



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



DATE: October 13, 2011
BOARD MEETING DATE: November 1, 2011
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors

FROM: Jean Fraser, Chief of the Health System
Srija Srinivasan, Director, Strategic Operations

SUBJECT: Ninth 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 Ninth Amendment to the Agreement with the State of California Managed Risk Medical Insurance Board to extend the term of the Agreement from July 1, 2005 through September 30, 2011 to July 1, 2005 through September 30, 2012 and increase the contract amount by \$299,530, for a maximum amount of \$2,804,429.

BACKGROUND:

In December 2005 your 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 which 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 six years, your Board approved several Amendments to this Agreement. In January 2011 your Board approved the Eighth Amendment to this Agreement to extend the contract term and increase the contract amount.

DISCUSSION:

The C-CHIP rates are adjusted by the MRMIB on an annual basis. The MRMIB will maintain the current coverage rates for San Mateo County pursuant to the Government Code section 6254(y), the C-CHIP rates are kept confidential from the public records. Children's Health Initiative (CHI) has approximately 360 children enrolled in the Healthy Kids program meeting eligibility criteria for the C-CHIP funds. This Amendment also

makes changes on Exhibit A and Exhibit B to reflect the fiscal year date changes and effective date of the Amendment.

The Children's Health Initiative received this Amendment in August 22, 2011; therefore, it will not be executed as of its start date of October 1, 2011.

This Amendment and Resolution have been reviewed and approved by County Counsel.

Approval of this Amendment contributes to the Shared Vision 2025 outcome of a Healthy Community by providing funds to pay for health coverage for children. Eligible children must reside in San Mateo County and family income must fall within 250% and 300% of the Federal Poverty Level. It is anticipated that Healthy Kids enrollment will decline in FY 2011-12 because of a greater number of children in lower income households qualifying for Medi-Cal and a smaller number of families at the higher end of the Health Kids income-eligibility range.

Performance Measure(s):

Measure	FY 2010-11 Actual	FY 2011-12 Projected
Medi Cal *	19,009	21,274
Healthy Families	10,501	9,300
Healthy Kids	5,181	4,800

*Children enrolled in Full Scope No Share-of-Cost Medi-Cal only

FISCAL IMPACT:

This Amendment to the Agreement changes the maximum obligation from \$2,504,899 to \$2,804,429 in funding from the State for the County's C-CHIP and extends the term of this Agreement from July 1, 2005 through September 30, 2011 to July 1, 2005 through September 30, 2012. This funding is included in the CHI FY 2011-12 Adopted Budget. Approval of this Amendment has no Net County Cost impact.

RESOLUTION NO. _____

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

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RESOLUTION AUTHORIZING THE PRESIDENT OF THE BOARD TO EXECUTE A NINTH AMENDMENT TO THE AGREEMENT WITH THE STATE OF CALIFORNIA MANAGED RISK MEDICAL INSURANCE BOARD TO EXTEND THE TERM OF THE AGREEMENT FROM JULY 1, 2005 THROUGH SEPTEMBER 30, 2011 TO JULY 1, 2005 THROUGH SEPTEMBER 30, 2012 AND INCREASE THE CONTRACT AMOUNT BY \$299,530, FOR A MAXIMUM AMOUNT OF \$2,804,429

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

WHEREAS, in January 2006 this Board of Supervisors adopted Resolution 067753, approving an Agreement with the State of California’s Managed Risk Medical Insurance Board to receive federal matching funds for the Children’s Health Initiative Program; and

WHEREAS, in June 2007 this Board of Supervisors adopted Resolution 068825 approving a new rate and authorizing Chief of the Health System to execute contract amendments as long as the modified services are within the current or revised fiscal provisions; and

WHEREAS, in February 2008 this Board of Supervisors adopted Resolution 069285 extending the term of the Agreement to July 1, 2005 through June 30, 2008, approving a new rate, and establishing new administrative policies in Exhibit B and D of the Agreement; and

WHEREAS, in August 2008 this Board of Supervisors adopted Resolution 069632 extending the term of the Agreement to July 1, 2005 through June 30, 2009, and establishing new administrative policies in Exhibit A and B of the Agreement; and

WHEREAS, in January 2009 the Chief of the Health System approved the Fourth Amendment to this Agreement decreasing the premium rates; and

WHEREAS, in August 2009 this Board of Supervisors adopted Resolution 070346 to extend the term of the Agreement to July 1, 2005 through June 30, 2010, increase the contract amount to \$2,043,013, and establish new administrative policies; and

WHEREAS, in April 2010 the Chief of the Health System approved the Sixth Amendment to this Agreement to adjust rate payments for the period of July 1, 2009 through October 31, 2009, and for the period of November 1, 2009 through June 30, 2010; and

WHEREAS, in October 2010 this Board adopted Resolution 071094 to extend the term of the Agreement to July 1, 2005 through September 30, 2010 and increase the contract amount to \$2,138,254; and

WHEREAS, in January 2011 this Board adopted Resolution 071240 to extend the term of the Agreement to July 1, 2005 through September 30, 2011 and increase

the contract amount to \$2,504,899; and

WHEREAS, both parties now wish to extend the term of the Agreement to July 1, 2005 through September 30, 2012, maintain current rate payments for the period of July 1, 2010 through September 30, 2012, increase the funding amount by \$299,530 for a maximum amount of \$2,804,429, and make changes to Exhibit A and Exhibit B of the Agreement; and

WHEREAS, this Board has been presented with this Amendment and has examined and approved it as to both form and content and desires to enter into said Amendment.

