

**MEMORANDUM  
PLACER COUNTY HEALTH AND HUMAN SERVICES  
Medical 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:** October 22, 2013

**SUBJECT:** Geographic Managed Care Participating Provider Agreements

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**ACTION REQUESTED:**

1. Approve Placer County Medical Clinics to become Medi-Cal Managed Care providers for the two health plans serving Placer County, in the newly established geographic managed care program. Accordingly, approve the Participating Provider Agreements with:
  - a. Celtic Insurance Company (California Health and Wellness Plan)
  - b. Anthem Blue Cross
2. Authorize the Director of Health and Human Services to approve and sign subsequent amendments consistent with the current agreements' subject matter and scope of work, and appoint the Director of Health and Human Services as the County contract representative for providing notices and making determinations under the contracts.

**BACKGROUND:**

In June 2013, the governor's budget authorized the expansion of Medi-Cal Managed Care into 28 rural counties, including Placer County, that were previously Fee-For-Service Medi-Cal. This expansion is scheduled to take place on November 1, 2013. Placer County is one of 18 counties where two managed care plans, Celtic Insurance (California Health and Wellness) and Anthem Blue Cross are establishing a provider network for Medi-Cal enrollees. These Medi-Cal Managed Care plans are contracted with the State of California to establish a provider network. Managed Care is designed to organize systems of care that emphasize primary and preventive care as well as to coordinate the delivery of health care. There is a focus on coordinated care and an emphasis on prevention and wellness. The Managed Care companies are expected to provide additional assistance for beneficiaries currently not available such as 24 hour nurse advice lines, health education, and case management for complex issues.

Historically, Placer County Medical Clinics have and continue to be a major provider of primary care services to the Medi-Cal population at the Auburn and Tahoe areas. Placer County Medical Clinics annually serve approximately 2,700 Medi-Cal clients and 3,500 Medicaid Expansion clients, known as MCE, (these people will become eligible for Medi-Cal on January 1, 2014). In addition, we serve approximately 1,200 people receiving both Medi-Cal and Medicare who will choose one of these plans next year. The Medi-Cal and MCE patients, approximately 6,200, presently being served by the Placer County Medical Clinics will be required to enroll in one of two plans to manage the care they receive through Medi-Cal. In order to continue to provide medical care to these residents and to receive payment for that care, Placer County Medical Clinics must be enrolled into the Medi-Cal Managed Care network. The Participating Provider Agreements will enable us to accomplish these goals.

The Placer County Medical Clinic agreements with these managed care companies will allow Medi-Cal beneficiaries now seen at the clinics to continue with their current health care providers. Placer County Medical Clinics will continue to receive reimbursement at the augmented Rural Health Care Rate. This will allow the Placer County Medical Clinics to receive reimbursement for 100 percent of the cost of the services provided.

**FISCAL IMPACT:**

There is no fiscal impact as a result of this action since it results in the Rural Health Clinic reimbursement levels for Medi-Cal services remaining the same.

These contracts are on file with the Clerk of the Board for review.

