

**MEMORANDUM**  
**PLACER COUNTY HEALTH AND HUMAN SERVICES**  
**Community Health, Clinics, and Animal Services Division**

**TO:** Honorable Board of Supervisors

**FROM:** Richard J. Burton, M.D., M.P.H.  
Placer County Health Officer and Director of Health & Human Services  
Mark Starr, D.V.M., M.P.V.M., Director of Community Health, Clinics, and Animal Services  
Cheryl S. Davis, M.S., Director, Human Services Division

**DATE:** July 24, 2012

**SUBJECT:** Approval of California Department of Health Care Services Contract for Medicaid 1115 Waiver Demonstration Program

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**ACTION REQUESTED:**

The Board is requested to approve Health and Human Services to access newly available federal funding by taking the following actions in three separate but sequential votes to implement the Medicaid 1115 Waiver Demonstration Program for eligible Placer County. All net County costs referenced below are included in the Department's FY 2012-13 Proposed Budget and the federal funds will be added in the final budget adjustment process pending Board approval of these actions.

1. For the period of August 1, 2012 through December 31, 2013, approve and authorize:
  - a. The Director of Health and Human Services or his designee to sign contracts with local health care providers under an "Umbrella Contract" for services under the Demonstration Program to Placer County residents, and amend the list of providers as necessary.
  - b. The maximum payment authorization ("Umbrella Contract") with local health care providers, credentialed by the Department, for services as a part of the Medicaid Demonstration Program for the seventeen month period in an amount not to exceed \$13,000,000 (\$6,500,000 net County cost).
  - c. The Chair of the Board to sign:
    - i. A contract with Chapa-De Indian Health Program, Inc. to provide mandated dental services for individuals eligible under the Demonstration Program and the County's Medical Care Services Program in an amount not to exceed \$375,000 (\$187,500 net County cost).
    - ii. Contracts with Chapa-De Indian Health Program, Inc. in an amount not to exceed \$600,000 (\$300,000 net County cost) and The Effort in an amount not to exceed \$520,000 (\$260,000 net County cost), to provide primary care services for eligible individuals under the Demonstration Program.
2. For the period of August 1, 2012 through June 30, 2014, approve and authorize the Director of Health and Human Services or his designee to sign a contract with Los Angeles County as the fiscal agent for the State to recoup associated administrative oversight costs not to exceed \$100,000 (\$50,000 net County cost).
3. Approve and authorize the Chair of the Board to sign a contract with the California Department of Health Care Services for the Medicaid 1115 Waiver Demonstration Program from August 1, 2012 through December 31, 2013 to receive federal funds of up to approximately \$10,500,000.

**BACKGROUND:**

Placer County is mandated by the State under Welfare and Institutions Code Section 17000 to provide health care to low income residents, 19 to 64 years old, who do not otherwise qualify for health care coverage. To meet this mandate, Placer County provides primary healthcare to over 3,200 County residents annually through the County-funded Medical Care Services Program (MCSP). While HHS has held County clinic expenditures stable over the past two years, increased patient demand due to the economic downturn coupled with increasing external private sector healthcare costs (e.g., specialist, hospital, laboratory, pharmaceutical, etc.) resulted in a \$600,000 increase in annual program costs since FY 2009-10.

The California Department of Health Care Services was granted a waiver by the federal government that permits counties to draw down federal funds to match FY 2009-10 County expenditures for local programs such as our Medical Care Services Program. The County is required to meet the maintenance of effort equal to FY 2009-10 MCSP expenditures to receive 50% federal matching funds.

In FY 2009-10, Placer County spent over \$7 million on MCSP which results in the potential for an additional \$7 million annually in federal match for additional medical care while also covering any future increased costs of health care services to Placer County residents that would otherwise be a mandated County cost.

In order to migrate to the most sustainable and effective service model to deliver this care, Health and Human Services has partnered with all local hospitals and over 170 local physicians to develop a comprehensive continuum of essential primary, specialty, dental, and hospital care for eligible Placer County residents. This enhanced comprehensive service redesign has streamlined eligibility processes and allows HHS to access one dollar of federal funds for every County General Fund dollar expended. Without the redesign, all services would continue to be 100% funded by County General Funds.

Under provisions of this program, Placer County will be able to limit its County General Fund expenditures to the amount expended in FY 2009-10, with the federal government funding any costs for service above our FY 2009-10 County costs. Since FY 2009-10, there has been a 29% increase in eligible residents as well as an almost 10% increase in County General Fund cost for services provided by specialists and hospitals. By participating in the 1115 Waiver Demonstration Program, it is projected that the County will avoid almost \$1 million in additional General Fund costs through December 2013 and will enhance available services to the projected 4,000 eligible residents.

| Performance Measure                                          | FY 2011-12 Estimate | FY 2012-13 Projection |
|--------------------------------------------------------------|---------------------|-----------------------|
| Number of Residents Served                                   | 3,200               | 4,000                 |
| Additional County General Funds over FY 2009-10 expenditures | \$600,000           | \$0                   |

This redesign is supported by Sutter Roseville Medical Center, Sutter Auburn Faith Hospital, Kaiser Roseville Medical Center, Tahoe Forest Hospital, and the Placer Nevada County Medical Society.

The State's cost for its administrative work and oversight of the waiver program is funded through this program and these costs are eligible for the 50% federal matching funds. Placer County's share is currently estimated at \$78,644 for the duration of the program, but could increase during that time. This cost is part of our required County General Fund maintenance of effort and will be forwarded to the State via a fiscal agency contract with the County of Los Angeles.

The Department recommends the Board approve the contracts in this item with the State of California, the County of Los Angeles, and local private medical providers listed in Attachment A in order to implement this cost saving redesign of County mandated health services beginning August 1, 2012.

All contracts associated with this item have been reviewed and approved by County Counsel, Risk Management and the County Executive and are on file with the Clerk of the Board for review.

