also reviewed and approved the ordinance and bylaws as to form.

Approval of these Agreements contributes to the Shared Vision 2025 outcome of a Healthy Community by improving access to affordable healthcare. It is anticipated that 69% of the County's homeless population (as identified in the Center on Homeless' bi-annual "One Night Count") will have at least annual access to health services provided by the Program.

**PERFORMANCE MEASURES:**

<b>Measure</b>	<b>FY 2012-13 Actual</b>	<b>FY 2013-14 Projected</b>
Percent of the County's homeless population who have annual access to health services	69%	70%
Number of farm workers who have annual access to health services	1031	1200

### **FISCAL IMPACT**

Establishment of the Co-Applicant Board will permit the County to keep the Program's \$1.69 million funding for the current program year (November 1, 2012, through October 31, 2013), will allow SMMC to continue its FQHC designation (which in FY 2012-13 resulted in more than \$18 million in enhanced reimbursement), and will permit the County to continue to seek similar funding in future years under current grant rules. Other overhead costs relating to the County's participation in the Program are incidental and not calculated.

Expenses at SMMC are covered by fees for services or third-party payors whenever possible. The portion of expenses for services provided to the medically indigent or to those covered by programs that do not meet the full costs of care are covered by the County's General Fund contribution to SMMC to the extent not funded by grants or other funding, and are within the existing annual appropriation.