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the President of the Board of Supervisors is hereby authorized and directed to execute said Amendment to the Agreement with the State of California's Managed Risk Medical Insurance Board for and on behalf of the County of San Mateo, and the Clerk of this Board shall attest the President's signature thereto.

* * * * *

STANDARD AGREEMENT AMENDMENT

STD. 213 A (Rev 6/03)

 CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED 3 Pages

AGREEMENT NUMBER	AMENDMENT NUMBER
05MHF074	A9
REGISTRATION NUMBER	
4280100598468.	

- This Agreement is entered into between the State Agency and Contractor named below:
STATE AGENCY'S NAME
Managed Risk Medical Insurance Board
CONTRACTOR'S NAME
County of San Mateo
- The term of this Agreement is July 1, 2005 through September 30, 2012
- The maximum amount of this Agreement after this amendment is: \$2,804,429 (\$299,530 added)
- The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:



This Agreement is amended for the following purposes:

- Extend the end of the term to September 30, 2012.
- Add \$299,530 to the Agreement.
- Make changes to Exhibit A and Exhibit B.
- Specify the confidential rates of payment as provided in Attachment IV.

The effective date of this amendment is October 1, 2011.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		CALIFORNIA Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) <u>County of San Mateo</u>		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING <u>Carole Groom, President, County of San Mateo County Board of Supervisors</u>		
ADDRESS <u>225 37th Avenue, San Mateo, CA 94403</u>		
STATE OF CALIFORNIA		
AGENCY NAME <u>Managed Risk Medical Insurance Board</u>		<input checked="" type="checkbox"/> Exempt per: Insurance Code sec. 12699.54
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING <u>Terresa Krum, Chief Deputy Director</u>		
ADDRESS <u>1000 G Street, Suite 450, Sacramento, CA 95814</u>		

1. Exhibit A, Section II, CONTRACT TERM, Item A, Term of Agreement, is amended to read:

The term of this Agreement shall be from July 1, 2005, through September 30, 2012. The State may exercise the option to negotiate an Agreement for subsequent one-year terms. Such extension shall be by an amendment to this Agreement. Reimbursement rates applicable to each subsequent one-year term shall be negotiated by the parties and included in the amendment. Renewal of the Agreement is contingent upon successful performance by the Contractor, as determined by the State at its sole discretion.

2. Exhibit B, Section II, FISCAL CONTROL PROVISIONS, Item D, Prior to Fiscal Year/Crossing Fiscal Years, is amended to read:

It is mutually agreed between the parties that this Agreement may have been signed and executed prior to the start of the 2005-06 State fiscal year before ascertaining the availability of federal funds allocated through the State budget for the 2005-06 State fiscal year. This Agreement has also been written with a term that crosses State fiscal years, and therefore before ascertaining the availability of legislative appropriation of federal funds for the 2011-2012 and 2012-2013 State fiscal years. This Agreement is valid and enforceable only if sufficient federal funds are made available through the 2011-2012 and 2012-2013 State budgets for the purposes of this program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted in statute by the State Legislature which may affect the provision, term or funding of this Agreement in any manner. It is mutually agreed that if the State Legislature does not appropriate sufficient funds for this program, the Agreement shall be amended to reflect any reduction in funds.

3. This Agreement is amended through the revision and incorporation of Attachment I, Confidential Rates of Payment, as if fully set forth herein.
4. The effective date of this amendment is October 1, 2011.

ATTACHMENT I
CONFIDENTIAL RATES OF PAYMENT

This attachment is confidential, and is not open until, at the earliest October 1, 2015.
See Exhibit D, Item II.N of this Agreement for the standards governing confidentiality.

HEALTHY FAMILIES PROGRAM RATES

County of San Mateo		Region 3
Composite Rates for Health, Dental & Vision		
Current Year Rate:	Infant Rate	Child Rate
2011/12 (10/1/11-9/30/12)	180.89	78.54
Prior Years Rates for Retroactive Claims		
	Infant Rate	Child Rate
2010/11 (10/1/10-9/30/11)	167.11	73.00
2010/11 (7/1/10 -9/30/10)	167.11	73.00
2009/10 (11/1/09-6/30/10)	167.11	73.00
2009/10 (7/1/09-10/31/09)	172.17	74.93
2008/09 (2/1/09-6/30/09)	157.43	71.92
2007/08	165.63	75.67
2006/07	165.63	75.64
2005/06	165.35	75.39
2004/05	212.11	92.00
2003/04	212.11	92.00
2002/03	226.87	96.90
San Mateo rates for 1-18 years were adjusted to deduct costs for State Supported Services		