



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: *April 23, 2024*

DATE: Thursday, April 18, 2024

TO: Board of County Commissioners

FROM: Ryan Gustafson, Director, Human Services Agency
775-785-8600, rgustafson@washoecounty.gov

THROUGH: Kate Thomas, Assistant County Manager

SUBJECT: Recommendation to approve Amendment #2 to the Interlocal Contract between the Department of Health and Human Services (Division of Health Care Financing and Policy) and the County of Washoe to authorize Human Services Agency to participate in claiming allowable reimbursements covered under Federal Title XIX of the Social Security Act, for activities performed for Medicaid Targeted Case Management (TCM) Services, Adult Day Health Care Direct Services, and Medicaid Administrative Services, retroactive July 1, 2022 to June 30, 2026, which will revise the Scope of work to include language for reimbursement for individuals “including the homeless population” and increases the maximum amount from [\$32,438,002.00 (\$7,526,000.00 for FY23; \$7,902,300.00 for FY24; \$8,297,416.00 for FY25; \$8,712,286.00 for FY26)] to [\$40,324,493.17 (\$8,435,977.85 for FY23; \$10,153,698.66 for FY24; \$10,602,349.86 for FY25; \$11,132,466.80 for FY26)] due to the increase in Administrative Claiming for expanded population; and if approved, authorize Chairman to execute Contract. (All Commission Districts.)

SUMMARY

The Human Services Agency is recommending the Board approve Amendment #2 to the Interlocal Contract between the Department of Health and Human Services (Division of Health Care Financing and Policy) and the County of Washoe to authorize Human Services Agency to participate in claiming allowable reimbursements covered under Federal Title XIX of the Social Security Act, for activities performed for Medicaid Targeted Case Management (TCM) Services, Adult Day Health Care Direct Services, and Medicaid Administrative Services, retroactive July 1, 2022 to June 30, 2026, which will revise the Scope of work to include language for reimbursement for individuals “including the homeless population” and increases the maximum amount from [\$32,438,002.00 (\$7,526,000.00 for FY23; \$7,902,300.00 for FY24; \$8,297,416.00 for FY25; \$8,712,286.00 for FY26)] to [\$40,324,493.17 (\$8,435,977.85 for FY23; \$10,153,698.66 for FY24; \$10,602,349.86 for FY25; \$11,132,466.80 for FY26)] due to the increase in Administrative Claiming for expanded population; and if approved, authorize Chairman to execute Contract.

AGENDA ITEM # _____

Washoe County Strategic Objective supported by this item: Vulnerable Populations

PREVIOUS ACTION

On March 22, 2022, the Board approved an Interlocal Contract between the Department of Health and Human Services (Division of Health Care Financing and Policy) and the County of Washoe to authorize Human Services Agency to participate in claiming allowable reimbursements covered under Federal Title XIX of the Social Security Act, for activities performed for Medicaid Targeted Case Management (TCM) Services, Adult Day Health Care Direct Services, and Medicaid Administrative Services, July 1, 2022 to June 30, 2026 for approximately [\$7,526,000.00] for SFY 2023, [\$7,902,300.00] for SFY 2024, [\$8,297,416.00] for SFY 2025, and [\$8,712,286.00] for SFY 2026 with a total reimbursement not to exceed [\$32,438,002.00] for the term of the contract.

On May 21, 2019, the Board approved the Interlocal Contract between the Department of Health and Human Services (Division of Health Care Financing and Policy) and the County of Washoe to authorize Human Services Agency to participate in claiming allowable reimbursements covered under Federal Title XIX of the Social Security Act, for activities performed for Medicaid Targeted Case Management (TCM) Services, Adult Day Health Care Direct Services, and Medicaid Administrative Services, retroactive July 1, 2017 to June 30, 2022 for approximately [\$4,800,000] for SFY 2018, [\$5,600,000] for SFY 2019, [\$5,900,000] for SFY 2020, [\$6,100,000] for SFY 2021 and [\$6,100,000] for SFY 2022 with a total reimbursement not to exceed [\$28,500,000] for the term of the contract.

On August 8, 2017, the Board approved the Interlocal Contract between the Department of Health and Human Services (Division of Health Care Financing and Policy) and the County of Washoe (Senior Services) to authorize Senior Services to accept from Nevada Medicaid Administrative Claiming reimbursements for services retroactively from July 1, 2017; and for medical services retroactively from July 1, 2017 through June 30, 2022.