**FISCAL IMPACT:**

The total cost of the Demonstration Program from August 1, 2012, though December 31, 2013 is \$21 million. For FY 2012-13, the County General Funds maintenance of effort established from FY 2009-10 MCSP costs of \$7,059,107 is included in the Department's FY 2012-13 Proposed Budget. Upon Board approval of this redesign, the federal match of \$7,059,107 will be included in the Department's FY 2012-13 Final Budget Adjustment. The maintenance of effort and federal funding for the last six months of the program will be included in the Department's FY 2013-14 Requested Budget. By participating in the 1115 Waiver Demonstration Program, it is projected that the County will avoid almost \$1 million in additional County General Fund costs through December 2013.

**Attachments:**

Attachment A – List of Specialty Healthcare Providers

Placer Medicaid Coverage Expansion  
Local Health Care Providers

|                                                                |                                                                                                                                                                     |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Central Anesthesia Service Exchange (CASE) Medical Group, Inc. | Anesthesiology                                                                                                                                                      |
| Auburn Cardiology Associates                                   | Cardiology                                                                                                                                                          |
| Anew Skin                                                      | Dermatology                                                                                                                                                         |
| Jon Erickson, M.D.                                             | Dermatology                                                                                                                                                         |
| CEP America                                                    | Emergency Medicine                                                                                                                                                  |
| Chapa-De Indian Health Program                                 | Dental, Gynecology, Psychiatry                                                                                                                                      |
| Sierra Foothill Surgical Specialists, Inc.                     | General and Vascular Surgery                                                                                                                                        |
| Capitol Hematology Oncology                                    | Hematology/Oncology                                                                                                                                                 |
| CARES Clinic                                                   | HIV/AIDS, Infectious Disease                                                                                                                                        |
| Richard Sauer, M.D.                                            | Neurology                                                                                                                                                           |
| Emergency Neurosurgery Services                                | Neurosurgery                                                                                                                                                        |
| Spine & Neurosurgery Associates                                | Neurosurgery                                                                                                                                                        |
| Rita Biesen-Bradley, M.D.                                      | Obstetrics and Gynecology                                                                                                                                           |
| Auburn Eye Care Associates                                     | Ophthalmology/Optometry                                                                                                                                             |
| David Salmassy, DMD                                            | Oral and Maxillofacial Surgery                                                                                                                                      |
| E. Gregory Cehan, M.D.                                         | Otolaryngology                                                                                                                                                      |
| Metropolitan Pain Management Consultants, Inc.                 | Pain Management, Physical Medicine and Rehabilitation                                                                                                               |
| Steve Tristant, D.P.M.                                         | Podiatry and Sports Medicine                                                                                                                                        |
| Pulmonary Medicine Associates                                  | Pulmonology and Infectious Disease                                                                                                                                  |
| Radiological Associates of Sacramento Medical Group            | Radiology, Cardiac and Thoracic Surgery                                                                                                                             |
| Charles B. Clark, M.D., J.D.                                   | Surgery of the Upper Extremity                                                                                                                                      |
| William Kirby, MD                                              | Urology                                                                                                                                                             |
| Tahoe Forest Multi Specialty Clinic                            | Allergy, Cardiology, Critical Care, Gastroenterology, General Surgery, Internal Medicine, Oncology, Otolaryngology, Palliative Care, Pulmonology and Sleep Medicine |

**CONTRACT FOR SERVICES  
PLACER COUNTY DEPARTMENT OF HEALTH & HUMAN SERVICES**

DESCRIPTION: Specialty Medical Care Services  
 SPECIALTY: \_\_\_\_\_  
 CONTRACT NO. CH \_\_\_\_\_ -V# \_\_\_\_\_  
 BEGINS: July 1, 2012  
 ENDS: June 30, 2014  
 ADMINISTERING AGENCY: Community Health and Clinics

This Contract for Services ("Agreement") is made and entered into on this 1<sup>st</sup> day of July, 2012, between the County of Placer, a political subdivision of the State of California, hereinafter referred to as "COUNTY", and \_\_\_\_\_, licensed to provide medical services in the State of California, hereinafter referred to as "PROVIDER."

Whereas, COUNTY wishes to obtain consistent specialty medical care services (hereinafter "Services") for certain of its Medicaid Coverage Expansion program members (hereinafter "Members"), and

Whereas, referral of Members for medical services is made only to contracted providers unless a medically necessary service is required that is not covered by any existing contracted provider scope of service, and

Whereas, PROVIDER desires to provide and is fully qualified to provide such Services to COUNTY, and

Whereas, it is understood and agreed by and between the parties of this Agreement that they wish to enter into this Agreement in order to provide a full and complete statement of their respective responsibilities in connection with this venture during the term of this Agreement,

Therefore, in consideration of the mutual covenants and agreements of this Agreement, it is understood and agreed by and between the parties as follows:

1. **DESCRIPTION OF SERVICES TO BE PROVIDED:** PROVIDER is designated to provide medically necessary services ("Services") when referred by a primary care provider and authorized by the Medicaid Coverage Expansion (MCE) program. Medically necessary services shall be defined as reasonable and necessary services for: the prevention, diagnosis, and treatment of health impairments; the ability to achieve age-appropriate growth and development, and; the ability to attain, maintain, or regain functional capacity. PROVIDER shall provide the following throughout the term of this Agreement:
  - 1.1 Specialty outpatient, inpatient and follow-up care listed in Exhibit A attached hereto and by this reference incorporated herein.
  - 1.2 PROVIDER shall provide COUNTY with utilization data through submission of County-approved claim forms. PROVIDER shall submit additional reports to COUNTY upon request.
  - 1.3 PROVIDER certifies that under this Agreement he/she:
    - 1.3.1 Shall perform his/her professional duties to the best of his/her ability, in accordance with the highest scientific, professional and ethical standards of his/her profession, and in accordance with currently approved methods and practices in the field of (SEE SPECIALTY ABOVE).
    - 1.3.2 Shall obtain successful credentialing approval through the MCE to participate in the network of providers established by the COUNTY for the benefit of Members.

- 1.3.3 Shall maintain 24 hour/7 day availability, as is customary in the community, for Members accepted for care.
- 1.3.4 Shall provide linguistic and culturally appropriate services at all PROVIDER sites to comply with MCE policy.
- 1.3.5 Shall comply with applicable requirements of the contract between COUNTY and California Department of Health Care Services (DHCS) for the Low Income Health Program. A copy of this contract will be made available to PROVIDER upon request.
- 1.3.6 Shall comply with all applicable requirements of 42 CFR 438.230(b)(2), and other applicable Federal, State, County or other government agency laws, rules or regulations.
- 1.3.7 Shall maintain medical staff privileges without restriction at the appropriate hospitals in accordance with the Medical Staff Bylaws of such hospitals.
- 1.3.8 Is not excluded from participation in Medicare and/or Medi-Cal/Medicaid programs.
- 1.3.9 Has not been convicted of a criminal offense related to healthcare.

1.4 Any subcontracts established by PROVIDER for the provision of services herein shall be in writing, shall comply with the applicable terms of this Agreement.

2. **AMENDMENTS:** This Agreement constitutes the entire agreement between the parties. Either party may propose renegotiation of the terms of this Agreement, subject to mutual agreement between the parties. Any amendments or changes to this Agreement shall be agreed to in writing, specifying the change(s) and the effective date(s) and shall be executed by duly authorized representatives of both parties. However, in no event shall such amendments create additional liability to COUNTY or provide additional compensation to PROVIDER except as explicitly set forth in this or amended Agreement.

3. **COMPENSATION AND INVOICING:**

- 3.1 COUNTY shall pay PROVIDER at **130% of Fee-For-Service Medi-Cal rates** established by the State of California, and periodically adjusted, for services authorized by the MCE to provide authorized medical care services as described in Exhibit A, Description of Services.
- 3.2 Services will be requested by PROVIDER using a Treatment Request form to be provided by COUNTY (sample provided in Exhibit B).
- 3.3 A Treatment Authorization Referral (TAR) form must be approved by COUNTY prior to treatment in order for claims to be valid (sample provided in Exhibit C).
- 3.4 Claims: PROVIDER shall provide claims to the COUNTY on COUNTY-approved claim forms for services provided and following the process as described in the MCE Provider Manual and referenced below. COUNTY shall review, approve, and pay all valid claims within 60 days of receipt.

Claims must:

- be submitted on a standard current version of a CMS 1500 or CMS-1450 (UB04)
- contain appropriate information in all required fields.
- be a claim for a MCE Member who was eligible at the time of service, and for a service that was authorized if such authorization was required.
- be an original bill.
- contain correct national standard coding, including but not limited to CPT, HCPCS, Revenue, and ICD-9 codes.
- be signed, if submitted as a paper document.

Claims shall be submitted to:

Placer County Community Clinics  
Attn: MCE Accounts Payable  
3091 County Center Drive, Suite #290  
Auburn, CA 95603  
530-745-3138

- 3.5 **Billing Members:** PROVIDER is prohibited from billing MCE Members for covered services except for co-payments as detailed in the MCE Provider Handbook, supplied to the PROVIDER under separate cover. PROVIDER shall not seek reimbursement from the Member for a balance due. PROVIDER shall not bill Members for covered services, open bills, or balances in any circumstance, including when MCE has denied payment. PROVIDER may bill Members for co-payments, non-benefits, and for non-covered services.
- 3.6 PROVIDER agrees to hold harmless both DHCS and the Member in the event that COUNTY cannot or will not pay for services provided by PROVIDER under this Agreement.
4. **SINGLE AUDIT OF FEDERAL FUNDS:** PROVIDER acknowledges that this Agreement is funded in whole or in part with federal funds. The Catalog of Federal Domestic Assistance (CFDA) number for the federal program funding this Agreement in whole or in part is CFDA Number 93.778 (Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) - Medical Assistance Program). Local governments and non-profit organizations that expend a combined total of more than \$500,000 in federal financial assistance (from all sources including CMS Medical Assistance Program expenditures) in any fiscal year must have a single audit for that year. A letter confirming that an audit will be conducted must be provided to COUNTY stating that PROVIDER has expended more than \$500,000 in total federal funds and will comply with the federal Single Audit Act and the requirements of OMB Circular A-133.
5. **CONTRACT TERM:** This Agreement shall remain in full force and effect from July 1, 2012 through June 30, 2014 unless terminated earlier as provided herein. This Agreement may be renewed for future terms upon mutual consent of the parties, and contingent on available funding and prior approval of the Placer County Board of Supervisors.
6. **TERMINATION:** Either party shall have the right to terminate this Agreement without cause; any such termination will be effective sixty (60) calendar days after written notice. If for cause, such termination will be effective five (5) working days after personal or written notice specifying the cause has been given to the PROVIDER. Such notice shall be personally served or given by United States Mail. In the event of cancellation by either party, PROVIDER shall be paid for all work performed and all reasonable allowable expenses incurred to date of cancellation.
7. **LICENSES, PERMITS, ETC.:** PROVIDER represents and warrants to COUNTY that it has all licenses, permits, qualifications, and approvals of whatsoever nature which are legally required for PROVIDER to practice its profession. PROVIDER represents and warrants to COUNTY that PROVIDER shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement, any licenses, permits, and approvals which are legally required for PROVIDER to practice its profession at the time the services are performed.
8. **BOOKS AND RECORDS:** PROVIDER shall maintain, at all times, complete detailed records with regard to work performed under this Agreement in a form acceptable to COUNTY, and COUNTY shall have the right to inspect such records at any reasonable time. Notwithstanding any other terms of this Agreement, no payments shall be made to PROVIDER until COUNTY is satisfied that work of such value has been rendered pursuant to this Agreement. However, COUNTY shall not unreasonably withhold payment and, if a dispute exists, the withheld payment shall be proportional only to the item in dispute.

