

**COUNTY OF SAN MATEO**  
**INTERDEPARTMENTAL CORRESPONDENCE**

**To:** Honorable Board of Supervisors  
**From:** County Counsel  
**Subject:** Health Plan of San Mateo  
**Date:** July 17, 2001

RECOMMENDATION

Adopt an ordinance amending the authority of the San Mateo Health Commission.

BACKGROUND

In 1986, your board adopted an ordinance creating the San Mateo Commission on Publicly Assisted Medical Care. This action was pursuant to the state law which authorizes the San Mateo Health Commission, usually known as the Health Plan of San Mateo. Initially, the purpose of the Health Commission was limited to the administration of Medi-Cal funding by contracting with the California Medical Assistance Commission. The Health Commission receives a capitation monthly payment from the state, in exchange for which it is "at risk" for the cost of medical services to its members. The surplus funds have been used to pay for enhancements to health services for needy individuals.

During the late 1990s, the Health Plan spent considerable funds on enhancement programs. At the same time, due to a healthy economy and federal and state welfare reform, the Health Plan began to lose members and its state funding began to shrink.

In order to maintain its viability, the Health Plan began to explore ways in which it could diversify its services and capture additional revenue. One such program that has been successfully integrated into the Health Plan's operation is the "Healthy Families" project, whereby the state provides health insurance for children whose family income is up to 200% of the federal poverty level, and therefore too high to qualify for the Medi-Cal program, but too low to provide traditional health insurance.

In order to provide the expanded range of services, the Health Plan obtained the necessary state ("Knox-Keene") license. At the same time, its enabling legislation was amended to authorize the Health Plan to provide a broader range of services.

DISCUSSION

In the near future, the Health Plan intends to further expand its services by implementing the HealthWorx program, through which it will administer health care benefits to IHSS workers who

Honorable Board of Supervisors

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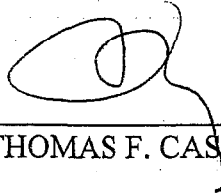
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perform services through the Public Authority.

In order to provide this service and to keep pace with its expanding authority under state law, it is necessary to amend the ordinance to expand the Health Plan's authority. The amendment will authorize the Health Commission to provide all health services authorized by state law.

FISCAL IMPACT

There is no fiscal impact.



THOMAS F. CASEY III, COUNTY COUNSEL

cc: John Maltbie, County Manager

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ORDINANCE NO. \_\_\_\_\_

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**AN ORDINANCE EXPANDING THE AUTHORITY OF THE SAN MATEO  
COMMISSION ON PUBLICLY ASSISTED MEDICAL CARE**

The Board of Supervisors of the County of San Mateo, State of California, ORDAINS as follows:

SECTION 1. Section 2.68.010 of Chapter 2.68 of Title 2 of the San Mateo County Ordinance Code is hereby amended to read as follows:

"Section 2.68.010 San Mateo County Commission on Publicly Assisted Medical Care.

There is hereby created the San Mateo County Commission on Publicly Assisted Medical Care. The purpose of the Commission is to negotiate exclusive contracts with the California Medical Assistance Commission, **to provide health care services authorized by state law,** and to arrange for the provision of health care services to qualifying individuals who lack sufficient annual income to meet the cost of health care, and whose other assets are so limited that their application towards the cost of health care would jeopardize the person or family's future minimum self-maintenance and security, pursuant to chapter 7 of part III of division IX of the Welfare and Institutions Code."

SECTION 2. This ordinance shall be effective thirty (30) days from the date of passage thereof.

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