# THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS ACTION AGENDA SUMMARY

DEPT: Health Services Agency	BOARD AGENDA #*B-5
Urgent Routine	AGENDA DATE December 11, 2012
CEO Concurs with Recommendation YES NO (Information Attached)	4/5 Vote Required YES NO NO
SUBJECT:	
Approval to Set a Public Hearing on January 8, 2013 at 9:05 and Safety Code, to Consider Adjustments to the Methodo Adult Program Income Limits for the Hardship Eligibility Cate	ology Used to Establish the Medically Indigent
STAFF RECOMMENDATIONS:	
Set a Public Hearing pursuant to the Health and Safety C to consider approval to adjust the methodology use program's Income Limit for the Hardship Eligibility cate bands as set forth in Table 1, effective February 1, 2013	ed to establish the Medically Indigent Adult egory from an aggregate limit to limits by age
FISCAL IMPACT:	
The Medically Indigent Adult (MIA) program represents the Indigent Health Care Program budget. The approved budget Health Care Program is \$12,710,288. The MIA program is the vehicle license fees and sales tax, and by a required Countyear does not include any funding for the recommended program.	get for Fiscal Year 2012-2013 for the Indigent funded by State Realignment from a portion of ty match. The approved budget for this fiscal
	(Continued on Page 2)
BOARD ACTION AS FOLLOWS:	
	<b>No.</b> 2012-596
On motion of SupervisorWithrow, Second approved by the following vote, Ayes: Supervisors: Chiesa, Withrow, Monteith, De Martini and Chair Noes: Supervisors: None Excused or Absent: Supervisors: None Abstaining: Supervisor: None	man Q'Brien
Abstaining: Supervisor: None  1) X Approved as recommended	
2) Denied	
3) Approved as amended	
4) Other: MOTION:	

Christine Stenare
Christine Ferraro Tallman, Clerk

### FISCAL IMPACT (Continued):

enrollment and utilization growth experienced to date and anticipated during this Fiscal Year, projected at an additional \$3.8 million. If additional budget adjustments are needed, contingency funds for match programs will be needed.

The MIA program is a County obligation under State law and is one of the programs counties are to provide with 1991 Realignment funds. Health realignment funding from the State consists of sales tax and vehicle license fees and requires a County General Fund match which for the MIA program in Stanislaus County is approximately \$2.25 million annually. As a direct result of the unprecedented economic crisis, these State tax revenues have decreased resulting in a corresponding decline in Realignment funding. No offsetting relief on the program mandate has been provided by the State as such relief would require legislation.

While actual costs would be based on the actual number of applicants, the number of those accepted as MIA enrollees and utilization of covered services under the MIA program, by analyzing past experience data, it is estimated that the proposed adjustments would result in minimal financial impact considering the potential of additional cost and offsetting savings.

### DISCUSSION:

Under Welfare and Institutions Code Section 17000, the County is required to provide or arrange for the provision of medical care services for the indigent residents of the County. Under the law, the scope of benefits and eligibility guidelines are established at the discretion of each county's Board of Supervisors, although case law has provided more detailed guidance.

On September 1, 2009 the Board of Supervisors conducted a public hearing and approved staff recommendations for policy changes designed to reduce program expenditures and avoid deficit spending as a result of decreased MIA program funding coupled with increased enrollment. Those changes were put into effect for new applicants on October 1, 2009 and for existing "enrollees" upon their renewal dates. These changes were more closely aligned with the State's Medi-Cal eligibility guidelines and with many other counties' indigent coverage programs.

On February 1, 2010, the Health Services Agency implemented an administrative policy change regarding collection of copayments and share of cost at the time of service. Although staff continues to request collection, if the patient is not able or refuses to pay at the time of service, care is still provided.

On March 30, 2010, the Stanislaus County Board of Supervisors approved a staff recommendation to reinstate the income standards and cost sharing policies which had

been in effect prior to the September 1, 2009 approved change and directed staff to further review the eligibility standards.

