

Agenda Date: 11/21/2006

Agenda Placement: 6E

# NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Shelli Brobst for Randy Snowden - Director

Health & Human Services

REPORT BY: Shelli Brobst, Contracts Analyst, 253-4720

SUBJECT: Corrected Agreement No. 6613 with Blue Cross of California (CMSP)

#### RECOMMENDATION

Director of Health and Human Services requests adoption of a resolution authorizing the Chair to sign the corrected Participating Physician Group Agreement No. 6613 between Blue Cross of California and the County of Napa for the term April 25, 2006, until terminated by either party, relating to the County Medical Services Program (CMSP).

## **EXECUTIVE SUMMARY**

Approval of the requested action will replace the version of this agreement previously approved by the Board on April 25, 2006. An incorrect exhibit furnished by CMSP and included in the original agreement needs to be replaced. The corrected agreement will allow Napa County to receive reimbursement from Blue Cross of California for outpatient psychiatric services provided to indigent clients through the County Medical Services Program (CMSP).

#### FISCAL IMPACT

Is there a Fiscal Impact? No

### **ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The County Medical Services Program (CMSP) is a limited health insurance program serving indigent adults meeting certain eligibility criteria and residing in one of thirty-four rural counties, including Napa County. This mandatory program is funded with specific Realignment funding from the State. HHSA serves a number of CMSP-eligible clients in its adult psychiatric medication clinic. The cost of care for these indigent individuals is only partially reimbursed through the collection of client fees based on a sliding scale.

In October 2005, Blue Cross of California's affiliate, BC Life & Health Insurance Company, was selected to assume responsibility from the State Department of Health Services for CMSP claims administration, prior authorization, utilization management, and provider contracting. As part of the changeover to Blue Cross, changes occurred in the types of benefits available to individuals who qualify for CMSP. Most of the changes limited CMSP eligibility criteria and reimbursement for such services as psychiatric inpatient hospitalization. However, in the area of outpatient psychiatric services, the scope of coverage was expanded. Nevertheless, there will be no change in the total amount reimbursed to the County because of these changes in benefits.

On April 25, 2006, the Board approved the original agreement with Blue Cross to allow claiming and reimbursement for psychiatric medication services delivered by psychiatrists to CMSP-eligible clients. The agreement also requires an application for the physician group (Napa County) and separate applications for each physician in the group. The applications for HHSA's adult psychiatric medication clinic and the three psychiatrist positions currently assigned to that clinic were submitted to Blue Cross with the original agreement. These individual agreements do not need to be revised.

Approval of the requested action will allow a technical correction to be made to replace an incorrect exhibit that was furnished by CMSP and included in the original agreement. The agreement approved by the Board on April 25, 2006 will be replaced in full by this new agreement.

#### SUPPORTING DOCUMENTS

A . Resolution

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita