

**COUNTY OF SONOMA  
AGENDA ITEM  
SUMMARY REPORT**

Clerk of the Board Use Only  
Meeting Date \_\_\_\_\_ Held Until \_\_\_\_\_  
Agenda Item No: \_\_\_\_\_ Agenda Item No: \_\_\_\_\_

**Department:** Health Services

**( X ) 4/5 Vote Required**

**Contact:**  
Rita Scardaci

**Phone:**  
565-4700

**Board Date:**  
5/12/09

**Deadline for Board Action:**

**AGENDA SHORT TITLE:** Managed Medi-Cal Expansion

**REQUESTED BOARD ACTION:**

Authorize the Director of Health Services to execute an agreement with Partnership HealthPlan of California for the period May 1, 2009 to September 30, 2009, subject to County Counsel review, and any future amendments that do not significantly change the scope of work (\$35,000).

Resolution authorizing budgetary adjustments to the FY 08-09 Final Budget within the Special Revenue Fund – Department of Health Services in the amount of \$14,000 (requires 4/5 vote).

**CURRENT FISCAL YEAR FINANCIAL IMPACT**

**EXPENDITURES**

**ADD'L FUNDS REQUIRING BOARD APPROVAL**

**Estimated Cost** \$ 14,000

**Contingencies**  
(Fund Name: )

**Amount Budgeted** 14,000

**Unanticipated Revenue** \$14,000  
(Source: Partnership HealthPlan)

**Other Avail Approp**  
(Explain below)

**Other Transfer(s)** (14,000)  
(Source: Health Realignment)

**Additional Requested:** \$ 0

**Add'l Funds Requested:** \$ 0

**Explanation (if required):** The amount of \$14,000 will be used to reduce the draw on Health Realignment for FY 08-09.

**Prior Board Action(s):** 8/12/08 – Medi-Cal to regional Managed Medi-Cal Report/Recommendations; 12/12/06 – Managed Medi-Cal Report/Recommendations; 11/29/05 – Authorized the planning process on Medi-Cal Managed Care options.

**Alternatives – Results of Non-Approval:** Lost opportunity to receive funds to advance the implementation of Medi-Cal Managed Care in Sonoma County.

**BACKGROUND:** (Note: Agreement for services with Partnership HealthPlan of California is on file with the Clerk of the Board.)

In January 2005, the State issued a Medi-Cal Redesign Plan that called for expanded use of managed care within the Medi-Cal program. Managed Medi-Cal plans have been shown to contain health care costs. In addition, Medi-Cal beneficiaries that receive care through Managed Medi-Cal plans select a primary care physician improving access to health care services and quality of care.

In November of 2005, the Board authorized the Department of Health Services (DHS) to convene the Medi-Cal Managed Care Planning Group, comprised of local health care providers, consumer representatives, and County staff, to determine the best option for meeting the needs of Medi-Cal beneficiaries and health care providers in Sonoma County.

In 2006, the Board accepted the recommendations of the Medi-Cal Managed Care Planning Group to transition from fee-for-service Medi-Cal to the regional County Organized Health System model of Managed Medi-Cal operated by Partnership HealthPlan of California in Napa, Solano and Yolo counties. One of the recommendations of the Group was the appointment of a Planning and Implementation Committee which has been meeting regularly since 2007.

DHS and the Planning and Implementation Committee have worked collaboratively with Partnership HealthPlan of California on key implementation benchmarks. Due to the budget challenges at the State level, implementation of the program in Sonoma County has been delayed almost a year, and expansion into Sonoma County is now scheduled for October 1, 2009, subject to finalizing contracts with the State, local hospitals, clinics and physicians.

Partnership HealthPlan has developed a work plan (Attachment A) detailing tasks required for implementation of Managed Medi-Cal in Sonoma County. In the next four months, under contract with Partnership HealthPlan, DHS will assist with implementation tasks including:

- Development of local primary and specialty care networks.
- Launch of regional Partnership HealthPlan office in Santa Rosa.
- Members and key stakeholders education regarding the Medi-Cal Managed Care program.
- Transition coordination from fee-for-service Medi-Cal to the County Organized Health System model.

**Next Steps:**

DHS fully supports Managed Medi-Cal in Sonoma County as a way to improve access and quality of care for Medi-Cal beneficiaries, and to improve provider satisfaction. Partnership HealthPlan has completed initial implementation activities for expansion into Sonoma County, and the major milestones to accomplish before October 1, 2009 include:

1. Partnership HealthPlan to finalize contract with State, and obtain approval from the Centers for Medicare and Medicaid Services (CMS), the administrator for the Federal Medicare and Medicaid programs, to include Sonoma County in the regional Managed Medi-Cal program.

**Attachments:** Resolution authorizing budgetary adjustment in the amount of \$14,000; Attachment A - Partnership HealthPlan Work Plan.

**On File With Clerk:** Agreement for services with Partnership HealthPlan of California.

**CLERK OF THE BOARD USE ONLY**

| <b>Board Action</b> (If other than "Requested") |
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| <b>Vote:</b> |
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**BACKGROUND:** (continued)

2. Partnership HealthPlan to establish the network of local hospitals, community clinics, physicians and other health care providers to provide services to Medi-Cal enrollees in the County Organized Health System model. Medi-Cal health care providers will contract directly with Partnership HealthPlan for payment for services, and the organization will perform the Medi-Cal administrative functions.
3. The Sonoma County Board of Supervisors to approve an ordinance establishing the Solano-Napa-Yolo-Sonoma Commission on Medical Care (the Commission) that enables Partnership HealthPlan to contract with the State to expand managed Medi-Cal into Sonoma County. The ordinance will also set forth the process and number of members from Sonoma County to be appointed to the Commission for oversight of the regional managed Medi-Cal program. DHS will return to the Board with the proposed ordinance in August of 2009.
4. Partnership HealthPlan to establish a Sonoma County regional office in Santa Rosa. Services will include a local regional manager, provider services staff, nurse coordinators, and part-time medical director to coordinate implementation efforts with Partnership HealthPlan headquarters in Fairfield, California.
5. The State to notify Medi-Cal enrollees in Sonoma County of the upcoming transition of Medi-Cal services from fee-for-service to the County Organized Health System model of care. Partnership HealthPlan member services staff to initiate correspondence with Medi-Cal enrollees to assist them with selection of a primary care provider and care coordination.

**FISCAL IMPACT**

The contract with Partnership HealthPlan will provide revenue to DHS in the amount of \$35,000 (\$14,000 for FY 08-09 and \$21,000 for FY 09-10). The amount of \$14,000 in revenue for FY 08-09 will reduce the draw on Realignment by that same amount. The remaining \$21,000 will be included in the FY 09-10 Budget Request. There is no contribution from the General Fund.