In the fall of 2010, a Cost of Living Study was undertaken by Health Services Agency staff. Based on the outcome of that work, staff developed income limit changes for consideration, consistent with case law. After review of the results of the Cost of Living Study compared with two self-sufficiency studies, staff determined that a review of the validity of the internally prepared Cost of Living Study by an independent third party was merited before making a recommendation to the Board of Supervisors. The County engaged HFS Consultants, who commenced the validation in December of 2010.

On April 5, 2011, a public hearing was conducted to consider changes to the Medically Indigent Adult Program Income Limits for Eligibility based on the results of the cost of living study. At the April 5, 2011 Board of Supervisors meeting the Health Services Agency recommended and the Board approved the following changes - (1) establishment of the income limit for standard eligibility with zero patient cost sharing at 116% of the Federal Poverty Level, effective May 1, 2011, and (2) establishment of a Hardship Eligibility category which provides for patient share of cost requirements for applicants with income between 117% to 223% of the Federal Poverty Level, effective May 1, 2011. The upper limit of the Hardship Eligibility category was based on research performed by staff to determine the cost for individuals to purchase a commercial policy for health insurance as well as the cost of health coverage offered to the uninsured by the State of California. Based on that research, \$811 per month was determined to be the available purchase price of health insurance coverage under the coverage offered by the State of California at that time under the Major Risk Medical Insurance Program (MRMIP). At the hearing staff also advised the Board of Supervisors that the Preexisting Condition Insurance Program would have provided health care insurance at a lower price.

Historically and particularly in the current environment of federal and State changes impacting healthcare and health insurance, the Agency has continued to analyze the MIA program's standards. With regard to the ability to pay for health insurance, staff has determined that the purchase of health insurance between the ages of 50 to 64 may not be available from the State of California for \$811 per month, while it is available for less than the \$811 per month allowance for those in some younger age bands. Hence, the Health Services Agency is recommending adjusting the County's Hardship Eligibility Income Limit to an age-banded methodology to provide a more direct correlation between age categories and income eligibility for the community's medically indigent population.

### Recommended Age-Banded Formula for Hardship Eligibility

Table 1 is the Cost of Living Study Worksheet. Figures shown for the Subsistence Level of Eligibility (up to 116% of the Federal Poverty Level) are included only for reference as this is the existing policy, and no changes are recommended. The lower section of Table 1 labeled "Income Value for Hardship Eligibility/Share of Cost" reflects the recommended policy changes with respect to varying the Hardship exception based on the eight age band categories used by MRMIP.

Table 1
Stanislaus County
Cost of Living Study Worksheet
Age Banded Upper Limit

Subsistence Level Costs and Credits	Income Level							
Age Categories	<= 29	30 to 34	35 to 39	40 to 44	45 to 49	50 to 54	55 to 59	60 to 64
Housing	510.00	510.00	510.00	510.00	510.00	510.00	510.00	510.00
Phone - Lifeline Rate	7.67	7.67	7.67	7.67	7.67	7.67	7.67	7.67
Electricity/Gas	33.45	33.45	33.45	33.45	33.45	33.45	33.45	33.45
Food	195.74	195.74	195.74	195.74	195.74	195.74	195.74	195.74
Transportation	125.57	125.57	125.57	125.57	125.57	125.57	125.57	125.57
Health Care	- 1	-	-	-	-	-	-	-
Miscellaneous	87.24	87.24	87.24	87.24	87.24	87.24	87.24	87.24
State	-	-	-	- "	-	-	-	-
Sales Tax	7.31	7.31	7.31	7.31	7.31	7.31	7.31	7.31
Social Security	79.69	79.69	79.69	79.69	79.69	79.69	79.69	79.69
Total Subsistence Level Costs	1,046.67	1,046.67	1,046.67	1,046.67	1,046.67	1,046.67	1,046.67	1,046.67
Stated as a % of Federal Poverty Limit (100% of FPL = \$902.50 month)	116%	116%	116%	116%	116%	116%	116%	116%
Income Value for Hardship Eligibility/Sha	re of Cost							
Health Insurance	523.68	650.03	713.21	794.43	839.56	1,002.01	1,164.46	1,353.98
Income Required including Healthcare	523.68	650.03	713.21	794.43	839.56	1,002.01	1,164.46	1,353.98
Total of Subsistence Level + Health Ins	1,570.35	1,696.70	1,759.88	1,841.10	1,886.23	2,048.68	2,211.13	2,400.65
Stated as % of FPL (100% = \$902.50 mo)	174%	188%	195%	204%	209%	227%	245%	266%

