

427

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Riverside County Regional Medical Center

SUBMITTAL DATE:
June 27, 2011

SUBJECT: Medically Indigent Services Program (MISP) Payments Authorization for Medical Services Providers

RECOMMENDED MOTION: Move that the Board of Supervisors:

- 1) Authorize the Medically Indigent Services Program (MISP) to pay for medical services and pharmaceuticals without securing competitive bids in accordance with Ordinance 459.4 for Fiscal Year 2011/12.
- 2) Exempt the Purchasing Agent from the requirement to report sole source agreements when adding medical services providers and pharmaceutical vendors to the existing list of providers.
- 3) Authorize the Medically Indigent Services Program (MISP) to pay for medical and pharmaceutical services not to exceed the annual aggregate amount of \$15,500,000.

Douglas D. Bagley

Douglas D. Bagley, Hospital Director

(cont. on Page 2)

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 15,500,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost FY:	\$ 2,865,108	For Fiscal Year:	11/12

SOURCE OF FUNDS: Realignment/Other 82%; General Fund 18%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

Consent
 Policy
 Dept't Recomm.:
 Policy
 Consent
 Per Exec. Ofc.:

Prev. Agn. Ref.: 11-51

District: 5

Agenda Number:

3.62

SUBJECT: Medical Indigent Services Program (MISP) Payments Authorization Agreement with medical services providers

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BACKGROUND: The MISP budget houses the funding to pay for the Medically Indigent Services Program established in 1983 for those adults between the ages 21-64 and 0% to 200% Federal Poverty Level. This budget also funds the cost of non-County medical providers used by Detention Health Services, First 5 Riverside, and the higher levels of care referral needs that RCRMC cannot provide.

Although the transition of some of the MISP uninsured to the Riverside County Health Care (RCHC) Program will take place during FY 2011/12, the MISP claims unit will continue to function as the fiscal intermediary for the reimbursement of medical services and pharmaceuticals rendered to the remaining medically indigent enrollees that do not qualify for the RCHC program, as well as the county adult and juvenile prisoners, and other necessary medical services that the hospital does not provide. As patients enroll in the Low Income Health Program (LIHP) funding for these patients will be transferred into the LIHP budget.

PRICE REASONABLENESS: MISP will continue to reimburse its providers using mostly Medi-Cal rates which are established by the State of California. There is no negotiation regarding the reimbursement rates set, as they are priced to the State Medi-Cal fee schedule and in some cases the Medicare fee schedule or a Medi-Cal equivalent rate when the Medi-Cal fee structure is too complex to implement such as Home Health Services. When there are no willing providers, a separate negotiated rate will be established. The Department is requesting to continue to pay for these services without seeking competitive bids.

FUNDING: There are sufficient revenue sources in the Department's proposed budget to fund the requested expenditures. The indigent care costs are mainly funded through State realignment sales taxes and vehicle license fees (California Welfare and Institutions Code 17600), DHS, RCRMC, First 5 Riverside and other department revenues. The requested funding for fiscal year 2011-12 is \$15,500,000 which includes estimated MISP/LIHP funding.

FINANCIAL IMPACT: There will be no financial impact. Funding for the program is already budgeted and there will be no new net County costs.