



County of San Mateo

Inter-Departmental Correspondence

Department: HEALTH

File #: 18-246

Board Meeting Date: 3/27/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Louise F. Rogers, Chief, Health System
Srija Srinivasan, Director, Family Health Services & Health Coverage Unit

Subject: Amendment to the Agreement with the San Mateo Community Health Authority for the Healthy Kids Program

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with San Mateo Community Health Authority extending the term through September 30, 2019, increasing the amount by \$7,629,485, to an amount not to exceed \$46,041,627, and incorporating the responsibilities outlined in the County Children's Health Insurance Program (C-CHIP) Agreement between the County and the State Department of Health Care Services.

BACKGROUND:

In February 2002, your Board established and funded the San Mateo County Children's Health Initiative (CHI) to address the community-wide concern about the 17,000 County children who lacked access to comprehensive health coverage. In January 2003, San Mateo County (County) created the Healthy Kids (HK) insurance program to cover children ineligible for Medi-Cal and Healthy Families programs. In addition, the County initiated an outreach and enrollment strategy to enroll children in all three public programs.

The San Mateo Community Health Authority, as the governing body of the Health Plan of San Mateo (HPSM), is the contracted plan administrator for HK under an agreement approved by your Board in May 2005. Since that time, your Board has approved a series of amendments to adjust the per-member-per-month (PMPM) premium costs as necessary and to implement extensions of this agreement through December 31, 2017.

DISCUSSION:

This agreement is being amended for the next two years so that HPSM can continue to administer the HK program as it has for the past thirteen years. This agreement reflects changes to the HK PMPM rate, representing an increase in reimbursement for services during the period of July 1, 2015 to September 30, 2019; specifically, the approximately 87% rate increase occurred during FY 2015-

16. To date, the retroactive reimbursement has totaled approximately \$1,577,817. This agreement with HPSM also incorporates the responsibilities as outlined in the C-CHIP agreement between the County and the California Department of Health Care Services.

The agreement is late due to prolonged negotiation with the California Department of Health Care Services and HPSM.

The Health System also requests that your Board authorize the Chief of the Health System or designee to execute contract amendments which modify the County's maximum fiscal obligation by no more than \$25,000 (in aggregate), and/or modify the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

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

This agreement contributes to the Shared Vision 2025 outcome of a Healthy Community by providing health coverage for low-income children in the County, which promotes access to preventive and regular healthcare. It is anticipated that 1,300 children will be enrolled, which is an indicator of the reach of the HK program.

PERFORMANCE MEASURE:

Measure	FY 2016-17 Actual	FY 2017-18 Projected
Number of children enrolled in HK	1,216	1,300

FISCAL IMPACT:

The term of the revised agreement is January 1, 2010 through September 30, 2019. The amount of the agreement is not to exceed \$46,041,627. This amendment increases the contract amount by \$7,629,485. Funds in the amount of \$1,927,800 are included in the Health Coverage Unit FY 2017-18 Adopted Budget. Similar arrangements will be made in future years. There is no Net County Cost associated with this agreement.