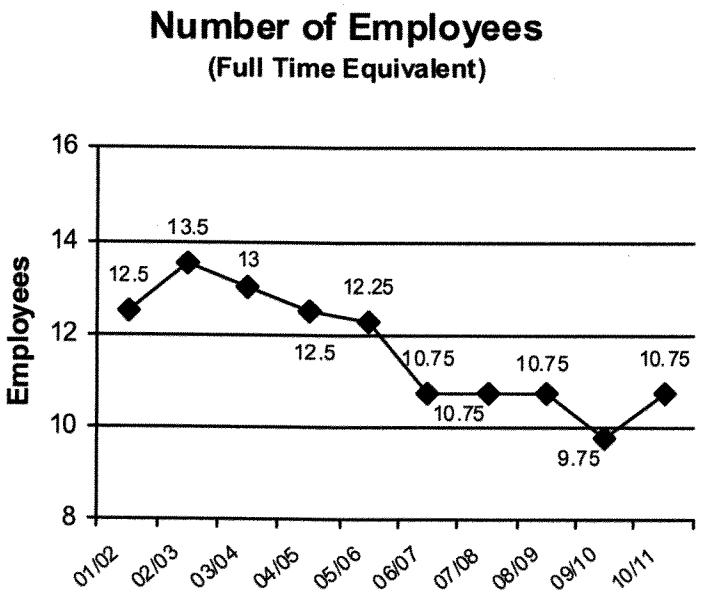
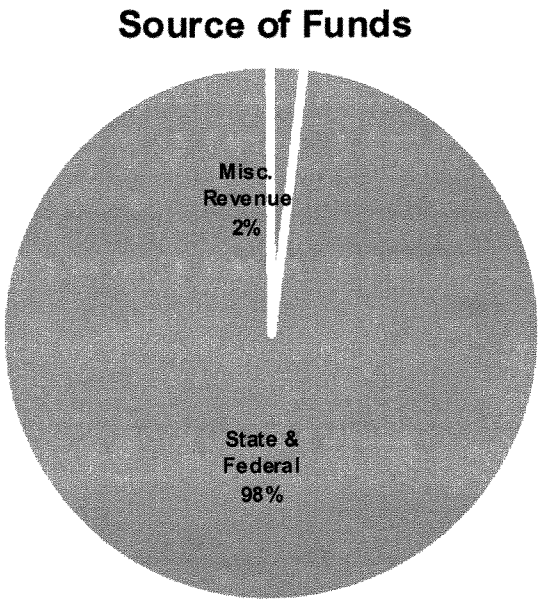
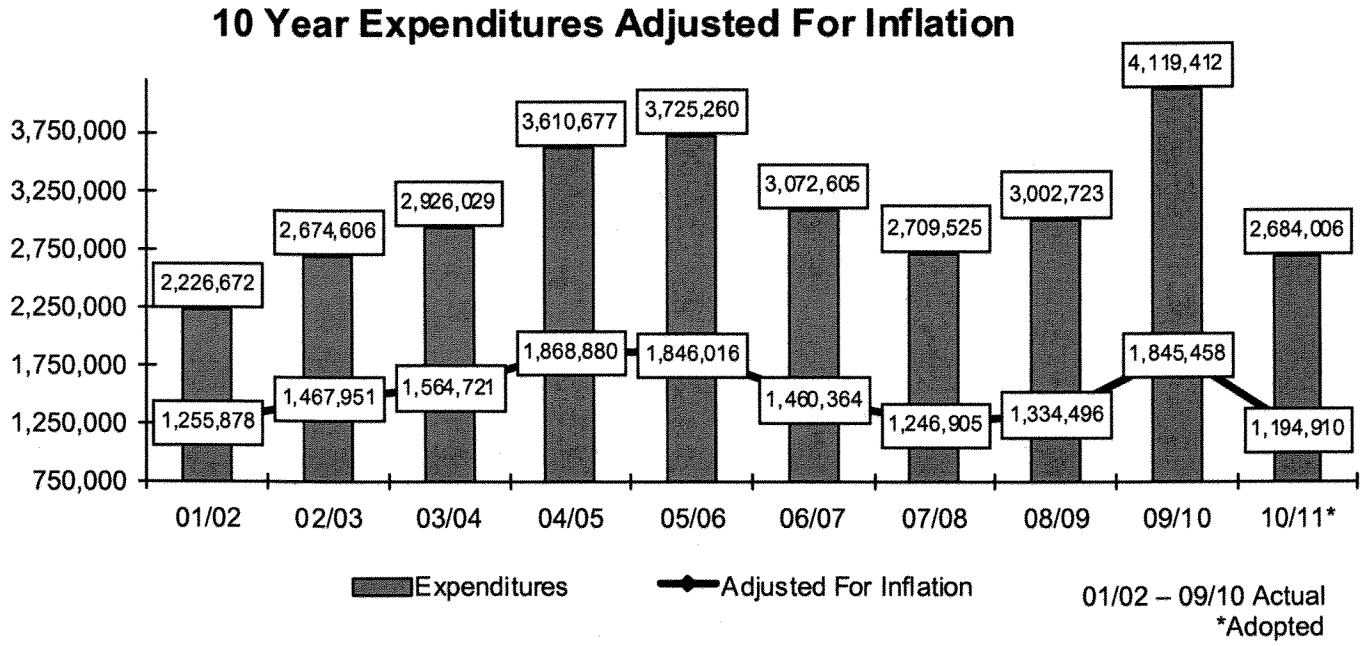
MISSION STATEMENT

The County Medical Services Program (CMSP) is part of the Health Agency's Health Care Services Division, which determines eligibility, and provides utilization review and accounting services to ensure proper access to health care for the medically indigent.

Financial Summary	2008-09 Actual	2009-10 Actual	2010-11 Requested	2010-11 Recommended	2010-11 Adopted
Revenue from Use of Money & Property	$ 39,136	$ 12,194	$ 18,000	$ 18,000	$ 18,000
Intergovernmental Revenue	3,124,706	2,715,099	2,662,012	2,636,266	2,636,266
Other Financing Sources	0	0	3,650,000	0	0
Interfund	113,771	67,414	29,740	29,740	29,740
Total Revenue	$ 3,277,613	$ 2,794,707	$ 6,359,752	$ 2,684,006	$ 2,684,006
Fund Balance Available	$ 38,961	$ 48,734	$ 0	$ 0	$ 350
Cancelled Reserves	0	0	0	0	0
Total Financing Sources	$ 3,316,574	$ 2,843,441	$ 6,359,752	$ 2,684,006	$ 2,684,356
Salary and Benefits	$ 843,149	$ 913,385	$ 993,352	$ 967,606	$ 967,606
Services and Supplies	2,159,574	3,206,027	1,716,400	1,716,400	1,716,400
Other Charges	0	0	3,650,000	0	0
Fixed Assets	0	0	0	0	0
Gross Expenditures	$ 3,002,723	$ 4,119,412	$ 6,359,752	$ 2,684,006	$ 2,684,006
Contingencies	0	0	0	0	350
New Reserves	38,961	48,734	0	0	0
Total Financing Requirements	$ 3,041,684	$ 4,168,146	$ 6,359,752	$ 2,684,006	$ 2,684,356







SERVICE PROGRAMS

County Medical Services Program Administration (CMSP)

This program facilitates access to health care for eligible adults who cannot afford to pay for their medical care. The program authorizes and pays for medical care in partnership with Community Health Centers, who provide primary care for CMSP patients. Staff perform eligibility determination, utilization review and case management, medical claims processing, fund accountability, program evaluation, and financial reporting to various agencies.

Total Expenditures: $2,654,266 Total Staffing (FTE): 9.75

Emergency Medical Service Program (EMSP)/Other Indigent Health Program (OIHP) Support

This program includes administrative, clerical and accounting support for the Emergency Medical Services Program (EMSP) and the Other Indigent Health Program (OIHP).

Total Expenditures: $29,740 Total Staffing (FTE): 1.00

DEPARTMENT COMMENTS

The County Medical Services Program (CMSP) authorizes medical care and assists with medical payments for eligible County residents between the ages of 21 and 64 who are unable to pay for their medical care and who do not qualify for MediCal or any other publicly funded program. The program was established to meet the legislative requirements of the California Welfare and Institutions Code 17000, whereby the County is obligated to relieve and support poor and indigent persons in obtaining medical care. CMSP works in partnership with Community Health Centers of the Central Coast, local specialists and hospitals to ensure access to high quality medical care.

Internal Business Improvements – As *good* as possible...

FY 2009-10 Accomplishments:

- The Quality Assurance Committee met quarterly to review 5% of all cases processed that quarter. The error rate on eligibility determination is less than 1%.

- We have incorporated processes and procedures to ensure that we are safeguarding client information appropriately and following Health Insurance Portability and Accountability Act (HIPAA) and California Confidentiality of Medical Information Act (CMIA) laws.

FY 2010-11 Objectives:

- We have assembled a team with Information Technology and accounting staff to assess the software used to store patient information. Although the software is working, it has become outdated. Our goal is to find another data system that is up-to-date and fulfills the requirements.
- We have implemented a new procedure for answering telephone calls where there is a brief message that has the ability to assist a caller without live interaction. Our goal is to avoid interruptions while processing medical claims.

Finance – As *cost efficient* as possible...

FY 2009-10 Accomplishments:

- We were able to increase our use of day surgery centers in FY 2009-10 by 10%, saving approximately $18,850.

FY 2010-11 Objectives:

- We have utilized a new information system, InterQual, that assists in utilization review to determine the necessity of a diagnostic test. We have saved approximately $35,000 in FY 2009-10 through January 2010 by denying unnecessary Magnetic Resonance Imaging (MRI) tests. Our goal is to save $60,000 a year.

Customer Service – As *responsive* as possible...

FY 2009-10 Accomplishments:

- We revised our client brochure to make it more client-friendly and easier to read.
- CMSP is now open from 8:00 a.m. to 5:00 p.m. to accommodate the needs of people seeking CMSP funding.

FY 2010-11 Objectives:

- Our goal this year on overall satisfaction on our customer service survey is 88%.
- We plan on conducting a comprehensive survey of local medical providers, asking them how we can improve services.

Learning and Growth – As *responsible* as possible...

FY 2009-10 Accomplishments:

- We have incorporated in-service learning sessions into our regular staff meetings to help staff stay educated on topics that will help them do a better job with clients. This year we have had presentations from Aids Support Network and SLO Hepatitis C Project.

FY 2010-11 Objectives:

- We will continue in-service learning at staff meetings. We will continue to focus on local non-profits who have services that could benefit our clients.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

Total expenditures are budgeted to decrease $250,907 or 8% in FY 2010-11 compared to the FY 2009-10 Adopted Budget. For the third year in a row no General Fund support is requested for CMSP. This is mainly due to the budgeted use of $858,000 of cash balance reserve in the treasury that has accumulated over the past several years. While estimated expenditures for medical costs, including emergency room visits, hospital stays, surgeries, outpatient visits and other costs are budgeted to increase by $650,000 the use of this cash balance

results in a $208,000 net reduction in expenditures. This offset makes up the majority of the overall decrease in expenditures. The Health Agency projects that FY 2010-11 will be the last year General Fund support will be entirely offset by this funding source, estimating that about $400,000 will remain for use in FY 2011-12. Other significant expenditure variances include:

- A reduction of $19,447 in General Fund support created by not budgeting for a FY 2010-11 prevailing wage increase. In the past, divisions of the Health Agency typically budgeted to provide some funding should it be necessary to pay for a prevailing wage increase in a particular year. This was done mainly to ensure that where a program received State and Federal reimbursement revenue, the amount received would be as close to full cost as possible. Over the years reimbursement rates have not kept pace with actual costs and it is no longer necessary for Health Agency programs to budget for a prevailing wage increase. For FY 2010-11 the Health Agency has opted not to budget for this cost. If it is determined that an increase is in order for FY 2010-11, the Health Agency will need to offset the increase in Salary and Benefits with expense savings or unanticipated revenue.
- A $33,374 overall reduction in other charges for inter-departmental services and overhead costs.

State realignment revenue, which is the primary funding source for this program, has declined dramatically over the last two fiscal years as a result of the recession. This decline is expected to continue in FY 2010-11 compared to the FY 2009-10 adopted amount, with realignment funding for CMSP budgeted to decrease $70,522 or 2%.

No changes to the CMSP Position Allocation List (PAL) are recommended for FY 2010-11.

BOARD ADOPTED CHANGES

The FY 2009-10 year-end fund balance in the amount of $350 was transferred to FY 2010-11 Contingencies for this fund center.

GOALS AND PERFORMANCE MEASURES

Department Goal: The overall goal of the County Medical Services Program (CMSP) is to provide access to health care for the medically indigent by efficiently determining program eligibility, authorizing medical care and arranging for services to promptly diagnose and treat medical conditions.

Communitywide Result Link: Healthy Community

1. Performance Measure: Percentage of clients rating CMSP's overall performance as Very Satisfied or Extremely Satisfied.

