



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: July 29, 2015
Board Meeting Date: September 22, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, Health System
Kimberlee Kimura, Director, Health System Administration

Subject: Resolution to continue payments on Health System contracts

RECOMMENDATION:

Adopt a resolution authorizing the Controller to continue payments on Health System contracts from July 1, 2015 through December 31, 2015.

BACKGROUND:

To ensure continued provision of services during the period following the adoption of the annual budget, it is necessary to authorize the Controller to continue to make payments to selected contractors under certain contracts that have otherwise expired at the existing rates. On June 2, 2015, your Board approved a resolution to allow continuation of payments to selected contractors through September 30, 2015. The Health System has several contracts for services that have expired and that are still pending completion. The contracts listed in the Resolution will be completed and submitted by December 31, 2015.

DISCUSSION:

This extension allows contractors to continue to provide necessary services to the public and will allow the Health System the time needed to complete complex negotiations to renew contracts. All the terms and conditions of the otherwise expired contracts shall remain in effect during the term of this continuing resolution.

Behavioral Health and Recovery Services (BHRS) agreements related to alcohol and other drug services are not complete because negotiations between the State and the Federal government regarding the Drug Medi-Cal waiver were not finalized until August 13, 2015. Consequently, regulations and rates for services are still not defined at this time. This Medi-Cal waiver will allow providers to bill for many more services than allowed previously.

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In addition to the pending Medi-Cal waiver, there have also been significant delays in the certification process for providers and BHRS is collaborating with the Department of Health Care Services to help mitigate further delay.

The remaining mental health contracts are late because BHRS, as a part of its due diligence, needs to review contractors' FY 2014-15 units of service and costs, prior to finalizing the new contracts. Reviews of costs and services are on-going at this time.

Approval of this resolution contributes to the Shared Vision 2025 outcome of a Healthy Community by enabling the Health System to continue to provide a continuity of services to the community until final negotiations can be completed.

FISCAL IMPACT:

Funds for the annual costs of these contracts have been included in the Health System FY 2015-16 Adopted Budget.