While actual costs would be based on the actual number of applicants, the number of those accepted as MIA enrollees and utilization of covered services under the MIA program, by analyzing past experience data, it is estimated that the proposed adjustments would result in minimal financial impact considering the potential of additional cost and offsetting savings.

Staff will continue to monitor the program and recommend policy changes as appropriate, and as State and federal healthcare programs continue to evolve.

### **Public Hearing**

Under the Health and Safety Code Section 1442.5, a public hearing is required in the event the Board of Supervisors considers a reduction or elimination of a healthcare service. While no changes would be made to healthcare services as a result of the policy recommendation, access to services through MIA eligibility could be reduced for some. Consistent with the advance notice requirement as prescribed under the referenced code, notices would be posted which include the estimated number of individuals who could be adversely impacted as 83, and the corresponding estimated annual savings of approximately \$65,000. Should this recommendation to set a public hearing date and time be approved, staff would proceed with the tasks to meet the advance notice requirements.

### **POLICY ISSUE:**

Approval of this item supports the Board of Supervisors' priorities of A Healthy Community and Efficient Delivery of Public Services by considering changes which meet the County's mandate under State law while providing for medical needs of the County's medically indigent population.

### **STAFFING IMPACT:**

There is no staffing impact associated with this proposal.

### **CONTACT NAME:**

Mary Ann Lee, Managing Director, 209-558-7163.



### NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that, pursuant to Section 1442.5 of the California Health and Safety Code and other applicable laws, the Board of Supervisors of the County of Stanislaus, State of California, will hold a public hearing regarding a change in eligibility standards that may result in the reduction or elimination of certain health and medical services provided by the County to certain individuals. The public hearing will commence on January 8, 2013 at 9:05 a.m. in the Board Chambers, 1010 10<sup>th</sup> Street, Modesto, California, at which time and place all interested persons may appear and be heard. The hearing shall be in accordance with the provisions of Health and Safety Code Section 1442.5.

Those changes which may result in less services or access to such services, that are proposed for reduction or elimination are listed on the continuation of this notice on the following page. At any time prior to the time fixed for the hearing, any interested person may file written comments on the proposed action with the Clerk of the Board of Supervisors of the County of Stanislaus. Both oral and written comments will be considered by the Board of Supervisors at the time and place fixed for hearing.

Additional information regarding this hearing may be obtained by contacting the Stanislaus County Health Services Agency at (209) 558-7163, or by writing:

Stanislaus County Health Services Agency
Attention: Administration
P.O. Box 3271
Modesto, CA 95353

THIS NOTICE shall be posted at the entrance to all County health care facilities.

Date: December 12, 2012

Please remove this notice after January 8, 2013 as instructed.



### PROPOSED SERVICE LEVEL REDUCTION

Reductions in access to medical care to indigent persons are subject to prescribed formal Public Notice and Public Hearings (Health and Safety Code Section 1442.5). The annual impact of these changes could be a range of savings up to approximately \$65,000 per year. This Notice contains the proposed reduction and estimated number of persons who may be affected.