On December 8, 2015, the Board approved an Interlocal Contract Between Public Agencies between the State of Nevada Department of Health and Human Services, Division of Health Care Financing and Policy and Washoe County, authorizing the Department of Social Services to participate in claiming allowable reimbursements covered under Federal Title XIX of the Social Security Act, for activities performed for Medicaid Targeted Case Management (TCM) Services, Direct Services, and Medicaid Administrative Services, retroactive to July 1, 2015 until June 30, 2019 for approximately \$437,000 for SFY 2016, \$475,000 for SFY 2017, \$525,000 for SFY 2018 and \$570,000 for SFY 2019 with the total reimbursement not exceeding \$2,007,000 for administrative services costs only for the term of the contract.

On November 12, 2013, the Board approved the Interlocal Contract between the Department of Health and Human Services (Division of Health Care Financing and Policy) and the County of Washoe (Senior Services) to authorize Senior Services to accept from Nevada Medicaid Administrative Claiming reimbursements for services retroactively from July 1, 2012; and for medical services retroactively from January 1, 2012 through June 30, 2017.

BACKGROUND

The Medicaid program is authorized by Federal Title XIX of the Social Security Act. It is a state-administered health insurance program that is jointly funded by federal, state and local governments. States each operate individual Medicaid programs within broad federal guidelines. Medicaid is an open-ended entitlement program, with states receiving federal reimbursement for eligible claims they submit. The federal matching rate depends on the state's per capita income.

In addition to covering direct health service expenses (e.g., payments to mental health counselors, nursing services, medications, etc.), Medicaid can also be used by states for certain services and activities related to child welfare, including Targeted Case Management (TCM) (when a state identifies a specific population to provide assistance with securing services), and associated administrative costs of these activities.

It is the State's responsibility to work with the Federal Government to obtain funding for allowable costs. Since Washoe County provides all aspects of child welfare services, the County bills the State Medicaid insurance program for reimbursement of allowable costs. This Interlocal Contract provides the framework for the County's responsibilities and State's obligation for payment.

The contract had historically been approved by the Board as two separate agreements until combining the contracts into a single Interlocal Contract for Washoe County on behalf of the Human Services Agency in April 2019.

Amendment #1 to this contract was executed September 15, 2023 and revised the Scope of Work to include language for reimbursement for *individuals* effective July 1, 2022, which was omitted from the original contract. Due to the nature of this Amendment, approval by the Board was not necessary.

FISCAL IMPACT

Budget authority for revenues associated with this agreement will be recommended to the Board in the FY25 Budget within the Human Services Agency's Senior Services Fund (225), Child Protective Services Fund (228), Indigent Fund (221) and Homelessness Fund (223). Revenue is tracked in the following G/L accounts:

- 460501 - Medicaid Clinic Services
- 460502 - Medicaid Management
- 460507 - Medicaid Administration

RECOMMENDATION

It is recommended the Board approve Amendment #2 to the Interlocal Contract between the Department of Health and Human Services (Division of Health Care Financing and Policy) and the County of Washoe to authorize Human Services Agency to participate in claiming allowable reimbursements covered under Federal Title XIX of the Social Security Act, for activities performed for Medicaid Targeted Case Management (TCM) Services, Adult Day Health Care Direct Services, and Medicaid Administrative Services, retroactive July 1, 2022 to June 30, 2026, which will revise the Scope of work to include language for reimbursement for individuals "including the homeless population" and increases the maximum amount from [\$32,438,002.00 (\$7,526,000.00 for FY23; \$7,902,300.00 for FY24; \$8,297,416.00 for FY25; \$8,712,286.00 for FY26)] to

[\$40,324,493.17 (\$8,435,977.85 for FY23; \$10,153,698.66 for FY24; \$10,602,349.86 for FY25; \$11,132,466.80 for FY26)] due to the increase in Administrative Claiming for expanded population; and if approved, authorize Chairman to execute Contract.

POSSIBLE MOTION

Should the Board agree with the staff's recommendation, a possible motion would be: "Move to approve Amendment #2 to the Interlocal Contract between the Department of Health and Human Services (Division of Health Care Financing and Policy) and the County of Washoe to authorize Human Services Agency to participate in claiming allowable reimbursements covered under Federal Title XIX of the Social Security Act, for activities performed for Medicaid Targeted Case Management (TCM) Services, Adult Day Health Care Direct Services, and Medicaid Administrative Services, retroactive July 1, 2022 to June 30, 2026, which will revise the Scope of work to include language for reimbursement for individuals "including the homeless population" and increases the maximum amount from [\$32,438,002.00 (\$7,526,000.00 for FY23; \$7,902,300.00 for FY24; \$8,297,416.00 for FY25; \$8,712,286.00 for FY26)] to [\$40,324,493.17 (\$8,435,977.85 for FY23; \$10,153,698.66 for FY24; \$10,602,349.86 for FY25; \$11,132,466.80 for FY26)] due to the increase in Administrative Claiming for expanded population; and if approved, authorize Chairman to execute Contract."