8.1 PROVIDER shall make all of its books and records pertaining to this Agreement available for inspection, examination, or copying by the California Department of Health Care Services, Department of Health and Human Services, and Department of Justice at all reasonable times at the PROVIDER'S place of business or at such other mutually agreeable location in California. Books and records, including all encounter data, shall be maintained in accordance with the general standards applicable to such book or record keeping for a term of at least five (5) years from the close of the fiscal year in which the service occurred and in which the record or data was created or applied, and for which the financial record was created. PROVIDER agrees to include this provision in any subcontracts it may establish for services under this Agreement.

8.2 PROVIDER agrees to timely gather, preserve, and provide to DHCS, any records in the PROVIDER'S possession in the event of litigation.

9. **PUBLIC RECORDS:** This Agreement and all information received in accordance with this Agreement will be public records on file with DHCS, except as specifically exempted in statute. DHCS shall ensure the confidentiality of information and contractual provisions filed with DHCS which are specifically exempted by statute from disclosure, in accordance with the statutes providing the exemption. The names of the officers and owners of the PROVIDER, stockholders owning more than five (5) percent of the stock issued by the PROVIDER and major creditors holding more than five (5) percent of the debt of the PROVIDER will be attached to this Agreement at the time this Agreement is presented to DHCS.

10. **INDEPENDENT CONTRACTOR:** In the performance of this Agreement, PROVIDER, its agents and employees are, at all times, acting and performing as independent contractors, and this Agreement creates no relationship of employer and employee as between COUNTY and PROVIDER. PROVIDER agrees neither it nor its agents and employees have any rights, entitlement or claim against COUNTY for any type of employment benefits or workers' compensation or other programs afforded to COUNTY employees.

PROVIDER shall be responsible for all applicable state and federal income, payroll and taxes and agrees to provide any workers' compensation coverage as required by California State laws.

11. **PARTICIPATION IN ALTERNATIVE ARRANGEMENTS:** Nothing in this Agreement shall be construed as limiting the rights of either party to contract with the other institutions on a limited or general basis.

12. **HOLD HARMLESS AND INDEMNIFICATION AGREEMENT:**

COUNTY agrees to indemnify and hold harmless PROVIDER and PROVIDER'S employees or agents from and against any damages including costs and attorney's fees arising out of negligent or intentional acts of omissions of COUNTY, its employees or agents.

PROVIDER agrees to indemnify and hold harmless COUNTY, its employees, agents and elective and appointive boards from and against any damages including costs and attorney's fees arising out of negligent or intentional acts or omissions of PROVIDER, their employees or agents.

This indemnification shall extend to claims, losses, damages, injury, and liability for injuries occurring after completion of PROVIDER'S services, as well as during the progress of rendering such services. Acceptance of insurance required by this Agreement does not relieve PROVIDER from liability under this indemnification clause. This indemnification clause shall apply to all damages or claims for damages suffered by PROVIDER'S operations regardless if any insurance is applicable or not.

PROVIDER agrees that it shall immediately notify COUNTY and PROVIDER'S insurance carrier of any significant incident occurring to a patient covered under this Agreement, which PROVIDER believes may result in a claim of liability.

13. **INSURANCE:**

PROVIDER shall file with the COUNTY concurrently herewith a Certificate of Insurance, in a company(s) acceptable to COUNTY, with a Best's Rating of no less than A-VII evidencing all coverages and limits for the Medical Malpractice Liability Insurance, and shall provide such documentation for the other insurances listed below upon request by the COUNTY.

**Medical Malpractice Liability Insurance:**

Medical Malpractice Liability Insurance for all activities of the PROVIDER and its employees arising out of or in connection with this Agreement in the amount of no less than one million dollars (\$1,000,000) in the aggregate annually.

In the event PROVIDER cannot provide an occurrence policy, PROVIDER shall provide insurance covering claims made as a result of performance of the Agreement and shall maintain such insurance in effect for one (1) year following completion of performance of this Agreement.

**General Liability Insurance:**

PROVIDER shall require the Medical Facility(s) to maintain General Liability Insurance in the amount of no less than one million dollars (\$1,000,000) per occurrence, two million dollars (\$2,000,000) aggregate, to cover the Medical Facility premises. Certificates of Insurance shall be provided when requested.

**Automobile Liability Insurance:**

In the performance of this Agreement, PROVIDER, its agents and employees are at all times acting and performing as independent contractors. PROVIDER shall require its agents and employees to maintain appropriate automobile liability coverage required by California State Law.

The insurance provided by PROVIDER and/or Medical Facility is primary coverage to COUNTY with respect to any insurance or self-insurance programs maintained by COUNTY and no insurance held or owned by COUNTY shall be called upon to contribute to a loss resulting from service provided under this Agreement.

14. **CONFLICT OF INTEREST:** PROVIDER attests that it has no current business or financial relationship with any COUNTY employees or other COUNTY providers that would conflict with this Agreement and will not enter into any such business or financial relationship with any such employees or providers during or following the period of this Agreement.
15. **CONFIDENTIALITY:** PROVIDER agrees to maintain confidentiality of information and records as required by applicable federal, state and local laws, regulations and rules, and further agrees to hold COUNTY harmless from any breach of confidentiality, as set forth in the hold harmless provisions contained herein.
16. **HIPAA COMPLIANCE:** PROVIDER agrees, to the extent required by the Health Insurance Portability and Accountability Act of 1996 (HIPAA), including but not limited to Title 42, United States Code, Section 1320d et seq. and its implementing regulations (including but not limited to Title 45, Code of Federal Regulations (CFR), Parts 142, 160, 162, and 164) to comply with applicable requirements of law and subsequent amendments relating to protected health information, as well as any task or activity PROVIDER performs on behalf of COUNTY, to the extent COUNTY would be required to comply with such requirements.

More specifically, PROVIDER will not use or disclose confidential information other than as permitted or required by this Agreement and will notify COUNTY of any discovered instances of breaches of confidentiality.

Without limiting the rights and remedies of COUNTY elsewhere as set forth in this Agreement, COUNTY may terminate this Agreement without penalty or recourse if determined that PROVIDER violated a material term of the provisions of this section.

PROVIDER ensures that any subcontractors' agents receiving health information related to this Agreement agree to the same restrictions and conditions that apply to PROVIDER with respect to such information.

