

**MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Community Clinics**

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health & Human Services
Maureen F. Bauman, Director of Adult System of Care and Medical Clinics

DATE: April 9, 2013

SUBJECT: Increase Blanket Purchase Order BP020097 for Jackson & Coker Locum Tenens LLC and Contract CN05000 for Tahoe Forest Hospital.

ACTION REQUESTED:

1. Approve a change order to Blanket Purchase Order BP020097 with Jackson and Coker Locum Tenens LLC, increasing the maximum amount by \$200,000 (\$92,000 net County cost) for a new total of \$249,000 for the period of August 22, 2012 through December 31, 2013, and authorize the Purchasing Manager to sign the resulting change order.
2. Approve an amendment CN005000-A with Tahoe Forest Hospital, increasing the maximum amount by \$17,500 (\$8,050 net County cost) for a new total of \$30,000 for the period of July 1, 2012 through June 30, 2013, and authorize the Director of Health and Human Services to sign the amendment.

BACKGROUND:

Counties are mandated by the State to be the provider of last resort to the indigent. To meet this mandate, Placer County is participating in the Medicaid 1115 Waiver Demonstration Program which was approved by your Board on July 24, 2012. This program is an early implementation of the Affordable Care Health (a part of Health Care Reform) in California. This program allows the county to receive federal financial reimbursement for part of the costs for specified persons who were previously provided health care with almost entirely county general funds. This new program was implemented in August 2012 and County residents who are eligible to participate are now transitioning into this program. The number of indigent residents receiving clinic services in FY 2011-12 totaled approximately 3,200 persons. As a result of the implementation of the Medicaid 1115 Waiver Demonstration Program (MCE), the total number of Medicaid 1115 Waiver Demonstration Program clients is projected to increase to 4,350 persons by the end of FY 2012-13. Placer County also served Medi-Cal and Medicare patients. The Placer Medical Clinics in Auburn and Tahoe together served over 11,000 patients in the last 12 months.

As part of the MCE expansion, Placer County is working closely with other providers in the community. There is a slow increase in the number of MCE and Medi-Cal patients seen by others organizations Placer County. New and stronger relationships have been established and affirmed with both WellSpace Health (formerly The Effort) which has established a new clinic in Roseville and Chapa-De Indian Health Program in Auburn.

Placer County Medical Clinics is analyzing the impact of multiple changes in the service delivery system as a result of health care reform. These changes include the consolidation of the Healthy Families population into Medi-Cal services. New families are now being directed to Medi-Cal and Placer County is expecting to receive 274 new referrals each month. In addition, Placer County is expecting 5,000 existing families to be transitioned to Medi-Cal in September 2013.

Additional changes include the implementation of geographic Medi-Cal Managed Care in the 28 counties, including Placer, that have chosen a fee-for-service model. This implementation will begin in June 2013. Current work is being done to determine how Placer County will become involved in this initiative and how that aligns with the mission of the Medical Clinic to serve the residents of Placer

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County. In January of 2014 the Affordable Care Act will be implemented. At that time all persons who are currently being served through the Placer Medicaid Expansion program will be transitioned to Medi-Cal. Analysis is also underway to determine how this new model of care will impact existing Medical Clinic services.

As this analysis is taking place there have been several staffing challenges that have occurred. Beginning in January 2013, the Medical Director of our medical clinic has reduced his time to three days per week. His retirement date is scheduled for May 15, 2013. In addition, the psychiatrist for the Placer Medical Clinic-Tahoe resigned in June 2012. Most recently, the Physician Assistant in Tahoe has resigned.

It is currently necessary to utilize the Tahoe Forest Hospital contract for regular assistance to cover the vacancy resulting from the resignation of the full-time Physician Assistant in Tahoe. In addition to using contracted Tahoe Forest Hospital staff, existing County staff in Auburn have been reassigned to Tahoe on a temporary basis. After extensive recruitment we were unable to find a psychiatrist in the Tahoe area to work one day per week. The Jackson Coker agreement has provided a psychiatrist to provide these critical services.

In Auburn, efforts to recruit additional medical providers for either full or part time positions have not been successful. The original model was to hire permanent providers but with the current state of transition and on-going analysis of clinic services it is prudent to utilize temporary staff at this time. The Auburn Medical Clinic currently has 4 FTE permanent and temporary providers. The need is for an additional 2 FTE to meet the current patient demand. The recruitment for temporary providers has been challenged and it is critical that the use of the Jackson Coker agreement be increased to allow for the hiring of critical temporary staff to meet the on-going needs of patient care in Auburn.

FISCAL IMPACT:

The increases to these agreements are funded by 54 percent Federal, State and other revenues, and 46 percent (\$92,000) of required matching County General Fund. Funding for the first eleven months of the Jackson Coker agreement amendment is included in the Department's FY 2012-13 Final Budget, and the remainder is included in the FY 2013-14 Requested Budget. Funding for the Tahoe Forest Hospital agreement amendment is included in the Department's FY 2012-13 Final Budget.

cc: Procurement Services