

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

109



**FROM:** Riverside County Regional Medical Center/Medical Indigent Services Program

**SUBMITTAL DATE:**  
June 23, 2014

**SUBJECT:** Renewal of the Medical Services Payments Authorization for the Medically Indigent Services Program (MISP) for the three-year period FY14/15 to FY16/17 (Districts – All, \$15,000,000 from State Health Realignment and General Fund)

**RECOMMENDED MOTION:** That the Board of Supervisors:

- 1) Authorize the renewal of the Medically Indigent Services Program (MISP) to pay for medical services and pharmaceuticals for a three year period without securing competitive bids in accordance with Ordinance 459.4 for FY14/15 to FY16/17;
- 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 \$5.0 million per fiscal year.
- 4) Authorize the Purchasing agent to renew these agreements annually for up to three one-year periods between FY14/15 and FY16/17.

*Lowell Johnson*  
Lowell Johnson, Interim Hospital  
CEO

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$5,000,000	\$ 5,000,000	\$ 15,000,000	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

**SOURCE OF FUNDS:** Realignment/Other 72%, General Fund 28%  
FY 14/15 Budget

Budget Adjustment: No  
For Fiscal Year: FY14-15 - 16-17

**C.E.O. RECOMMENDATION:**

APPROVE

BY: *Debra Cournoyer*  
Debra Cournoyer

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

Positions Added  
 Change Order

A-30  
 4/5 Vote

Prev. Agn. Ref.: 3-54 6/18/13

District: All

Agenda Number:

3-49

FORM APPROVED COUNTY COUNSEL  
BY: *Neal R. Kipnis* DATE: *6/23/14*  
NEAL R. KIPNIS

Purchasing: *Mark Seiler*  
Mark Seiler, Assistant Director  
Departmental Concurrence

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

**FORM 11:** Renewal of the Medically Services Payments Authorization for Medical Indigent Service Program (MISP) for the three-year period FY14/15 – FY 16/17. (Districts – All, \$15,000,000, State Health Realignment and General Fund)

**DATE:** June 13, 2014

**PAGE:** 2 of 2

**BACKGROUND:**

**Summary**

The Medically Indigent Services Program (MISP) budget houses the funding to pay for medical services for adults between the ages 21-64 whose income places them in the range of 0-200 percent of the Federal Poverty Level and who don't meet eligibility requirements for Medi-Cal under Affordable Care Act (ACA) Healthcare Reform. This budget also funds the cost of non-county medical providers used by Detention Health Services when a level of care beyond what RCRMC can provide, is necessary.

The MISP program functions as a fiscal intermediary for the reimbursement of medical services and pharmaceuticals provided to the medically indigent, county adult and juvenile prisoners, and managed care patients assigned to the County's providers. In this role, MISP makes payments to a large number of physician groups, hospitals, and pharmacies. Most of the reimbursement that MISP provides is for emergent care, and because of this, the department is not able to identify in advance all the providers for services.

**Impact on Residents and Businesses**

The program provides unmet hospital and specialty care needs to the indigent care population eligible for MISP and helps reduce costly hospital and emergency room usage that would otherwise occur throughout the County Healthcare System. The provision of indigent medical services is mandated by the State of California under WIC Code Section 1700 as condition for receiving realignment funding.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

There are sufficient appropriations in the Department's FY 14/15 budget for the estimated expenses. The indigent care costs are mainly off-set by State realignment sales tax and vehicle license fee revenue. The current estimated realignment revenue for FY 14/15 is approximately \$3 million

MISP reimburses its providers using Medi-Cal rates which are established by the State of California. Because there is no negotiation regarding the reimbursement rates, as they are based on the State Medi-Cal fee schedule, the Department requests approval to pay for services without seeking competitive bids.

Starting on January 1, 2014, a portion of the MISP expenditures are covered by ACA Medi-Cal expansion reimbursement which will cover approximately \$2.0 million of the previous MISP expenditures.