Health Services
LOS ANGELES COUNTY

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John F. Schunhoff, Ph.D.
Chief Deputy Director

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213)240-8101
Fax: (213) 481-0503

www.dhs.lacounty.gov

To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

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September 6, 2011

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **APPROVAL TO EXECUTE A NO-COST ACQUISITION AGREEMENT FOR A DISEASE REGISTRY SOFTWARE WITH L.A. CARE WITH MODIFICATION OF COUNTY INDEMNIFICATION PROVISION, AS REQUIRED FOR IMPLEMENTATION OF THE 1115 WAIVER (*Board Agenda Item A-4, September 6, 2011*)**

On November 2, 2010, California Department of Health Services (CDHS) and Centers for Medicare and Medicaid (CMS) entered into a new 1115 Waiver, commonly known as the *California Bridge to Reform*, for a five year period, commencing November 1, 2010. This Waiver provides the framework to federal Health Care Reform in 2014 for Medicaid Coverage Expansion (MCE) enrollees who are adults, aged 19-64, with incomes at or below 133% of the Federal Poverty Level (FPL) and who meet citizenship or legal residence requirements. The Waiver will provide health care coverage expansion, continued partial funding of public hospitals' uncompensated costs, new funding for delivery system improvements at public hospitals, Medi-Cal Managed Care for Seniors and Persons with Disabilities (SPD), and federal matching funds for various State-only funded programs.

On December 14, 2010, your Board authorized the Department of Health Services (DHS) to submit action items related to the 1115 Waiver to your Board on a standing agenda item designated as A-4. This report provides updated information on the network adequacy requirements for hospitals under the Waiver and requests your Board's approval of two recommendations of delegated authority to execute agreements.

SPD REQUIREMENTS

A key component of DHS' success in meeting the needs of the SPD patient population within the Waiver is its ability to have disease registry software available at DHS facilities. Coordination of care for the SPD population is critical to effectively manage the multidisciplinary needs of each patient and determine which functions of the care team have been or need to be

completed. These functions include: Patient Tracking and Registry Functions; Care Management; Patient Self-Management Support; Test Tracking; Referral Tracking; and Performance Reporting and Improvement.

Because of the unique requirements of the 1115 Waiver, and the expedited timeline needed to address the needs of the SPD patient population for its contract obligations to L.A. Care, DHS is currently participating in negotiations between L.A. Care and i2i Systems, Inc., with L.A. Care paying the cost to acquire i2iTracks® to augment the provision of services at DHS facilities at no direct County cost.

RECOMMENDATION:

It is recommended that your Board delegate authority to the Director of Health Services, or his designee, to:

1. Negotiate and accept contract assignment rights, license rights and other benefits from i2i Systems, paid for by L.A. Care, with no cost to the County, effective upon execution by L.A. Care and assigned to County, and accept assignment of the contract rights with modification to County's standard contract provisions with respect to mutual indemnification, modification of terms with respect to capitation of liability and/or some other provisions of value in order to acquire the necessary software, upon review and approval by County Counsel and the Chief Executive Office (CEO), and with notice to your Board.

If you have any questions or need additional information, please contact me or your staff may contact Dr. John Schunhoff, Chief Deputy Director, at (213) 240-8370.

MHK:JFS:mjj

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors