



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 16-458

Board Meeting Date: 8/8/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise Rogers, Chief, Health System
Stephen Kaplan, Director, Behavioral Health & Recovery Services

Subject: Agreement with Health Plan of San Mateo for Medicare CareAdvantage Program Funding

RECOMMENDATION:

Adopt a resolution authorizing a revenue agreement with the Health Plan of San Mateo for Medicare CareAdvantage services for the term of January 1, 2017 through December 31, 2019, for an estimated total of \$3,000,000

BACKGROUND:

On May 24, 2005, your Board approved an agreement with the Health Plan of San Mateo (HPSM) whereby Behavioral Health and Recovery Services (BHRS) is reimbursed for the provision of mental health services to clients with Medicare CareAdvantage coverage through the HPSM. That agreement was for the term January 1, 2006 through December 31, 2006, and automatically renews for one-year periods. This funding arrangement has made it possible for clients who have both Medi-Cal and Medicare insurance coverage to avoid having multiple coverage plans, which would have caused considerable hardship for clients in managing their healthcare.

This agreement with the HPSM for mental health services was an essential component of the HPSM proposal to the federal Center for Medicaid and Medicare Services for certification as the Medicare CareAdvantage Plan for San Mateo County.

DISCUSSION:

The HPSM has presented a superseding agreement for Medicare CareAdvantage program services for the term January 1, 2017 through December 31, 2019. This agreement includes necessary revised Medicare administrative requirements. Through this agreement BHRS will continue to provide mental health services to clients with HPSM Medicare CareAdvantage health coverage. BHRS will present to your Board for approval a separate agreement with HPSM, which shall be a revenue agreement for insurance coverage.

The agreement is late due to prolonged negotiations between BHRS and HPSM.

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

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

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing funding for mental health services. BHRS provides a range of services to promote wellness and recovery and to support consumers remaining in the lowest possible level of care. The provision of outpatient mental health services through our provider network is one established level of care. The services funded through this agreement contribute to this measure. It is anticipated that 87% of clients who receive services will be maintained at a current or lower level of care.

PERFORMANCE MEASURES:

Measure	FY 2016-17 Actual	FY 2017-18 Projected
.Percentage of clients receiving outpatient mental health services maintained at current or lower level of care	87% 1,722 of 1,979	87% 1,722 of 1,979

FISCAL IMPACT:

The term of the agreement is January 1, 2017 through December 31, 2019. Services will be reimbursed on a per-unit basis at 100% of the federal Medicare rates. These rates are equivalent to current reimbursement rates for these services. Projected annual revenue from this agreement is approximately \$1,000,000 and has been included in the BHRS FY 2016-17 Final Budget. Similar arrangements will be made for future budget years. There is no Net County Cost. The payment provisions and levels of service remain essentially the same as those of the prior agreement.