17. **COUNTY REPRESENTATIVE:** The Director of Community Health and Clinics or his/her designee is the representative of the COUNTY, will administer this Agreement for the COUNTY, and may be contacted as follows:

Mark Starr, D.V.M., M.P.V.M., Director  
Placer County Community Clinics  
11583 C Avenue  
Auburn, CA 95603  
530-889-7215

18. **NOTICES:** All notices required or authorized by this Agreement shall be in writing and shall be deemed to have been served if delivered personally or deposited in the United States Mail, postage prepaid and properly addressed as follows. Changes in contact person or address information shall be made by notice, in writing, to the other party.

If to COUNTY: Richard J. Burton, M.D., M.P.H., Director  
Placer County Health and Human Services  
3091 County Center Drive, Suite 290  
Auburn, CA 95603

If to PROVIDER: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

19. **NONDISCRIMINATION:** During the performance of this Agreement, PROVIDER shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, including the provisions of the Americans with Disabilities Act of 1990, and Fair Employment and Housing Act, and will not discriminate against employees, applicants or clients because of race, sex, sexual orientation, color, ancestry, religion or religious creed, national origin or ethnic group identification, mental disability, physical disability, medical condition (including cancer, HIV and AIDS), age (over 40), marital status, or use of Family and Medical Care Leave and/or Pregnancy Disability Leave in regard to any position for which the employee or applicant is qualified.
20. **ASSIGNMENT:** Neither party shall assign, sublet, delegate or transfer any of its rights, duties or obligations arising hereunder without written consent of the other.
21. **ENTIRETY OF AGREEMENT:** This Agreement contains the entire Agreement of COUNTY and PROVIDER with respect to the subject matter hereof, and no other Agreement, statement, or promise made by any party, or to any employee, officer or agent of any party which is not contained in this Agreement shall be binding or valid.
22. **VENUE AND JURISDICTION:** The parties enter into this Agreement in the County of Placer, State of California and agree to comply with all applicable laws and regulations therein. Venue is the County of Placer for litigation purposes.

// Signatures on following page



PLACER COUNTY HEALTH AND HUMAN SERVICES  
 MEDICAID COVERAGE EXPANSION (MCE) PROGRAM  
 DESCRIPTION OF SERVICES

MCE benefits consist of a core set of services and other add-on services which are reasonable and necessary in establishing a diagnosis and providing palliative, curative or restorative treatment for physical and/or mental health conditions in accordance with the standards of medical practice generally accepted at the time services are rendered. The following describes these core services.

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| Out-of-County Hospital Services                                   | No coverage unless treatment has been pre-authorized; This includes inpatient services, outpatient services, laboratory testing, diagnostics, and radiology provided by out-of-county hospitals.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Out-of-County Emergency Room Services and Post-Stabilization Care | <p>Coverage for emergency services provided in hospital Emergency Rooms for emergency medical conditions, and/or required post-stabilization care.</p> <p>NOTE: Only medical emergencies are covered. An Emergency Room Condition means a medical condition manifesting itself by acute symptoms of such severity that a prudent layperson could reasonably expect the absence of immediate medical attention to place the health of the individual in serious jeopardy, resulting in serious impairment to bodily function or result in serious dysfunction of any bodily organ or part. All Emergency Room visits are reviewed by MCE Utilization Review staff to determine that they meet the above definition of an emergency, and those that do not meet the criteria will not be paid.</p> <p>Post-stabilization care is medically necessary services related to the emergency medical condition. Post-stabilization care must be authorized in order to maintain the stabilized condition or improve or resolve the Member's condition.</p> |
| Retroactive Coverage                                              | Limited retroactive coverage is available for Members who were treated at a network hospital and were subsequently determined to be eligible for the MCE program. Only Emergency Room and Inpatient services are subject to retroactive approval and are retroactive only to the beginning of the current month in which the service was delivered. MCE must be notified within 24 hours of visit to be eligible for retroactive coverage.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Acute Inpatient Care                                              | Pre-authorized Hospital days are covered. This includes all diagnostic exams, radiology exams, tests, laboratory testing, treatments and services. Additional Hospital days beyond the initial authorization must be approved by the MCE Medical Director or his/her designee.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Emergency Care                                                    | <p>Only medical emergencies are covered. An Emergency Room Condition means a medical condition manifesting itself by acute symptoms of such severity that a prudent layperson could reasonably expect the absence of immediate medical attention to place the health of the individual in serious jeopardy, resulting in serious impairment to bodily function or result in serious dysfunction of any bodily organ or part. All Emergency Room visits are reviewed by MCE Utilization Review staff to determine that they meet the above definition of an emergency, and those that do not meet the criteria will not be paid.</p> <p>Transportation is an included benefit for emergencies.</p>                                                                                                                                                                                                                                                                                                                                                  |

