

COUNTY OF SAN MATEO  
Departmental Correspondence

DATE: JUL 18 2001  
HEARING DATE: JUL 31 2001

TO: Honorable Board of Supervisors  
FROM: Timothy B. McMurdo, Director, Hospital & Clinics Division  
SUBJECT: Resolution Authorizing the Controller to Pay Non-Contract Medical Services Providers

RECOMMENDATION

Adopt a resolution authorizing the Controller to pay non-contract medical service providers for services to medically indigent adult (MIA) patients.

Background

San Mateo County is responsible for providing necessary medical care to its medically indigent (MIA) population. If an MIA patient needs services or procedures not offered at SMCGH, the patient is referred to another facility and the expenses must be paid by the County. Examples of these services are invasive/non-invasive cardiac procedures and radiation therapy.

Since 1990, your Board has authorized the Controller to pay non-contract medical providers who provide medical services at other facilities to our MIA patients. The authorization expires annually.

The current method of calculating payment relies on rates determined for Medicare patients and is 40% of billed charges for services not in the Medicare fee schedule.

Discussion

All referrals to non-contract providers must be authorized by Hospital Administration, and utilization review is concurrently provided by the Case Management Department at the hospital.

Demand for these services has averaged approximately \$150,000 beyond the \$100,000 estimate from last year. This increase is due to the unpredictability of expensive diagnostic procedures required, and the increase in clinic utilization over the past three years, currently averaging \$250,000.

This resolution will allow the Controller to pay non-contract providers for services provided at the prevailing Medicare participating fee schedule for all Part "B" services that can be reimbursed per Health Care Financing Administration (HCFA) guidelines or the Medicare Labor Adjusted Ambulatory Surgery Classification (ASC); and 40% of billed charges for all services not found on the Part "B" Medicare Fee Schedule or the ASC.

Term and Fiscal Impact

The average annual cost of services paid for under this new resolution will be approximately \$250,000. The resolution allows the Controller to pay bills for services provided March 1, 2001 to February 28, 2002.

Funds for these services have been budgeted in the 2000-01 San Mateo County General Hospital approved budget and are included in the 2001-02 recommended budget.

RECOMMENDED

  
HEALTH SERVICES

RESOLUTION NO. \_\_\_\_\_

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

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RESOLUTION AUTHORIZING THE CONTROLLER  
TO PAY NON-CONTRACT MEDICAL SERVICE PROVIDERS

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that;

WHEREAS, it is necessary to send San Mateo County General Hospital patients to outside providers when the services or procedures they require are not available on site; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that

- 1) the Controller pay non-contract medical service providers for and on behalf of the County of San Mateo in an amount not to exceed \$250,000 for the period March 1, 2001 through February 28, 2002,
- 2) the Controller is hereby authorized and directed to execute payments for such medical services to non-contract medical service providers who provide services at other facilities to MIA patients at the prevailing Medicare participating fee schedule for San Mateo County for all Part "B" services that can be reimbursed per Health Care Financing Administration (HCFA) guidelines or the Medicare Labor Adjusted Ambulatory Surgery Classification (ASC), and 40% of billed charges for all services not found on the Part B Medicare Fee Schedule or the ASC that are considered reimbursable per HCFA guidelines, for and on behalf of the County of San Mateo as requested and approved by the Director of Health Services or her authorized designee.