

indicating Board approval to DHCS by May 25, 2018, to ensure participation in FY2018/19.

FINANCIAL IMPACT:

With MCIP, the contractual arrangement allows DHCS to draw down federal funds for allowable services to reimburse NorthBay Medical Center (NorthBay) for inpatient hospitalization or medical care costs that the County's inmate medical provider California Forensic Medical Group (CFMG) would have otherwise paid. In turn, CFMG reimburses the County for the State's 5% administrative fee and pays the County 85% of the net savings from inmates covered under MCIP. Board approval will not impact the County General Fund; however, non-approval will negatively impact County General Fund as the Sheriff's Recommended Budget includes \$150,000 in revenue from CFMG for inmates covered under MCIP with a maximum reimbursable amount of \$604,222 under the State's FY2018/19 MCIP.

To date, Solano County has received \$33,241 from CFMG for participation in the MCIP program for inmates who received inpatient medical treatment. However, due to the program's start up and implementation, the State only recently began releasing federal Medicaid pass-through funds received under MCIP to counties or medical providers. Furthermore, there is more than \$957,883 in additional outstanding claims by NorthBay for the period of April 1, 2017 through March 31, 2018, of which it is anticipated that NorthBay will receive approximately \$48,000 in federal Medicaid pass-through funds. The Sheriff's Office expects to receive another \$116,000 from CFMG for those recent claims paid to NorthBay and the outstanding claims. The Sheriff's Office is working with DHCS, NorthBay, CFMG, and County Health and Social Services to improve the claiming process and resolve denied claims.

Moreover, the claims reimbursement process can be lengthy, given that a Medi-Cal provider only submits claims after all eligible costs have been determined, and the State's release of funds is predicated on the review and appeals process.

There is minimal cost for staff to prepare this item, which is covered by the department's FY2017/18 Adopted Budget.

DISCUSSION:

The DHCS implemented the voluntary MCIP beginning April 1, 2017. The MCIP consists of three programs: the Adult County Inmate Program (ACIP), the County Compassionate Release/Medical Parole Program (CCRP/CCMP), and the Juvenile County Ward Program. The first, and most noteworthy, is the ACIP which covers Medi-Cal allowable inpatient hospital services during an eligible inmate's inpatient hospital stay. The second program is the CCRP/CCMP which allows the Sheriff to grant medical release or medical probation in lieu of jail time, if certain conditions are met. An inmate may only be eligible for CCRP/CCMP if the physician determines the inmate has a life expectancy of six months or less; the inmate does not pose a threat to the public's safety; the presiding judge is notified of the intended release; and inmate placement is secured. The third program involves juveniles housed in county juvenile halls and is of interest to the County's Probation Department.

On February 7, 2017, after discussions with CFMG and NorthBay, and after researching implementation guidance provided by the County Health Executives Association of California, the Board of Supervisors approved Solano County's participation in the MCIP for FY2016/17 and FY2017/18. On March 20, 2017, the County Administrator approved a contract amendment with CFMG to include roles and responsibilities under MCIP for NorthBay, CFMG, and the County.

As the Medi-Cal provider, NorthBay claims Medi-Cal funds from DHCS at the applicable fee-for-service rate using the same claiming process for non-inmate Medi-Cal beneficiaries. For accepted claims, NorthBay receives pass-through federal Medicaid reimbursement under the State's Medi-Cal program and the County is charged a 5% administrative fee which is entirely offset by CFMG reimbursement. NorthBay also bills CFMG

for the inmate's medical costs; however, CFMG will only make payment if the claim has been denied and remains in denied status after appeal. Since CFMG benefits from lower inmate medical costs resulting from accepted MCIP claims, the Sheriff's Office negotiated that CFMG will pay the County 85% of its net savings of the claimed amount, retaining the remaining 10% for administrative costs. The 10% retention by CFMG is a standard administrative fee for MCIP in all their contracts with other counties.

Working in collaboration with CFMG and NorthBay, County Health and Social Services (H&SS) and the Sheriff's Office are responsible for identifying inmates admitted for covered inpatient off-site hospital or medical services; obtaining appropriate authorized representative forms from inmates; working with inmates to complete and sign Medi-Cal application documents; and enroll the inmates by submitting completed Medi-Cal applications and support documentation to the DHCS.

ALTERNATIVES:

The Board of Supervisors could choose not to approve the agreement between Solano County and DHCS; however, this alternative is not recommended as it would exclude the State, the County's inmate medical provider CFMG, and the County from benefiting from the MCIP for inpatient hospitalizations of Solano County inmates. Moreover, non-approval is not fiscally prudent, as this revenue stream aids in reducing General Fund costs associated with inmate medical expenses.

OTHER AGENCY INVOLVEMENT:

NorthBay provided the amount of outstanding claims under MCIP.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION