



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: June 8, 2015
Board Meeting Date: July 21, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, Health System
Susan Ehrlich, MD, MPP, Chief Executive Officer, San Mateo Medical Center

Subject: Agreement with the Health Plan of San Mateo for the Administration of the Access and Care for Everyone program

RECOMMENDATION:

Adopt a resolution authorizing an agreement with Health Plan of San Mateo for the administration of the Access and Care for Everyone Program for the term of April 1, 2015, through March 31, 2018, in an amount not to exceed \$16,650,000 and with extended term options through March 31, 2020, in a total amount not to exceed \$24,750,000.

BACKGROUND:

On December 9, 2008, your Board approved an agreement with the San Mateo Health Commission dba Health Plan of San Mateo (HPSM) whereby HPSM would administer benefits provided to patients of San Mateo Medical Center (SMMC) under the Access and Care for Everyone Program (ACE). ACE is the County-sponsored health care coverage program that provides care to County residents who are low-income or medically indigent and who do not otherwise qualify for Medi-Cal, Covered California, or other coverage.

DISCUSSION:

The purpose of this agreement is to continue the functions of HPSM's third party administrator for this program. As third party administrator, HPSM shall continue to provide various services which include but are not limited to claims processing and data management, outpatient pharmacy benefits, provider relations, and collection of participant fees relating to plan members.

The agreement is for a term of three years with 2 extension options of 12 months each. Any extension shall be finalized ninety (90) days prior to each anniversary date. The agreement is being sent late to your Board due to protracted negotiations.

The agreement and resolution have been reviewed and approved by County Counsel as to form.

The resolution contains the County's standard provisions allowing amendment of the County's fiscal obligations by a maximum of \$25,000 (in aggregate).

The agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing access to healthcare to the ACE patients of San Mateo County. It is anticipated that all activities undertaken by HPSM in performance of third party administrator duties will comply with all applicable Federal laws, regulations, reporting requirements, CMS instructions and with the Health System's contractual obligations with the California Department of Health Care Services.

PERFORMANCE MEASURE:

Measure	FY 2014-15 Actual	FY 2015-16 Projected
Percentage of activities undertaken by HPSM as third party administrator that will be in compliance with applicable Federal laws, regulations, reporting requirements, CMS instructions and contractual obligations	100%	100%

FISCAL IMPACT:

The term of the agreement is April 1, 2015 through March 31, 2018. The amount shall not exceed \$16,650,000 for the three-year term. Should extensions be approved, the extended term up to a maximum of five years from the original start date shall not exceed \$24,750,000.

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 be covered by programs that do not meet the full costs of care is covered by the County's General Fund contribution to SMMC, and is within the existing annual appropriation.