Description of Reduction or Elimi	Number of Persons estimated to be impacted if the recommendation is approved.	
The proposed recommendations we Medically Indigent Adult (MIA) Progressing Eligibility Income Limit from 223% of Guidelines (FPG) to an age-banded indicated below:		
Ages Categories	FPG Limit	Up to 83
Age 22 – 29	174%	1
Age 30 – 34	188%	
Age 35 – 39	195%	
Age 40 – 44	204%	
Age 45 – 49	209%	

Date: December 12, 2012



## **AVISO DE AUDIENCIA PÚBLICA**

POR EL PRESENTE AVISO el Consejo Directivo del Condado de Stanislaus, Estado de California, llevará a cabo una audiencia pública referente a un cambio en los estándares de elegibilidad que puede resultar en la reducción o eliminación de ciertos servicios médicos y de salud proporcionados por el Condado a ciertos individuos conforme a la Sección 1442.5 del Código de Salud y Seguridad de California y otras leyes que aplican. La audiencia pública está programada para comenzar el 8 de Enero de 2013 a las 9:05 a.m. en la Sala de Juntas, 1010 10th Street, Modesto, California, en la cual todas las personas interesadas pueden comparecer y ser escuchadas a esa hora y lugar. La audiencia debe estar en acuerdo con las disposiciones de la Sección 1442.5 del Código de Salud y Seguridad.

Aquellos cambios que puedan resultar en menos servicios o acceso para esos servicios que se han propuestos para una reducción o eliminación están a continuación de este aviso en una lista en la siguiente página. Cualquier persona interesada puede presentar sus comentarios por escrito a cualquier hora antes de la fecha fijada para la audiencia con un empleado de la Junta de Supervisores del Condado de Stanislaus. Los comentarios orales y escritos serán considerados por el Consejo Directivo a la hora y lugar fijado para la audiencia.

Información adicional referente a esta audiencia puede ser obtenida llamando al Condado de Stanislaus, Health Services Agency al (209) 558-7163 o escribiendo a:

Stanislaus County Health Services Agency Atención: Administración P.O. Box 3271 Modesto, CA 95353

ESTE AVISO debe ponerse a la entrada de todas las clínicas del Contado.

Fecha: Diciembre 12, 2012

Favor de quitar este aviso después del 8 de Enero, 2013.



### NIVEL DE REDUCCION DE SERVICIOS PROPUESTOS

Las reducciones en acceso a cuidado médico para personas indigentes están sujetas a Avisos Públicos y Audiencias Públicas (Sección 1442.5 del Código de Salud y Seguridad). El impacto anual de estos cambios puede resultar en ahorros aproximados de \$65,000 por año. Este aviso contiene la reducción y estimación de número de personas que pudieran ser afectadas.

Descripción de Reducción o Elim	Estimación de número de personas que serán impactadas si la recomendación es aprobada	
Las recomendaciones propuestas po- límite de ingreso de Elegibilidad del para Adultos Indigentes (MIA) del 22 Nivel Federal de Pobreza (FPG) a u dependiendo de la edad como se inc		
Categorias por edades	FPG	83
Edad 22 – 29	174%	
Edad 30 – 34	188%	
Edad 35 – 39	195%	
Edad 40 – 44	204%	
Edad 45 – 49	209%	

Fecha: December 12, 2012

#### NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that, pursuant to Section 1442.5 of the California Health and Safety Code and other applicable laws, the Board of Supervisors of the County of Stanislaus, State of California, will hold a public hearing regarding a change in eligibility standards that may result in the reduction or elimination of certain health and medical services provided by the County to certain individuals. The public hearing will commence on Tuesday, January 8, 2013, at 9:05 a.m., or as soon thereafter as the matter may be heard, in the Board Chambers, 1010 10<sup>th</sup> Street, Modesto, California, at which time and place all interested persons may appear and be heard.

ADDITIONAL NOTICE IS GIVEN that the annual impact of the changes in eligibility standards could be a range of savings up to approximately \$65,000 per year. Those changes which may result in less services or access to such services that are proposed for reduction or elimination are as follows:

Description of Reduction or Elimi	Number of Persons estimated to be impacted if the recommendation is approved.	
The proposed recommendations wo Medically Indigent Adult (MIA) Progr Eligibility Income Limit from 223% of Guidelines (FPG) to an age-banded indicated below:		
Ages Categories	FPG Limit	Up to 83
Age 22 – 29	174%	
Age 30 – 34	188%	
Age 35 – 39	195%	
Age 40 – 44	204%	
Age 45 – 49	209%	

NOTICE IS FURTHER GIVEN that at any time prior to the time fixed for the hearing, any interested person may file written comments on the proposed action with the Clerk of the Board of Supervisors of the County of Stanislaus. Both oral and written comments will be considered by the Board of Supervisors at the time and place fixed for the hearing. Additional information regarding this hearing may be obtained by contacting the Stanislaus County Health Services Agency at (209) 558-7163., or by writing the Stanislaus County Health Services Agency, Attention: Administration, P.O. Box 3271, Modesto, CA 95353.

