



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



DATE: November 28, 2012
BOARD MEETING DATE: January 29, 2013
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Jean Fraser, Chief of the Health System
Srija Srinivasan, Director, Strategic Operations

SUBJECT: Amendment to the agreement with the State of California's Managed Risk Medical Insurance Board

RECOMMENDATION:

Adopt a Resolution authorizing an amendment to the agreement with the State of California Managed Risk Medical Insurance Board, revising Exhibits A and B of the agreement, extending the term through September 30, 2013, and increasing the amount by \$771,277 to \$3,575,706.

BACKGROUND:

In 2005 your Board executed an agreement with the State of California's Managed Risk Medical Insurance Board (MRMIB) establishing San Mateo County as the administrator of the County Children's Health Initiative Program (C-CHIP), thereby giving the County access to federal funding through the County Health Initiative Matching Fund created through AB 495 (Diaz 2001). These matching federal funds pay for a portion of the cost to local governments to provide comprehensive health insurance to children in families with incomes ranging from 250% to 300% of the Federal Poverty Level (FPL) who do not qualify for Medi-Cal or Healthy Families. The San Mateo County Healthy Kids program was established in 2003 as the local C-CHIP.

In the past seven years, your Board approved several amendments. In November 2011 your Board approved the ninth amendment to extend the contract term and increase the contract amount.

DISCUSSION:

In October 2011 California Senate Bill 36, sponsored by Senator Simitian, was passed by the legislature to allow counties that extend C-CHIP coverage to uninsured children with income between 300% and 400% of the FPL. In September 2012, the State received approval from the federal government to implement this provision. This amendment revises Exhibits A and B of the contract to meet the new requirements. This amendment will increase by 350 the number of children in the Healthy Kids program for

whom we can access federal matching funds, bringing the total number of children for whom we obtain federal matching funds to approximately 718 children.

The C-CHIP rates are adjusted by the MRMIB on an annual basis. The MRMIB will maintain the current coverage rates for San Mateo County pursuant to the Government Code section 6254(y), the C-CHIP rates are kept confidential from the public records.

The Children's Health Initiative received this amendment late because the State was not able to incorporate the program changes as required from the federal government until after the contract start date of October 1, 2012.

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

Approval of the amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by providing funds to pay for health coverage for children. It is anticipated that 35,000 children will be enrolled into Medi-Cal, Healthy Families, and Healthy Kids.

Performance Measure(s):

Measure	FY 2011-12 Actual	FY 2012-13 Projected
Medi-Cal*, Healthy Families and Healthy Kids	36,330	36,600

*Children enrolled in Full Scope No Share-of-Cost Medi-Cal only.

FISCAL IMPACT:

The term of the agreement is July 1, 2005 through September 30, 2013, for a maximum obligation of \$3,575,706 in funding from the State. Funding is included in the Children's Health Initiative FY 2012-13 Adopted Budget. Approval of this amendment has no Net County Cost impact. The payment provisions and levels of service in the agreement are essentially the same as the prior agreement.