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|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Hospital-Based Outpatient Surgical and Specialty Services                                        | Only pre-authorized services are covered.                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Urgent Care Services                                                                             | Only pre-authorized services are covered for services provided outside the Member's Medical Home.                                                                                                                                                                                                                                                                                                                                                               |
| Physician Services                                                                               | Primary medical care is a core benefit. Only pre-authorized services are covered for services provided outside the Member's Medical Home (e.g., specialty care).                                                                                                                                                                                                                                                                                                |
| <b>Skilled Nursing Facility</b>                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Skilled Nursing Facility                                                                         | Routine care is not covered. Limited specialty care where it would reduce the Member's acute hospital stay can be approved on a case-by-case basis. Requires pre-authorization by the MCE plan administrator.                                                                                                                                                                                                                                                   |
| <b>Outpatient Services</b>                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Community Clinic Physician Services                                                              | All Medically Necessary Covered Services are covered. Medically Necessary service include services that are reasonable and necessary to protect life, prevent significant illness or significant disability or to alleviate severe pain through the diagnosis or treatment of disease, illness or injury. (Title 22, CCR, Section 51303(a)). An initial health assessment, care coordination, and establishment of a Medical Home are core outpatient benefits. |
| Physical evaluations for Social Security Disability, SDI, or General Assistance in Placer County | The Member must first attempt to obtain an evaluation by a provider contracted by federal and state agencies to provide specialized disability evaluations. The federal and state disability agencies will direct the Member to an appropriate provider. In the event that this does not happen, the MCE program will provide a limited evaluation.                                                                                                             |
| Adult Preventive Services                                                                        | Preventive services and Medically Necessary diagnostic and treatment services for adult Members per the latest edition of the Guide to Clinical Preventive Services and as a result of an examination shall be made available.<br><br>Preventive services shall include adult immunizations as recommended by the most recent Advisory Committee on Immunization Practices (ACIP) immunization schedule. Not covered if required for travel or employment.      |
| Specialty Care                                                                                   | All services provided by specialists or specialty clinics must meet criteria of medical necessity and require pre-authorization and referral by the Member's primary care provider (PCP) in order to be covered.                                                                                                                                                                                                                                                |
| Ambulatory Surgery Center Services                                                               | Services require preauthorization and must be medically necessary.                                                                                                                                                                                                                                                                                                                                                                                              |
| Radiological Services                                                                            | Require referral from PCP or authorized specialist; mammography and routine cancer screenings are covered.                                                                                                                                                                                                                                                                                                                                                      |
| Laboratory Tests                                                                                 | Requires referral from PCP or authorized specialist.                                                                                                                                                                                                                                                                                                                                                                                                            |
| Podiatry                                                                                         | Must be medically necessary and requires referral from PCP and prior authorization.                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Rehabilitative Services</b>                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Physical Therapy                                                                                 | Services require preauthorization and must be medically necessary. Requires referral from PCP or authorized specialist.                                                                                                                                                                                                                                                                                                                                         |
| Occupational Therapy                                                                             | Services require preauthorization and must be medically necessary. Requires referral from PCP or authorized specialist.                                                                                                                                                                                                                                                                                                                                         |

|                                                         |                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Speech Therapy                                          | Services require preauthorization and must be medically necessary. Requires referral from PCP or authorized specialist.                                                                                                                                                                                                                |
| Short-Term Rehabilitation Services                      | Services require preauthorization and must be medically necessary. Covered for short-term therapy for acute conditions that are expected to make a significant improvement.                                                                                                                                                            |
| <b>Concept of Medical Necessity - Federal Standards</b> |                                                                                                                                                                                                                                                                                                                                        |
| Pregnancy-related Services                              | Not Covered – refer to Medi-Cal.                                                                                                                                                                                                                                                                                                       |
| Family Planning                                         | Not Covered – available through Placer County Family Planning Program.                                                                                                                                                                                                                                                                 |
| Sterilization                                           | Not Covered.                                                                                                                                                                                                                                                                                                                           |
| Diagnostic and Therapeutic Services for Infertility     | Not Covered – refer to Family PACT.                                                                                                                                                                                                                                                                                                    |
| <b>Home-Based Services</b>                              |                                                                                                                                                                                                                                                                                                                                        |
| Visiting Nurses/Home Health Services                    | Services require preauthorization and must be medically necessary. Requires referral from PCP or authorized specialist                                                                                                                                                                                                                 |
| <b>Mental Health Treatment</b>                          |                                                                                                                                                                                                                                                                                                                                        |
| Inpatient Services                                      | Members who meet the diagnostic criteria are eligible for up to 10 days per year of acute inpatient hospitalization in an acute care hospital, psychiatric hospital or psychiatric health facility.<br><br>Admissions must be authorized unless an emergency.<br><br>Additional services may be authorized based on medical necessity. |
| Outpatient Services                                     | Up to 12 outpatient encounters per year. Outpatient encounters include assessment, individual or group therapy, crisis intervention, and medication support. Additional services may be provided if it is determined to be medically necessary.                                                                                        |
| Psychiatric Pharmaceuticals                             | Covered as prescribed by PCP or psychiatrist per formulary or with prior authorization.                                                                                                                                                                                                                                                |
| <b>Alcohol and Drug Treatment</b>                       |                                                                                                                                                                                                                                                                                                                                        |
| Alcohol and drug treatment services                     | Not Covered – refer to Placer County Adult System of Care                                                                                                                                                                                                                                                                              |
| <b>Dental Services</b>                                  |                                                                                                                                                                                                                                                                                                                                        |
| Emergencies                                             | Outpatient treatment covered. Services must be medically necessary according to Federally Required Adult Dental Services guidelines.                                                                                                                                                                                                   |
| Outpatient Dental                                       | Limited to Federally Required Adult Dental Services.                                                                                                                                                                                                                                                                                   |
| Oral Surgery                                            | Requires pre-authorization from MCE Medical Director and must be medically necessary.                                                                                                                                                                                                                                                  |
| Crowns, Dentures, Dental Bridges, and Root Canals       | Not Covered                                                                                                                                                                                                                                                                                                                            |