DATED: December 11, 2012

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk of the Board of Supervisors

of the County of Stanislaus, State of California

BY: Elizabeth King, Assistant Clerk of the Board

### AVISO DE AUDIENCIA PÚBLICA

POR EL PRESENTE AVISO el Consejo Directivo del Condado de Stanislaus, Estado de California, llevará a cabo una audiencia pública referente a un cambio en los estándares de elegibilidad que puede resultar en la reducción o eliminación de ciertos servicios médicos y de salud proporcionados por el Condado a ciertos individuos conforme a la Sección 1442.5 del Código de Salud y Seguridad de California y otras leyes que aplican. La audiencia pública está programada para comenzar el 8 de Enero de 2013 a las 9:05 a.m. en la Sala de Juntas, 1010 10th Street, Modesto, California, en la cual todas las personas interesadas pueden comparecer y ser escuchadas a esa hora y lugar. La audiencia debe estar en acuerdo con las disposiciones de la Sección 1442.5 del Código de Salud y Seguridad.

SE DA AVISO ADICIONAL que el impacto anual de estos cambios puede resultar en ahorros aproximados de \$65,000 por año. Aquellos cambios que puedan resultar en menos servicios o acceso para esos servicios que se han propuestos para una reducción o eliminación:

Descripción de la Reducción o Eli	Estimación de número de personas que serán impactadas si la recomendación es aprobada	
Las recomendaciones propuestas ca ingreso de Elegibilidad del Programa Adultos Indigentes (MIA) del 223% d Nivel Federal de Pobreza (FPG) a ur dependiendo de la edad como se ind		
Categorias por edades	FPG	83
Edad 22 – 29	174%	
Edad 30 – 34	188%	
Edad 35 – 39	195%	
Edad 40 – 44	204%	
Edad 45 – 49	209%	

SE DA MAS AVISO que en cualquier momento antes del tiempo fijado para la audiencia, cualquier persona interesada puede presentar sus comentarios sobre la acción propuesta por escrito con la Secretaria del Consejo de Supervisores del Condado de Stanislaus (Clerk of the Board of Supervisors of the County of Stanislaus). Tanto los comentarios orales y por escrito serán considerados por el Consejo de Supervisores en el lugar y hora fijados para la audiencia. Información adicional sobre esta audiencia puede ser obtenida de la oficina al contactar al Stanislaus County Health Services Agency al (209) 558-7163, o por escrito al Stanislaus County Health Services Agency, Attention: Administration, PO Box 3271, Modesto, CA 95353.

DATED: December 11, 2012

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk of the Board of Supervisors

of the County of Stanislaus, State of California

BY: Elizabeth King, Assistant Clerk of the Board

#### NOTICE OF PUBLIC HEARING

NOTICE IS HERIERY GIVEN that, pursuant to section 1442.5 of the California Health and Selety Code and other applicable laws, the Board of Supervisors of the County of Stanislaus, State of California, with hold a public hearing regarding a change in eligibility standards that may result in the reduction or elimination of certain health and medical services provided by the County to certain individuals. The public hearing will commence on Tuesday, Jenuery, 8, 2013, at 9.05 a.m., or as soon therefairerise the matter may be heard, in the Board Chambers, 1010 10° Street, Modasto, Celifornia at which time and place all interested persons may appear and be heard.

