



# County of San Mateo

## Inter-Departmental Correspondence

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**Department:** HEALTH

**File #:** 23-239

Board Meeting Date: 4/11/2023

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**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** Louise F. Rogers, Chief, San Mateo County Health  
Chester J. Kunnappilly, MD, Chief Executive Officer, San Mateo Medical Center  
Michael del Rosario, Director, Correctional Health Services

**Subject:** Participation and Administrative Services Agreement with Department of Health Care Services for the Medi-Cal County Inmate Program

**RECOMMENDATION:**

Adopt a resolution authorizing a participation and administrative services agreement with the State of California Department of Health Care Services for the Medi-Cal County Inmate Program for the term of July 1, 2023, to June 30, 2026.

**BACKGROUND:**

In June 2014, your Board designated Correctional Health Services (CHS) as the entity to assist county jail inmates with their applications for health insurance affordability programs in accordance with Assembly Bill (AB) 720, Chapter 646, as part of California's implementation of the Affordable Care Act. This effort was also implemented in order to leverage savings in preparation of the California Department of Health Care Services (DHCS) Medi-Cal County Inmate Program (MCIP), which constitutes the following three programs:

- Adult County Inmate Program, authorized in AB1628 and added in Welfare and Institutions Code section 14503.7, provides Medi-Cal coverage to eligible adult county inmates for inpatient hospital services provided off the grounds of the correctional institutions. Claims eligible for this program are retroactive from November 1, 2010.
- Juvenile County Ward Program authorized in AB396 and Senate Bill (SB) 695. It added in Welfare and Institutions Code section 14053.8, provides Medi-Cal coverage to eligible juvenile county wards for inpatient hospital and inpatient mental health services provided off the grounds of the correctional institutions. Claims eligible for this program are retroactive from January 1, 2012.
- County Compassionate Release Program and County Medical Probation Program authorized

in SB 1462, and added in Government Code sections 26605.6, 26605.7, and 26605.8, permits county sheriffs to grant medical release or medical probation in lieu of jail time if certain conditions are met.

On February 13, 2023, DHCS released the fiscal year 2023-26 participation agreement (PA) and administrative services agreement (ASA) for counties choosing to voluntarily participate in the fee-for service MCIP.

#### **DISCUSSION:**

Without voluntarily participating in the MCIP, CHS would be responsible for paying the cost of medical care of its inmates provided outside the correctional facilities. DHCS, as the state agency administering the MCIP, can draw federal funds for allowable services, such as inpatient hospital, psychiatric stays, and physician services during the inpatient stay.

CHS will refer completed Medi-Cal applications to the Human Services Agency to determine and code eligibility appropriately for MCIP-eligible status for any inmate requiring inpatient hospitalization. CHS will also work with the Sheriff's Office for any potential compassionate release and/or medical probation opportunities as appropriate.

Non-contract Medi-Cal providers will directly bill DHCS for MCIP services, which DHCS will reimburse at the applicable Medi-Cal rate. DHCS will then seek and retain federal financial participation claimed for MCIP services and the County will reimburse DHCS for the nonfederal share of claims paid by DHCS to the Medi-Cal provider for MCIP services. When the medical services are provided by a Designated Public Hospital (DPH), such as the San Mateo Medical Center (SMMC), the financial federal participation resulting from expenditures for the MCIP services will be claimed by the DPH under a certified public expenditure process. The County will also reimburse DHCS its apportioned share of the nonfederal share for administrative costs incurred for the MCIP.

The PA, ASA, and resolution have been reviewed and approved by the County Attorney as to form.

It is anticipated that CHS will complete Medi-Cal applications for 100% of those inmates requiring hospitalization.

#### **PERFORMANCE MEASURE:**

Measure	FY 2022-23 Estimated	FY 2023-24 Projected
Percentage of inmates requiring hospitalization for whom CHS completes a Medi-Cal application	100% 50 inmates	100% 50 inmates

#### **FISCAL IMPACT:**

The term of the PA and ASA is July 1, 2023, to June 30, 2026. Though there is no dollar amount associated with the PA, the cost reduction of \$426,884 to CHS and increased reimbursement of \$589,590 to SMMC is included in CHS and SMMC FY 2023-24 Recommended Budget. The MCIP total annual value of \$1,016,474 from the cost reduction and increased reimbursement are based on FY 2021-22 MCIP billable charges from non-contract Medi-Cal providers and SMMC, representing approximately 50 inmates who received inpatient services.

CHS is responsible for DHCS' annual administrative charge with 30% of the total administrative costs distributed evenly to participating counties over 50,000 in population and 70% of the total administrative costs allocated to participating counties pro-rata based on population. The DHCS maximum payable annual administrative amount shall not exceed \$21,489: FY 2023-24 is \$6,619; FY 2024-25 \$7,149; and FY 2025-26 \$7,720. Future cost reduction and increased reimbursement will vary depending on how many inmates are eligible for Medi-Cal and the level of care they require.

There is no Net County Cost associated with this PA and ASA.