| Prescription Drug Services                                                      |                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Prescriptions                                                                   | Prescriptions are limited to the formulary set by the MCE Medical Director; Members must use the Placer County Community Clinic pharmacy. The Clinic pharmacist must approve prescriptions filled at a private pharmacy. Pharmaceuticals not on the formulary require prior authorization and must be medically necessary. |
| Prescriptions for conditions deemed not requiring medically necessary treatment | Not covered                                                                                                                                                                                                                                                                                                                |
| Durable Medical Equipment, Prosthetics, Orthotics, & Supplies                   |                                                                                                                                                                                                                                                                                                                            |
| Durable Medical Equipment and Supplies                                          | Services require prior authorization and must be medically necessary. Requires referral from PCP or specialist. Member must accept renting devices if so determined by the administrator of the plan. Powered mobility devices are not covered (e.g., power wheelchairs and scooters).                                     |
| Prosthetic Appliances                                                           | Services require prior authorization and must be medically necessary. Requires referral from PCP or specialist. If damaged, the prosthetic device will be repaired rather than replaced.                                                                                                                                   |
| Orthotic Devices                                                                | Services require prior authorization and must be medically necessary. Requires referral and pre-authorization from PCP or specialist.                                                                                                                                                                                      |
| Medical supplies including incontinence supplies                                | Require prior authorization and must be medically necessary.                                                                                                                                                                                                                                                               |
| Health Education                                                                |                                                                                                                                                                                                                                                                                                                            |
| Health Education Services                                                       | Provided by Placer County Community Clinic staff or through referral by PCP. Member education shall include information to achieve behavioral change for improved health outcomes in Members.                                                                                                                              |
| Interpreter Services                                                            |                                                                                                                                                                                                                                                                                                                            |
| Interpretation Services – Language, Braille, Audio, etc.                        | Available at Placer County Community Clinic sites and through providers.                                                                                                                                                                                                                                                   |
| Non-Emergency Medical Transportation                                            |                                                                                                                                                                                                                                                                                                                            |
| Medically Necessary Transportation                                              | Must be pre-authorized and use lowest cost mode available. Only available for obtaining medically necessary medical care.                                                                                                                                                                                                  |
| Excluded Services, Procedures, Treatments, and Services                         |                                                                                                                                                                                                                                                                                                                            |
| All services that do not meet threshold of medical necessity                    | Not Covered                                                                                                                                                                                                                                                                                                                |
| Routine physical exams                                                          | Not Covered                                                                                                                                                                                                                                                                                                                |
| Routine injection of antigens                                                   | Not Covered                                                                                                                                                                                                                                                                                                                |
| All services that are provided by a Public Health department                    | Not Covered                                                                                                                                                                                                                                                                                                                |
| Organ Transplants                                                               | Not Covered                                                                                                                                                                                                                                                                                                                |
| Bariatric Surgery                                                               | Not Covered                                                                                                                                                                                                                                                                                                                |

|                                                                                                     |             |
|-----------------------------------------------------------------------------------------------------|-------------|
| Experimental Treatments and Services                                                                | Not Covered |
| Cosmetic Surgeries, Treatments, and services primarily designed to improve appearance or self-image | Not Covered |
| Hearing aids; hearing exams for the sole purpose of obtaining hearing aids                          | Not Covered |
| Eyeglasses or contact lenses; Eye exams for the sole purpose of obtaining corrective eyeglasses     | Not Covered |
| Case management                                                                                     | Not Covered |
| Hospice                                                                                             | Not Covered |



# Placer County Health and Human Services Department

Richard J. Burton, M.D., M.P.H.  
Health Officer and Department Director

Community Health & Clinics

Mark Starr, D.V.M., M.P.V.M.  
Community Health & Clinics, Director  
mstarr@placer.ca.gov

Alex J. Klistoff, M.D.  
Chief Physician & Medical Director  
aklistof@placer.ca.gov

Patricia Orme, R.N., P.H.N., M.S.N.  
Community Health & Clinics, Assistant Director  
porme@placer.ca.gov

Connie Arney, M.A.  
Clinic Manager  
carney@placer.ca.gov

## TREATMENT REQUEST FORM

Patient Name: \_\_\_\_\_

DOB: \_\_\_\_\_

Referral # \_\_\_\_\_

Date: \_\_\_\_\_

Priority:  Routine  Urgent  SAP

Specialty Requested: \_\_\_\_\_

Referring Provider: \_\_\_\_\_

Requested Provider/Clinic: \_\_\_\_\_

# of Visits: \_\_\_\_\_

Diagnosis Code: \_\_\_\_\_

Type of Procedure(s):  Consult  Ortho Consult  Cardio Consult

Consult Other: \_\_\_\_\_

Requesting consultation for: \_\_\_\_\_

Signature \_\_\_\_\_

Date Completed: \_\_\_\_\_

Clerk: \_\_\_\_\_

**SAMPLE**

Perspective, Hope, and Opportunity

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**Placer County  
Health and Human Services Department**

**Richard J. Burton, M.D., M.P.H.**  
Health Officer and Department Director

**Community Health & Clinics**

**Mark Starr, D.V.M., M.P.V.M.**  
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mstarr@placer.ca.gov

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**Connie Arney, M.A.**  
Clinic Manager  
carney@placer.ca.gov

**TREATMENT AUTHORIZATION REQUEST (TAR) FORM**

**Patient Demographics for Doe, Jane**

DOB: 1/01/1970 SSN: 999-99-9999  
Age: 41 yrs Sex: Female  
Home Phone: 916-555-1212 Work Phone:  
Address: 123 Main Street  
Lincoln CA 95648

Perm Comments:

**Referral Information**

Patient: Doe, Jane Referral #: 123456  
Status: Authorized Type: Inpatient Admission  
Class: Outgoing Reason(s):  
Diagnosis: Procedure: 27429 (CPT)-LIGAMENTOUS RECONSTRUCTION;  
L8699-PROSTHETIC IMPLANT NOT OTHERWISE SPECIFIED

OLD DISRUPTION OF LATERAL COLLATERAL LIGAMENT

Start: Jan 21, 2012 Expiration: Mar 10, 2012  
Requested: 999 Authorized: 999  
Scheduled:  
Referring Location: Referred To POS: SUTTER ROSEVILLE MEDICAL CENTER  
Referring Department: Referred To Department:  
Referring Provider: Smith, John MD Referred To Provider: SUTTER ROSEVILLE MEDICAL CENTER

Referred To Vendor: SUTTER ROSEVILLE MEDICAL CENTER

**Coverages Used**

| Patient Covered | Payor MCE | Plan | Authorization # | Precertification # | Authorization Comments |
|-----------------|-----------|------|-----------------|--------------------|------------------------|
|-----------------|-----------|------|-----------------|--------------------|------------------------|

**Referral Notes**

| Date    | Time        | Type                   | Summary                    | User          |
|---------|-------------|------------------------|----------------------------|---------------|
| 1/31/12 | 3:57PM PST  | RTF Letter             | Auto: 11098-PC AUTH LETTER | MORGAN, SARAH |
| 1/31/12 | 11:37AM PST | Referral Entry Comment |                            | MORGAN, SARAH |