ADDITIONAL NOTICE IS GIVEN that the annual impact of the changes in eligibility standards could be a range of savings up to approximately \$65.000 per year. Those changes which may result in less services or access to such services that are proposed for reduction or elimination are as follows:

#### Description of Reduction or Elimination

The proposed recommendations would change the Medically Indigent Adult (MIA) Program Hardship Eligibility Income Limit from 223% of the Federal Poverty Guidelines (FPG) to an age-banded methodology as indicated below:

Ages Categories	FPG Limit		
Age 22 - 29	174%		
Age 30 - 34 15 415	188%		
Age 35 - 39	195%		
Age 40 - 44	204%		
Age 45 - 49	209%		

NOTICE IS FURTHER GIVEN that at any time prior to the time fixed for the hearing, any interested person may file written comments on the proposed action with the Clerk of the Board of Supervisors of the County of Stanissus-Both oral and written comments will be considered by the Board of Supervisors at the time and place fixed for the hearing. Additional information regarding this hearing may be obtained by contacting the Stanislaus County Health Services Agency 41 (209) 558-7163, or by writing the Stanislaus County Health Services Agency, Attention: Administration, P.O. Box 3271, Modesto, CA 85353.

DATED: December 11, 2012

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk of the Board of Supervisors of the County of Stanislaus, State of Celliomia BY. Elizabeth King, Assistant Clerk of the Board

### AVISO DE AUDIENCIA PÚBLICA

POR EL PRESENTE ANSO el Consejo Directivo del Condado de Stanislaus. Estado de California, llevará a cabo una audiencia pública referente a un cambio en los estándares de elepibilidad que puede resultar en la teducción o eliminación de ciertos servicios médicos y de salud proporcionados por el Condado, a ciertos individuos conforme a la Sección 1442.5 del Código de Salud y Segundad de California y otras leves que sejician. La audiencia pública está programada para comenzar el 9 de Enero de 2013 a las 305 a m. en la Sale da Juntas, 1010 10th Street, Modesto, California, en la cuel todas las personas interesadas pueden comparecer y ser ascuchadas a esa hora y lugar. La audiencia debe estar en acuel toda las depoeticiones de la Sección 1442.5 del Código de Salud y Segundad.

SE DA AVISO ADICIONAL que el Impacto anual de estos cambios puede resultar en ahorros aproximados de \$65,000 por año. Aquellos cambios que puedan resultar en menos servicios o acceso para esos servicios que se han propuestos para una reducción o eliminación:

#### Descripción de la Reducción o Eliminación

Las recomendaciones propuestas cambiaria el límite de ingreso de Elegibilidad del Programa de Salud para Adultos Indigentes (MIA) del 223% de las regias del Nivel Federal de Pobrezz (FPG) a una metodologia dependiendo de la edad como se indica abajo:

١	Categorias por edades	FPG			
	Edad 22 - 29	174%			
l.	Edad 30 = 34 ** ***	37 54 5 7 11 188% 60 CN 58			
ľ	Eded 35 - 39	10 195%			
ļ	€ Edad 40 - 44 ' + 14€/	204%			
ŀ	Eded 45 - 40	20094			

Edad 45 - 49 209%

SE.DA MAS AVISO que en cualquier momento antes del tiempo fijado para la audiencia, cualquier persona interesada puede presentar sus comentação sobre la accido propuesta por escrito con la Socretaria del Consejo de Supervisores del Condado de Stanislaus (Clerk of the Beard of Supervisores of the County (of Stanislaus), Tanio los comentarios corales. Y por escrito carriar considerados por el Consejo de Supervisores en rei lugar y hora filados pera la audiencia. Información adicional sobre esta audiencia puede ser obtenida de la oficina al contactar ai Stanislaus County Health Services Agency, al (29) 559-7183 (o por escrito es il stanislaus County Health Services Agency, Alfertitori, Administration, PO Box 3271, Modesto, CA 95353.

DATED: So December 1, 2012

ATTEST Sec.CHRISTINE, FERRARO TALLMAN: Clerk of the Board of

ATTEST Se. CHRISTINE, FERRARD TALLMAN: Clerk of the Board of 1997 and 1997