



Agenda Date: 5/15/2007
Agenda Placement: 6C

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Randolph F. Snowden - Director
Health & Human Services
REPORT BY: Shelli Brobst, Contracts Analyst, 253-4720
SUBJECT: Actions regarding the Outreach, Enrollment, Retention and Utilization Allocation funding for Families with Uninsured Children

RECOMMENDATION

Director of Health and Human Services requests the following actions regarding the Outreach, Enrollment, Retention, and Utilization (OERU) allocation for families with uninsured children:

1. Approval of Napa County's OERU Plan and Budget for Fiscal Years 2006-2007, 2007-2008 and 2008-2009;
2. Authorization for the Director of Health and Human Services and the responsible HHSA program manager to sign the Department of Health Services Allocation Certification Statement accepting \$288,000 per fiscal year for OERU activities for the term May 1, 2007 through June 30, 2009;
3. Authorization for the Chair to sign an agreement with Children's Health Initiative, Napa County, Inc. (CHI), for the term May 15, 2007 through June 30, 2008 for a maximum of \$273,139 for CHI to provide case management services for Medi-Cal and Healthy Families beneficiaries under the terms of the OERU allocation; and
4. Approval of Budget Transfer No. 64 increasing appropriations in the Social Services budget by \$29,265 with offsetting revenue from the OERU allocation to fund contract expenditures for Fiscal Year 2006-2007. (4/5 vote required)

EXECUTIVE SUMMARY

The State Budget Act of 2006 appropriated funds to the California Department of Health Services to increase enrollment of children in Medi-Cal and Healthy Families through an Outreach, Enrollment, Retention and Utilization (OERU) allocation for families with uninsured children. Approval of the requested actions will: (1) approve HHSA's submission to the California Department of Health Services of the OERU Plan and Budget for Fiscal Years 2006-2007, 2007-2008, and 2008-2009; (2) permit the Director of Health and Human Services and the responsible HHSA program manager to sign the Department of Health Services Allocation Certification Statement; (3) allow HHSA to enter into a new agreement with Children's Health Initiative to provide case management services under the terms of the OERU allocation; and, (4) approve Budget Transfer No. 64 increasing appropriations to fund the CHI agreement for the remainder of this fiscal year.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Outreach, Enrollment, Retention, and Utilization (OERU) allocation from the State.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This is a discretionary activity in that the activities funded by this allocation are not mandated. Approval of the requested actions will provide the opportunity to increase the number of Medi-Cal and Healthy Families beneficiaries, retain the beneficiaries in the program, and increase their utilization of health care services. Because the current Medi-Cal allocation does not allow for the provision of beneficiary case management, receipt of this allocation will enable the provision of case management services and thereby allow uninsured families in Napa County to have increased opportunities for health care services.
Is the general fund affected?	No
Future fiscal impact:	The Outreach, Enrollment, Retention, and Utilization (OERU) allocation is for a total of \$864,000 for the 26-month term beginning May 1, 2007. The agreement with CHI terminates June 30, 2008; however, it is anticipated that the contract will be renewed for the duration of the grant period.
Consequences if not approved:	If the requested actions are not approved, Napa County will miss the opportunity to facilitate Medi-Cal OERU activities currently not funded within the existing Medi-Cal allocation. Also, HHSA will be unable to contract with Children's Health Initiative to provide case management services under the terms of the County's approved OERU Plan.
Additional Information:	The majority of this allocation will fund the contract with Children's Health Initiative (CHI) to provide OERU case management activities. The remaining funds will be used for design and customization of an automated application process and to fund a 0.5 FTE Eligibility Supervisor for project oversight. The term of the grant has been shortened from 36 to 26 months. Even though there are only 2 months in Year 1, the largest budgeted expense of the first year is the web-based enrollment program at a cost of \$156,406, which will probably occur in Year 2. The remaining contracted out case management and HHSA oversight expenses will be "drawn down" from the grant on a quarterly basis. OERU funds are not received by the County until the State is invoiced for expenditures incurred on a quarterly basis.

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

Outreach, Enrollment, Retention and Utilization (OERU) Allocation:

Through its Medi-Cal Eligibility Branch, the State has allocated funds for county outreach, enrollment, retention and utilization activities that target families with uninsured children. A two-level county allocation process is based on the number of eligible but uninsured children and the Medi-Cal/Healthy Families (MC/HF) caseload for children. The majority of funds were allocated to counties with the highest number of eligible but uninsured children and the highest MC/HF caseloads. Counties that did not meet this Level 1 criterion applied for Level 2 funding, which requires demonstration of a coalition for children's outreach and enrollment that has been in place at least twelve months. Napa County meets the Level 2 criterion. To receive an allocation, Napa County must submit a plan and budget for Fiscal Years 2006-2007, 2007-2008 and 2008-2009. The State approved Napa County's proposed plan and budget for all three fiscal years.

As a condition of receiving the funding, the County's governing body now must approve the three-year plan and budget. Approval of the requested actions will allow the Director of Health and Human Services and the responsible HHSA program manager to sign the Department of Health Services Allocation Certification Statement, stating that the County's OERU program and subcontractor (Children's Health Initiative) will comply with: (1) all provisions of Napa County's plan and budget, (2) all provisions of the HIPAA Business Associate Addendum attached to the plan and budget, and (3) all other applicable federal and state laws. The project timeline has been changed from the original beginning date of October 2006 to May 2007 due to the State's delayed notification to the County of the plan's approval and the time needed for the County to set the agreement with Children's Health Initiative in motion. A copy of the Department of Health Services Allocation Certification Statement and the County's Plan and Budget are on file with the Clerk of the Board.

Children's Health Initiative, Napa County, Inc.:

The Children's Health Initiative (CHI) was chosen as the vendor to provide case management services to Medi-Cal and Healthy Families. CHI will be the lead agency to carry out the OERU activities under the State-approved plan and budget. CHI's responsibility will be to coordinate Medi-Cal and Healthy Families outreach, enrollment, retention and utilization, which will result in an increase in services to eligible children. CHI's activities will include training of "application assistants" in outreach and retention strategies and providing staff for case management. Also included in the agreement with CHI is a Business Associate Agreement setting forth the Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations to which the contractor is subject. This agreement provides the County with assurances that the contractor will comply with any and all HIPAA requirements.

Budgetary Transfer:

Approval of Budget Transfer No. 64 will increase expenditure authority in the Social Services budget to fund the Children's Health Initiative agreement utilizing OERU funds through the remainder of this fiscal year. HHSA's Fiscal Year 2007-2008 budget request includes appropriation and expenditure authority for this agreement.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita