

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

340



FROM: Executive Office

SUBMITTAL DATE:
January 16, 2013

SUBJECT: Health Care Governance Committee Monthly Update

RECOMMENDED MOTION: That the Board of Supervisors receive and file the Health Care Governance Committee Monthly Update

BACKGROUND: The Health Care Governance Committee (HCGC) is a collaborative of Riverside County departments, including the County Executive Office, Riverside County Regional Medical Center, Department of Mental Health, Department of Public Health, Department of Public Social Services, Office on Aging, Human Resources as well as the Inland Empire Health Plan (IEHP). The HCGC was established to create a vision for providing an integrated system of health care and community services to better serve the residents of Riverside County and proactively respond to the challenges and opportunities presented by national and state health care reform. Furthermore, the HCGC is charged with ensuring the County has a financially sound model preserving the interests and on-going operations of County departments involved in this effort.

Debra Cournoyer
Debra Cournoyer, Deputy County Executive Officer

FINANCIAL DATA	Current F.Y. Total Cost:	\$	In Current Year Budget: Budget Adjustment: For Fiscal Year:
	Current F.Y. Net County Cost:	\$	
	Annual Net County Cost:	\$	

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE
BY: *Christopher M. Hans*
County Executive Office Signature Christopher M. Hans

- Consent
- Policy
- Consent
- Policy

Dept's Recomm.:
Per Exec. Ofc.:

The Affordable Care Act (ACA) legislation is extensive and complicated. In some cases, federal guidelines for the implementation of various provisions have yet to be released. However, Medicaid (Medi-Cal in California) expansion is only one year away and failure to take the necessary steps to prepare for the ACA will likely result in significant financial shortfalls.

A 2010 study by the UCLA Center for Health and Policy Research estimated that over 460,000 adults were uninsured in Riverside County. Services are currently provided to the uninsured at RCRMC, the 10 county-operated family care centers, county mental health clinics and other safety net providers throughout the county.

In preparation for Health Care Reform, the state sought federal approval to implement the Low Income Health Program (LIHP). Of those who are uninsured, twenty-five percent or 115,750 are estimated to be eligible for the LIHP with incomes at or below 133 percent of the federal poverty level.

With Board approval, the HCGC submitted and received approval from the California Department of Health Care Services to implement the LIHP, known as Riverside County HealthCare (RCHC), in January 2012. The two year program expands health care coverage to low income, uninsured adults who are not eligible for Medi-Cal or other public programs; and, provides a reimbursement of fifty cents for every dollar of eligible expenditures. As of December 2012, RCHC enrollment exceeded 27,000.

In January 2014, RCHC members will be assigned to a medical home based on their most recent medical home through the RCHC. However, they will have the opportunity to change to another primary care provider if they so choose.

A significant concern for the county would be if a majority of RCHC members selected a non-county provider. It would seem reasonable that if no revenue is received there would also be no cost associated with caring for these members; however, hospitals, in particular, have very high on-going fixed expenditures. Any decrease in revenue, including Medi-Cal, may result in the need for additional funding to support the health care system. In addition, the county will continue to be the provider of services for the residually uninsured, those not eligible for expanded Medi-Cal, for which no reimbursement is received.

Fortunately, the HCGC member departments have taken steps to position themselves as the provider of choice for RCHC members that will transition to the expanded Medi-Cal program in 2014. In addition, it is expected that a request for proposals will be released before the end of January, soliciting bids for the development of a health and mental health delivery system strategic plan to implement the ACA as well as examine opportunities for greater efficiency and effectiveness to strengthen RCRMC and the clinic's service delivery system and financial position.

Over the last two years the following actions have been taken to position the County for the changes associated with the ACA:

- LIHP enrollment began in January 2012 and now exceeds 27,000.
- Enrollment access has expanded to include the 10 community health centers as well as RCRMC.
- As of January 1, 2013, enrollment access is also available at DPSS assistance offices throughout the county. DPSS is also working with State agencies in preparation for implementing the expanded Medi-Cal eligibility that will be effective January 2014.
- Initial key performance indicators have been developed to improve performance of RCRMC and community health centers.
- Development of an RFP for a consultant(s) to provide health and mental health delivery system strategic planning and evaluation of the business operations and financial performance of RCRMC. The RFP is expected to be released by the end of January.

Given the broad range and complexity of issues associated with implementing the Affordable Care Act, the HCGC proposes a series of reports and workshops be presented to the Board. Suggested topics include:

- Overview of the Affordable Care Act and the impact on Riverside County
- State based vs. county-based Medi-Cal program expansion options
- Integration of services among RCRMC, Department of Mental Health, Department of Public Health and other county departments
- Covered California (health benefit exchange)
- Health and mental health delivery system strategic planning effort including partnerships with IEHP and University of California- Riverside Medical School