



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 20-414

Board Meeting Date: 6/23/2020

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**Special Notice / Hearing:** None  
**Vote Required:** 4/5<sup>th</sup>

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Gina Wilson, Chief Financial Officer, San Mateo County Health  
David McGrew, Chief Financial Officer, San Mateo Medical Center

**Subject:** Appropriation Transfer Request for San Mateo Medical Center for CARES Act Revenue

**RECOMMENDATION:**

Approve an Appropriation Transfer Request (ATR) in the amount of \$5,581,855 to Other Patient Program Revenue to recognize unanticipated revenue distributed by the federal government and partially relieve financial hardship at San Mateo Medical Center (SMMC) caused by the COVID-19 pandemic and reducing Net Patient Revenue.

**BACKGROUND / DISCUSSION:**

SMMC has received \$5,581,855 in unanticipated new federal revenue distributed by the US Department of Health and Human Services. These newly available funds were authorized by the Coronavirus Preparedness and Response Supplemental Appropriations Act (CARES) and supplemented by the Paycheck Protection Program and Health Care Enhancement Act (PPP & HCE). The purpose of the funding is to reimburse hospitals and other healthcare providers for health care related expenses or lost revenues attributable to coronavirus. SMMC has received payments from the general allocations made to providers who bill Medicare fee-for-service, targeted distributions made to rural hospitals (which includes Community Health Centers) and skilled nursing facilities, and supplemental grant awards made to Health Centers with HRSA grants for the prevention, diagnosis, and treatment of COVID-19. This action recognizes this additional revenue and reduces the Net Patient Revenue to reflect revenue loss during this time.

**FISCAL IMPACT:**

There is no change to Net County Cost as a result of this ATR. This revenue offsets other revenue losses from COVID-19 and aligns the FY 2019-20 budget with actual revenue receipts at this time. We are continuing to monitor the financial situation related to COVID-19 and expect additional changes as the books are closed and various cost reports and claims are completed.