



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: April 30, 2014
Board Meeting Date: June 3, 2014
Special Notice / Hearing: None
Vote Required: 4/5ths

To: Honorable Board of Supervisors

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

Subject: Appropriation Transfer Request

RECOMMENDATION:

Resolution authorizing an Appropriation Transfer Request in the amount of \$4,400,000 from Unanticipated Revenue to Charges for Services and increasing Services and Supplies by the same amount to allow for payment of medical expenses for the County's Access to Care for Everyone program participants.

BACKGROUND/DISCUSSION

The current agreement with Brius for management services of the Burlingame Long Term Care facility provides for sharing of revenue between Brius and San Mateo Medical Center (SMMC). Because the amount of revenue to be shared was uncertain at the time we were preparing the budget last year, SMMC did not include any revenue-sharing funds in the FY 2013-14 Adopted Budget. We are now requesting that this unanticipated revenue be recognized.

In addition, SMMC pays outside providers to provide medical care for patients covered under the County's Access to Care for Everyone program for covered services not provided at SMMC. When developing the FY 2013-14 Budget, we incorrectly assumed that these expenses would not continue after January 1 when the Affordable Care Act coverage began. However, a portion of these expenses remain a County responsibility and therefore the budget needs to be adjusted accordingly. It is anticipated that expenditure payments to outside providers are made timely in accordance with the terms and agreements.

PERFORMANCE MEASURE:

Measure	FY 2013-14 Estimated	FY 2014-15 Projected
Expenditure payments to outside providers are made timely in accordance with terms and agreements	Net 15 days	Net 15 days

FISCAL IMPACT:

There is no increase in the County Contribution to SMMC as a result of this Appropriation Transfer Request. The additional expenditures will be covered with unanticipated revenues.

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, and are within the existing annual appropriation.