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
98%	98%	100%	84%	84%	55%	85%

What: Approximately 20 clients per month provided survey responses regarding their CMSP experience. The client survey encompasses their experience with eligibility determination, their interactions with the utilization review nurses and the accounting department, hours of service, and overall satisfaction with the program. The performance measure takes into consideration each survey question and calculates overall performance of the program.

Why: Because the County Medical Services Program is committed to providing high quality service, client satisfaction is an indication of program quality. The client satisfaction survey allows us to improve our programs based on participant feedback.

How are we doing? Client satisfaction with CMSP's performance has been very high in the past, but previous year's performance measures used "satisfactory" as the performance target. Excellent customer service and facilitating access to health care for the patients is our top priority. In FY 2008-09, the client satisfaction survey was revised to make it more meaningful. We currently use a 5-point scale, 5 being extremely satisfied, 4 very satisfied, 3 satisfied, 2 unsatisfied, down to 1 being very unsatisfied. Using this scale, 84% of surveyed clients in FY 2008-09 indicated they were "extremely" or "very satisfied" with CMSP services. The actual FY 2009-10 percentage was 55%. Several factors may have contributed to the decline in satisfaction. The most apparent factor contributing to a lower satisfaction is the downturn in the economy, which has resulted in increased caseloads for staff. Since CMSP staff capacity has not increased, clients are experiencing longer wait times for eligibility determination and reviews of medical appropriateness. Another possible explanation for the variance is that clients are not required to fill out the survey. Results may be skewed as a result as clients filling out the survey may be those who are either really happy or really angry with the service they received. As always, CMSP staff is working towards a 100% performance rating and strives to interact with the public professionally and appropriately so each encounter leaves our customers feeling well-served. Management will discuss ways of increasing the number of surveys received and incorporate some mechanism for random surveying.

Department Goal: Reduce professional service costs when appropriate by diverting day surgeries from hospitals to licensed surgery centers.

Communitywide Result Link: Healthy Community and Well Governed Community

2. Performance Measure: Percentage of day surgeries referred to surgery centers.

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
14%	19%	14%	19%	20%	44%	35%

What: This measure tracks the percentage of day surgeries that are performed at local surgery centers rather than performed at hospitals. CMSP's Utilization Review nurses have been working with local medical providers and are currently referring day surgery clients to less costly surgery centers when appropriate.

Why: It is well documented that hospitals have much higher overhead and charge approximately twice what a licensed surgery center charges for the same medical procedure. A patient at a licensed surgery center will receive the same level of care as they will at a hospital.

CMSP recognizes that it is important to be a good steward of the money entrusted to us by the public. Therefore, when appropriate, we will refer patients to licensed surgery centers in San Luis Obispo County versus the more expensive hospital alternative.

How are we doing: For FY 2009-10, the percentage of day surgeries performed at local surgery centers instead of local hospitals, was 44% (86 out of 199). Our FY 2009-10 Adopted target was 20%. CMSP saved approximately $54,000 by referring patients to licensed day surgery centers instead of these surgeries being performed at local hospitals. There is no comparable county data available.

3. Performance Measure: Average number of CMSP applications pending eligibility determination. (New performance measure in FY 2010-11.)

05-06 Actual Results	06-07 Actual Results	07-08 Actual Results	08-09 Actual Results	09-10 Adopted	09-10 Actual Results	10-11 Target
New Measure	New Measure	New Measure	New Measure	New Measure	60	65

What: This measure tracks the monthly average number of CMSP applications that are awaiting eligibility determination by each of the three Eligibility Technicians (ET's) currently working in CMSP.

Why: This measure indicates our efficiency in processing CMSP clients applications, ensuring medical services are provided in a timely manner. The lower the number of pending applications, the faster clients are determined eligible, or not, for medical care assistance.

How are we doing: The number of CMSP applicants seeking medical care assistance has increased over the past year, in particular, a result of current economic conditions. Prior to the economic downturn, the current three ET's were able to process applications quick enough to each maintain an average pending eligibility list of approximately 30 applicants. The number 30 represents the average number of applicants per staff member waiting to be approved, but it also includes applicants who have not returned all of their financial verifications. During FY 09-10 one ET was out on medical leave and there was an increase in the number of applicants seeking medical care. During that period the two ET's maintained on average of over 100 applicants pending eligibility. The third ET returned to work in December of 2009. While the Division still anticipates a depressed economy and similarly a high volume patient caseload, it is assuming that in FY 2010-11, the average will continue at this lower level.