Total Price  
\$0

Perspective, Hope, and Opportunity

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***The Placer-Nevada County Medical Society***

P.O. Box 2478, Marysville, CA 95901

1633 Starr Drive, #2, Yuba City, CA 95993

Phone: (530) 822-7770 Fax: (530) 751-7770

Email: [pncms\\_exec@svix.com](mailto:pncms_exec@svix.com) Website: [www.pncms.org](http://www.pncms.org)

July 6, 2012

Richard J. Burton, M.D., M.P.H.  
Placer County Health Officer & Director Health and Human Services  
3091 County Center Dr., Suite #290,  
Auburn, Ca. 95603

**RE: Placer County Medicaid Expansion Project**

Dear Dr. Burton,

The Placer-Nevada County Medical Society Board of Directors unanimously supports Placer County's Health and Human Service (HHS) Department's innovative effort to enhance access to crucial primary and specialty care services, improve reimbursement to physicians and hospitals, streamline eligibility, and achieve improved health outcomes through implementation of the proposed Medicaid Expansion (MCE) Project.

It is remarkable that through building on the long history of effective collaboration between the county, physicians, hospitals, and non-profits agencies, HHS has crafted an approach that will accomplish all the positive outcomes described above at no increased cost to the county by taking advantage of newly available federal matching dollars.

Placer-Nevada County Medical Society represents approximately 350 community physicians and we strongly support the implementation of MCE in Placer County as an entrepreneurial public private joint venture adding great value to the residents of Placer County and making the most effective use public funds available for the delivery of healthcare to very low income adults between 19 and 64 years of age.

Thank you for the opportunity to partner with Placer County on this endeavor.

Sincerely,

---

Douglas P. Brosnan, J.D., M.D.  
President, Placer-Nevada County Medical Society



July 10, 2012

Richard J. Burton, M.D., M.P.H.  
Placer County Health Officer & Director Health and Human Services  
3091 County Center Dr., Suite #290,  
Auburn, Ca. 95603

**RE: Placer County Medicaid Expansion Project**

Dear Dr. Burton,

Tahoe Forest Health System enthusiastically supports Placer County's Health and Human Service (HHS) Department's innovative effort to enhance access to crucial primary and specialty care services, improve reimbursement to physicians and hospitals, streamline eligibility, and achieve improved health outcomes through implementation of the proposed Medicaid Expansion (MCE) Project.

It is remarkable that through building on the long history of effective collaboration between the county, physicians, hospitals, and non-profits agencies, HHS has crafted an approach that will accomplish all the positive outcomes described above at no increased cost to the county by taking advantage of newly available federal matching dollars.

Tahoe Forest Health System includes two Critical Access Hospitals, a long-term care facility, a multi-specialty group including 25 physicians, a cancer center, home health and hospice. We strongly support the implementation of MCE in Placer County as an entrepreneurial public private joint venture adding great value to the residents of Placer County and making the most effective use public funds available for the delivery of healthcare to very low income adults between 19 and 64 years of age.

Thank you for the opportunity to partner with Placer County on this endeavor.

Sincerely,



Robert A. Schapper  
Chief Executive Officer



*Sutter Auburn  
Faith Hospital*

A Sutter Health  
Affiliate

11815 Education Street  
Auburn  
CA 95602

July 10, 2012

Richard J. Burton, M.D., M.P.H.  
Placer County Health Officer & Director Health and Human Services  
3091 County Center Dr., Suite # 290  
Auburn, Ca. 95603

Dear Dr. Burton,

Thank you for your letter dated July 3, 2012 with the information on the Placer County Low Income Health Program (LHIP). I am pleased that Placer County leadership is taking advantage of the opportunities to expand Medi-Cal to the most vulnerable residents. Sutter Auburn Faith Hospital (SAFH) is fully supportive of LHIP and will work with the County to ensure access to care for LHIP clients.

As you know, community benefit and improving the health of our communities is at the core of Sutter Health's mission, values and strategic planning principles. We invest back into our communities to improve facilities, add services, care for those who cannot afford to pay for health care, and support programs that help those in financial need. A review of publicly available data demonstrates that Sutter Health hospitals care for more Medi-Cal patients in Northern California than any other health care provider. In addition, Sutter Health invested more than \$2 million per week in 2011 to provide charity care to patients who could not afford health care services.

In Placer County, SAFH and Sutter Roseville Medical Center (SRMC) partner with The Gathering Inn - a local nomadic homeless shelter - to provide the Interim Care Program (ICP). ICP is a temporary respite program for homeless patients discharged from one of the participating hospitals. The program is designed to give patients without housing alternatives a clean and safe place to heal for up to six weeks and comprehensive wrap-around services like behavioral health services, permanent housing and supported entry into a health care home. Half of the patients referred are county patients and all of them are connected with insurance. The County is an excellent partner in this program.

We also partner with Kaiser Permanente, Seniors First, the Placer Collaborative Network, and the Placer County Transportation Planning Agency to provide Health Express, a program SAFH started more than a decade ago, offering free non-emergency medical transportation to seniors and disabled individuals in Auburn. Due to the growing need, a collaborative partnership was formed to offer the service to all underserved populations within Placer County and beyond. In 2011, Health Express provided approximately 750 rides per month or 9,000 total rides in 2011. Approximately 41% of those rides are Medi-Cal patients being transported to the County clinic.

Lastly, SAFH and SRMC provided financial support to bring The Effort, a local Federally Qualified Health Clinic (FQHC) to Roseville to improve access to primary care and behavioral health care to our

communities underinsured. I am glad to see Placer County is contracting with The Effort to be the medical home to a portion of the LHIP clients. A strong FQHC network is what is best for the underinsured and for the community.

We are grateful for our relationship and collaboration with the County and we commend the visionary leadership. I look forward to working with County and our local community providers as we approach the implementation of LHIP and health care reform.

Sincerely,

A handwritten signature in cursive script that reads "Mitch Hanna".

Mitch Hanna, CEO  
Sutter Auburn Faith Hospital

