



Agenda Date: 6/5/2007
Agenda Placement: 6S

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: Agreement with California Department of Health Services (Targeted Case Management)

RECOMMENDATION

Director of Health and Human Services requests approval of and authorization for the Chair to sign an agreement with the California Department of Health Services for the term July 1, 2007 through June 30, 2012 for the provision of Targeted Case Management Services to eligible Medi-Cal beneficiaries.

EXECUTIVE SUMMARY

This agreement delineates the responsibilities of the Provider of health services (County) and the Department of Health Services (DHS) relating to the provision of Targeted Case Management (TCM) to eligible Medi-Cal beneficiaries. Targeted Case Management assists eligible individuals to gain access to needed medical, social, educational and other services.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Public Health
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	This is a discretionary activity in that there is no mandate to provide these services. Approval of this provider agreement will allow Napa County to continue claiming federal financial participation for Targeted Case Management services.
Is the general fund affected?	No

Future fiscal impact: This agreement terminates June 30, 2012.

Consequences if not approved: HHSA will not be able to invoice for Targeted Case Management Services, which will result in loss of revenue (\$1.5 million over five years or \$300,000 annually).

Additional Information:

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

Public Health Nurses assist Medical beneficiaries in a specified target group to gain access to needed medical, social, educational and other services. This assistance is referred to as Targeted Case Management (TCM). TCM is funded through Medicaid Title XIX. The federal government pays approximately 50% of the cost, and the local program (Napa County) pays the remainder using Realignment funding. Napa County's previous "Provider Agreement for Claiming Federal Financial Participation for Targeted Case Management Services" covered Fiscal Years 2004-2007. To continue receiving reimbursement for TCM services, the County must sign a new provider agreement for Fiscal Years 2007-2012.

Contractor's Exhibit 1, prepared by County Counsel, is made part of this Agreement for the purpose of putting the State Department of Health Services (DHS) on notice that the County does not intend to be bound by certain elements of the Agreement as currently written. DHS has defined the contractual relationship between the County and DHS as constituting a HIPAA Business Associate relationship and included Business Associate Agreements within this Agreement. It is the opinion of County Counsel and the County Privacy Officer, however, that no such relationship exists. Further, it is their contention that those Agreements contain provisions that are not applicable to the contractual activities, are excessive, preclusive and not compatible with current capabilities, do not conform with the letter or the spirit of the HIPAA regulations, and are inappropriate to this Agreement. Negotiations between DHS and several counties that share this opinion are being initiated with the expectation that, like the Department of Mental Health has recently done, DHS will concede that the disputed provisions are inappropriate and agree to amend its boilerplate agreement with counties. Intended as an interim measure, Exhibit 1 sets forth the County's position to allow the contract to be finalized immediately. While the Exhibit reflects language agreed upon by the parties to previous negotiations, it should be noted that in the unlikely event of a legal challenge the exceptions may not be binding. Yet, the small risk of a dispute, and even smaller risk of a successful contest, is heavily outweighed by the fact that failure to execute the contract at this time could result in interruption of services or funding.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita