



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

Health System

DATE:
BOARD MEETING DATE:
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Jean Fraser, Chief of the Health System
Srija Srinivasan, Special Assistant to the County Manger

SUBJECT: Fifth Amendment to the Agreement with the State of California's
Managed Risk Medical Insurance Board

RECOMMENDATION:

Adopt a Resolution authorizing the President of the Board to execute a Fifth Amendment to the Agreement with the State of California Managed Risk Medical Insurance Board to: establish new administrative policies in Exhibits A and B of the Agreement; extend the term of the Agreement from July 1, 2005 through June 30, 2009 to July 1, 2005 through June 30, 2010; and increase the contract amount by \$309,789, for a total obligation of \$2,043,013.

BACKGROUND:

In December 2005 the Board of Supervisors (Board) executed an Agreement with the State of California's Managed Risk Medical Insurance Board (MRMIB) establishing San Mateo County as the administrator of the County Children's Health Initiative Program (C-CHIP), thereby giving the County access to federal funding through the County Health Initiative Matching Fund created through AB 495 (Diaz 2001). These matching federal funds allow local governments to provide comprehensive health insurance to children in families with incomes ranging from 250% to 300% of the Federal Poverty Level who do not qualify for Medi-Cal or Healthy Families. The San Mateo County Healthy Kids program was established in 2003 as the local C-CHIP.

In the past four years, your Board approved several Amendments to this Agreement and also authorized the Health System Chief or Chief's designee to execute contract



amendments which modify the contract services as long as the modified services are within the current or revised fiscal provisions and the County's maximum fiscal obligation does not exceed by no more than \$25,000 (in aggregate). In January 2009 the Chief approved the Fourth Amendment to this Agreement to extend the term and to decrease the established per-member per-month (PMPM) rates for the program.

DISCUSSION:

This Amendment includes new administrative policies in Exhibits A and B of the Agreement. These new policies state that the Agreement is only valid if sufficient federal and state funds are available and that additional restrictions, limitations and conditions enacted by the State legislature may also affect the provision, term and funding of the Agreement.

The C-CHIP program rates are adjusted by the MRMIB on an annual basis. The MRMIB will maintain the current coverage rates for San Mateo County at \$157.43 PMPM for children less than one year of age and \$71.92 PMPM for children one through eighteen years of age.

CHI has approximately 350 children enrolled in the Healthy Kids program meeting eligibility criteria for the C-CHIP funds.

The Amendment and Resolution have been reviewed and approved to form by County Counsel.

The Children's Health Initiative (CHI) received this Amendment in June 17, 2009, therefore, it will not be executed as of its start date of July 1, 2009. We are currently reviewing the adopted state budget for the current fiscal year and do not anticipate it to have any impact on the rates stated in this Amendment.

Performance Measure(s):

Measure	FY 2008-09 Estimate	FY 2009-10 Target
Medi Cal (3)	15,592	15,784
Healthy Families	10,287	10,677
Healthy Kids	6,300	6,300

(3) Children enrolled in Full Scope No Share-of-Cost Medi-Cal only

FISCAL IMPACT:

This Amendment to the Agreement changes the maximum obligation from \$1,733,224 to \$2,043,013 in funding for the County and extends the original term of this Agreement from July 1, 2005 to June 30, 2009 to July 1, 2005 to June 30, 2010. This funding is included in the CHI FY 2009-10 Tentatively Adopted Budget. Therefore, an Appropriation Transfer Request will not be required. Approval of this Amendment has no Net County Cost impact.