

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

DEPT: Chief Executive Office

BOARD AGENDA # \*B-4

Urgent

Routine

AGENDA DATE May 19, 2015

CEO Concurs with Recommendation YES  NO

4/5 Vote Required YES  NO

(Information Attached)

SUBJECT:

Approval of a Technical Adjustment to the Health Services Agency Indigent Health Care Program Budget to Align Appropriations with Estimated Revenue

STAFF RECOMMENDATIONS:

Direct the Auditor-Controller to increase appropriations by \$1,006,865 in the Health Services Agency Indigent Health Care Program, to align appropriations with estimated revenue.

FISCAL IMPACT:

The recommended increase in appropriations of \$1,006,865 would result in total appropriations of \$1,676,104 for the Health Services Agency Indigent Health Care Program. As of the adoption of the Third Quarter Financial Report by the Board of Supervisors on May 5, 2015, estimated revenue is budgeted at \$1,676,104. There is no impact to the General Fund associated with this item.

BOARD ACTION AS FOLLOWS:

No. 2015-220

On motion of Supervisor Chiesa, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Monteith, De Martini, and Chairman Withrow

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

MOTION:

ATTEST: Elizabeth A. King  
ELIZABETH A. KING, Assistant Clerk

File No.

**DISCUSSION:**

The Health Services Agency Indigent Health Care Program (IHCP) budget primarily funds the County's Medically Indigent Adult program that provides basic health care to residents of Stanislaus County that are not Medi-Cal eligible and do not have health insurance, as required by Welfare and Institutions Code 17000. As part of the 2014-2015 Adopted Final Budget, the IHCP budget included appropriations of \$2,460,187 and was funded from a County Match General Fund contribution of \$2,452,087 and \$422,017 of departmental estimated revenue from charges for services and donations, resulting in a \$413,917 contribution to fund balance. County General Fund Match contributions are considered revenue in non-General Fund budgets such as IHCP.

Annually the IHCP budget has included a contribution from the General Fund of \$2.4 million, to meet the mandated Maintenance of Effort (MOE) funding required by Welfare and Institutions Code 17608.10. The MOE is required to be funded by the County as a condition for receiving 1991 realignment funds. The total annual MOE requirement is \$3.5 million and is included in the Health Services Agency's Clinics and Ancillary Services, Public Health and IHCP budgets, as well as the Department of Environmental Resources budget as County Match.

With the advent of the Affordable Care Act and Medi-Cal Expansion, a reduction of enrollees in the Medically Indigent Adult program has occurred. Included in the First Quarter Financial report approved by the Board of Supervisors on November 4, 2014 was a reduction in appropriations of \$594,677 in recognition of fewer enrollees; however, revenue was not reduced at that time. As part of its midyear analysis, the Agency projected that an excess of County Match had been allocated to IHCP in the Adopted Final Budget. In the Third Quarter Financial Report approved by the Board of Supervisors on May 5, 2015, after a thorough assessment of pending health care cost exposures for former indigent enrollees pending a disability determination, the Agency requested a decrease in estimated County Match revenue of \$1,198,000 in the Indigent Health Care Program. Much of the County Match funding was reallocated to the Public Health budget and the Department of Environmental Resources budget, to maintain compliance with Welfare and Institutions Code 17608.10 and to meet the County's overall MOE requirement for 1991 realignment; however, \$600,000 of the reduced Match was returned to the General Fund.

The Third Quarter Financial Report also included an erroneous recommendation to decrease appropriations by \$1,198,000 in the IHCP budget. Staff has determined that the amount of appropriations remaining after the approved third quarter action, is insufficient to achieve a balanced budget at year-end and therefore the IHCP budget requires an increase in appropriations of \$1,006,865. The recommended technical adjustment will align appropriations with current budgeted estimated revenue and allow the Agency to end the fiscal year without reliance on fund balance. There is no impact to the General Fund associated with this item.

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**POLICY ISSUE:**

Approval of the recommended action supports the Board of Supervisors priorities of A Healthy Community and Efficient Delivery of Public Services by enabling the Agency to meet requirements in accordance with Welfare and Institutions Code.

**STAFFING IMPACT:**

There is no staffing impact associated with this item.

**CONTACT PERSON:**

Cynthia Thomlison, Deputy Executive Officer. (209) 525-6333

Database  
Balance Type  
Data Access Set

FMSDBPRD.CO.STANISLAUS.CA.US.PROD  
Budget  
County of Stanislaus

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Journal Description  
Journal Reference  
Organization  
Chart Of Accounts

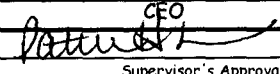

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List - Text Stanislaus Budget Org  
Accounting Flexfield

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	1404	1500001	70770	0000000	000000	000000	00000	1006865		Incr IHCP approp.
								1006865	0	

Totals:  
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Explanation: Technical adjustment to HSA IHCP budget to align appropriations with estimated revenue

Requesting Department		Data Entry		Auditors Office Only	
Cynthia Thomlison		Keyed by	Prepared By		Approved By
Prepared by	Supervisor's Approval	Date	Date	Date	Date
5/14/2015	5/14/15			5/14/15	
Date	Date	Date	Date	Date	Date