

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

5516



FROM: Riverside University Health System-Medical Center (RUHS-MC)

SUBMITTAL DATE:
September 13, 2016

SUBJECT: Approval of Global Payment Program Intergovernmental Transfers.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the Intergovernmental Transfers shown in table A on or about the dates in table A.

BACKGROUND:


Approval of these transfer payments to the State of California would result in net revenue to the Medical Center in excess of \$50 million. The funds transferred are used by the State to secure Federal match payments which are then returned to the Medical Center.

(continued on next page)


Zareh Sarrafian,
Assistant CEO - Health System

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$	\$	\$	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	
SOURCE OF FUNDS: Revenue Only; Advance made from Hospital Enterprise Fund - 40050				Budget Adjustment: No	
				For Fiscal Year: FY 16/17	

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

MINUTES OF THE BOARD OF SUPERVISORS

- Positions Added
- Change Order
- A-30
- 4/5 Vote

Prev. Agn. Ref.: | **District: 5** | **Agenda Number:**

BACKGROUND:

The Global Payment Program (GPP) is being administered by the California Department of Healthcare services (DHCS). The program establishes a statewide pool of funding for the remaining uninsured by combining federal DSH and uncompensated care funding as part of the Medi-Cal 2020 effort. Select Designated Public Hospital (DPH) systems – including RUHS - can achieve their “global budget” by meeting a service threshold that incentivizes movement from high cost, avoidable services to providing higher value, preventative services. A percentage of GPP points earned by RUHS Medical Center will be associated with care and activities that are furnished through charity care and discount payment policies for financially qualified, uninsured individuals that adhere to California state law ability-to-pay requirements.

For each GPP payment year, the DHCS will work with the Centers for Medicare & Medicaid Services (CMS) to determine the annual limit for the GPP. The annual limit shall be calculated as the sum of the adjusted DSH allotment and the uncompensated care component. DHCS will determine for the total amount of funding each Designated Public Hospital (DPH).

DPHs-including RUHS-MC - will receive interim quarterly GPP payments based on 25% of their annual global budget for the first three quarters of the GPP payment year. DHCS will notify DPHs of the Intergovernmental Transfer (IGT, payments made by DPHs to draw down Federal Funds) due dates and payment dates according to table A. Payments to the DPHs will be made within 15 days after the quarter ends as long as the IGTs are submitted by the IGT due dates. Fourth quarter interim IGTs and payments will be made based on an interim year-end summary report. Interim year-end summary reports will summarize the aggregate number of uninsured units of service provided by the service category, tier, and type.

There will be a final reconciliation annually following the submission of each DPH final reconciliation summary report and the required supporting encounter data. DHCS will determine the amount earned by RUHS-MC based the total number of points earned as reported in the final year-end reconciliation summary report.

Impact on Citizens and Businesses

GPP helps RUHS-MC to increase funding for medical services provided to indigent, uninsured individuals. Approving the Intergovernmental Transfers shown in table A will allow RUHS-MC to meet the deadlines set forth by DHCS and ensure timely receipt of GPP payments.

TABLE A

Payment	IGT Due Date	IGT Amount	Payment Date	Payment Amount	Net Revenue
FY16 Interim Q4	9/22/2016	\$ (3,720,743)	10/15/2016	\$ 10,560,982	\$ 6,840,239
FY17 Interim Q1	9/22/2016	\$ (8,239,124)	10/15/2016	\$ 22,884,474	\$ 14,645,350
FY17 Interim Q2	12/22/2016	\$ (8,239,124)	1/15/2017	\$ 22,884,474	\$ 14,645,350
FY17 Interim Q3	3/22/2017	\$ (8,239,124)	4/15/2017	\$ 22,884,474	\$ 14,645,350
FY17 Interim Q4	9/22/2017	\$ (8,239,124)	10/15/2017	\$ 22,884,474	\$ 14,645,350 *

- Subject to reconciliation