

W. 4.E. 1.

ABBREVIATED CONSENT CALENDAR FORMAT

MEMORANDUM DATE: March 19, 2007

ORDER DATE: April 4, 2007

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TO: Board of County Commissioners

DEPARTMENT: Health and Human Services

PRESENTED BY: Rob Rockstroh

AGENDA ITEM TITLE: ORDER \_\_\_\_\_ / IN THE MATTER OF ACCEPTING FUNDING IN THE FORM OF BILLING AUTHORITY IN THE AMOUNT OF \$591,234 FOR THE PERIOD MARCH 1, 2007 THROUGH FEBRUARY 28, 2010 FROM THE LANE INDIVIDUAL PRACTICE ASSOCIATION FOR THE FEDERALLY QUALIFIED HEALTH CENTER.

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I. MOTION

In The Matter Of Accepting Funding In The Form Of Billing Authority In The Amount Of \$591,234 For The Period March 1, 2007 Through February 28, 2010 From The Lane Individual Practice Association For The Federally Qualified Health Center.

II. DISCUSSION

A. Background/Analysis

This agenda item meets the abbreviated consent calendar criteria based on its delegation of authority to contract for revenue from a managed care organization, with this contractual authority being a requirement to receive State prospective payment system funds (OAR 410-147-0080).

The Board previously authorized the acceptance of billing authority from the Lane Individual Practice Association (LIPA) for the Federally Qualified Health Center (FQHC) for the period 03/01/2004 through 02/28/2007 via BO 04-03-31-09. The current order seeks to establish similar authority for a subsequent three year period, from 03/01/2007 through 02/28/2010.

The negotiated contract will provide for a payment from LIPA, a managed care organization (MCO), to the FQHC of \$30.49 per encounter. OAR 410-147-0080(2) encourages all FQHCs to negotiate contracts with MCOs and that it

requires that FQHCs bill these MCOs for services, prior to billing the State Department of Medical Assistance Programs, for the Prospective Provider System rate offered to FQHCs (frequently referred to as the "wraparound", currently worth approximately \$211 additional dollars per client. Please note that the estimated wraparound funds generated by this agreement are routinely included in the FQHC's annual budget and authority to accept these payments from DMAP is not sought via this Board Order).

In calendar year 2006, the FQHC served more than 1,000 LIPA clients, generating close to 4,000 encounters. The estimated value of the revenue to be generated by the contract is \$591,234 assuming an annual increase of 15% in the number of LIPA clients and a continued utilization rate of more than three visits per year, per person.

B. Recommendation

To accept funding in the form of billing authority from LIPA and to delegate the requisite authority to the County Administrator to execute the negotiated agreement.

III. ATTACHMENT

Board Order

**THE BOARD OF COUNTY COMMISSIONERS, LANE COUNTY, OREGON**

RESOLUTION ) IN THE MATTER OF ACCEPTING FUNDING IN THE FORM  
AND ORDER: ) OF BILLING AUTHORITY IN THE AMOUNT OF \$591,234 FOR  
) THE PERIOD MARCH 1, 2007 THROUGH FEBRUARY, 28,  
) 2010 FROM THE LANE INDIVIDUAL PRACTICE  
) ASSOCIATION FOR THE FEDERALLY QUALIFIED HEALTH  
) CENTER

WHEREAS, Lane County through the Department of Health & Human Services, Human Services Commission has been awarded funding for, and been designated as, a Federally Qualified Health Center; and

WHEREAS, Lane County is able to be paid a Prospective Payment System (PPS) rate of \$241 per encounter for Medicaid/OHP clients; and

WHEREAS, in order to receive the PPS rate Lane County must have previously billed the client's managed care organization, thereby creating the need for the Federally Qualified Health Center to negotiate an agreement with each of the managed care organizations operating within its geographic limits; and

WHEREAS, the Lane Individual Practice Association is responsible for the managed health care of a substantial number of Lane County residents; and

WHEREAS, the Lane Individual Practice Association has agreed to enter into a contractual billing services relationship with Lane County for services provided to eligible Medicaid/OHP clients at the Federally Qualified Health Clinic.

NOW, THEREFORE, IT IS HEREBY RESOLVED AND ORDERED that Lane County accept funding as billed to the Lane Individual Practice Association for services provided to their clients at the Federally Qualified Health Center; and

IT IS FURTHER ORDERED the County Administrator be delegated authority to sign an agreement with the Lane Individual Practice Association for billing authority in the amount of \$591,234 for the period March 1, 2007 through February 28, 2010.

DATED this \_\_\_\_\_ day of April, 2007.

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Faye Stewart, Chair  
Lane County Board of Commissioners

APPROVED AS TO FORM  
Date 3-26-07 Lane County

  
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OFFICE OF LEGAL COUNSEL